

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re:	:	Chapter 11
CHERRY BROS., LLC, <i>et al.</i> ,	:	Case No. 19-11644-amc
Debtors. <sup>1</sup>	:	Jointly Administered
	:	
	:	

**NOTICE OF AUCTION AND SALE HEARING IN CONNECTION WITH THE SALE OF  
SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS**

NOTICE IS HEREBY GIVEN, as follows:

1. **Approval of Bid Procedures.** On April 4, 2019, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed a motion with the United States Bankruptcy Court for the Eastern District of Pennsylvania seeking approval of among other things: (i) bid procedures (the “Bid Procedures”) in connection with the sale (the “Sale”) of substantially all of the Debtors’ assets; (ii) procedures for the Debtors’ assumption and assignment of certain executory contracts and unexpired leases, including deadlines for objections to such assumption and assignment; (iii) a date and time for a sale hearing (the “Sale Hearing”); and (iv) related relief (the “Motion”).<sup>2</sup> On April 15, 2019, the Bankruptcy Court entered an order approving the Bid Procedures (the “Bid Procedures Order”).

2. **Stalking Horse Bidder and Bid Protections.** The Debtors have entered into an asset purchase agreement (the “APA”) with CDFund, LLC (the “Stalking Horse Bidder”) for the Sale free and clear of all liens, claims, encumbrances, and other interests to the maximum extent permitted by section 363 of Bankruptcy Code. The APA provides that, in the event that the Debtors consummate the Sale to a bidder other than the Stalking Horse Bidder, the Stalking Horse Bidder shall receive: (i) a \$50,000 break-up fee; and (ii) reimbursement of reasonable and document fees and expenses of up to \$50,000.

3. **Competing Qualified Bids Welcomed.** All interested parties are invited to submit Qualified Bids to purchase all or portions of the Debtors’ assets in accordance with the terms of the Bid Procedures. The Bid Procedures set forth the requirements for a Qualified Bid, including without limitation:<sup>3</sup>

- a. An asset purchase agreement that satisfies the requirements of the Bid Procedures, including a blackline against the Stalking Horse Bidder’s APA.
- b. Satisfactory evidence of committed financing or other ability to consummate the Sale.
- c. A 10% Good Faith Deposit.

<sup>1</sup> The Debtors in the above-captioned chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Cherry Bros., LLC (0061); and C. Bros Holdings, LLC (3923). The principal place of business of the Debtors is 707 N. Valley Forge Road, Suite 102, Lansdale, Pennsylvania 19446.

<sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings provided in the Motion.

<sup>3</sup> This high level summary is qualified in its entirety by the Bid Procedures Order. Interested parties should review the Bid Procedures Order for the specific requirements of a Qualified Bid.

Interested parties are encouraged to review the Bid Procedures and invited to contact the Debtors' investment banker, SSG Advisors, LLC, by contacting the individuals below:

**J. Scott Victor**  
Managing Director  
(610) 940-5802  
jsvictor@ssgca.com

**Neil Gupta**  
Director  
(610) 940-2663  
ngupta@ssgca.com

**Alexander D. Lamm**  
Associate  
(610) 940-3882  
alamm@ssgca.com

4. **Due Diligence Deadline.** Any potential bidder will be granted access to a data room by delivering to SSG: (i) an executed confidentiality agreement in form and substance satisfactory to the Debtors; and (ii) evidence of financial ability to close the Sale, by no later than **May 3, 2019**.

5. **Auction.** The Debtors shall hold an auction on **May 7, 2019, starting at 10:00 a.m. ET** at the offices of Benesch, Friedlander, Coplan & Aronoff LLP, One Liberty Place, 1650 Market Street, 36th Floor, Philadelphia, Pennsylvania 19103. Qualified Bids may be submitted at the Auction, but the Debtors encourage potential bidders to submit bids to SSG prior to the Auction. Any potential bidder intending to submit a Qualified Bid and participate in the Auction, as well as any parties in interest wanting to attend the Auction, must email SSG and Debtors' counsel, Michael J. Barrie, Esq. and Jennifer R. Hoover, Esq. (email: [mbarrie@beneschlaw.com](mailto:mbarrie@beneschlaw.com) and [jhoover@beneschlaw.com](mailto:jhoover@beneschlaw.com)), by **noon ET on May 5, 2019** (the "**Notification Deadline**") in order to be added to the visitor list. If no potential bidders other than the Stalking Horse Bidder send an email to Debtors' counsel indicating an intent to submit a Qualified Bid by the Notification Deadline, the Auction will be cancelled.

6. **Sale Hearing and Objections to Sale.** The Sale Hearing to consider approval of the sale of the Assets to the Successful Bidder(s) at the Auction, free and clear of all liens, claims, encumbrances and other interests, shall be held before the Honorable Ashely M. Chan, United States Bankruptcy Judge, 900 Market Street, Philadelphia, Pennsylvania 19107 on **May 14, 2019, at 9:00 a.m. ET**, or at such other time thereafter as counsel may be heard. The Sale Hearing may be adjourned from time to time without further notice other than by announcement in open court or on the Bankruptcy Court's docket. Objections may be made at or prior to the Sale Hearing.

7. **Proposed Assumption and Assignment of Certain Contracts.** The Debtors shall seek to assume and assign certain executory contracts and unexpired leases to the Successful Bidder(s). The identification of those contracts and leases, the proposed cure amounts, and deadline for objections to such assumption and assignment shall be set forth in a separate notice to contract counterparties.

8. **Further Information.** Parties interested in receiving copies of any related document, including the Sale Motion and the Bid Procedures Order, may make a written request to Debtors' counsel. (email: [mbarrie@beneschlaw.com](mailto:mbarrie@beneschlaw.com) and [jhoover@beneschlaw.com](mailto:jhoover@beneschlaw.com)). Copies of the Sale Motion, the Bid Procedures Order, and this Notice are also on file with the Clerk of the Bankruptcy Court for the Eastern District of Pennsylvania, 900 Market Street, Suite 400, Philadelphia, Pennsylvania, 19107.

Dated: April 18, 2019

**BENESCH, FRIEDLANDER, COPLAN & ARONOFF LLP**

*/s/ Jennifer R. Hoover*

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