**IN THE UNITED STATES BANKRUPTCY COURT**
**FOR THE DISTRICT OF DELAWARE**

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| In re: | ) | Chapter 11 |
| WEST MARINE, INC., *et al.*,[1] | ) | Case No. 26-10794 (KBO) |
| Debtors. | ) | (Jointly Administered) |
| | ) | **Re: Docket No. 80** |

**ORDER (I) AUTHORIZING THE DEBTORS TO ASSUME CONSULTING AGREEMENT, (II) AUTHORIZING STORE CLOSING SALES AT CERTAIN LOCATIONS AND APPROVING RELATED PROCEDURES, (III) AUTHORIZING CUSTOMARY COMPENSATION ENHANCEMENT, AND (IV) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"): (a) authorizing the Debtors to assume the portions of the Consulting Agreement (a copy of which is attached hereto as **Schedule 1**) relating to the Retail Services; (b) authorizing the Store Closing Sales free and clear of all liens, claims, and encumbrances, and the Store Closings on the terms and subject to the conditions set forth in the Consulting Agreement and the Sale Guidelines attached hereto as **Schedule 2**; (c) authorizing customary compensation enhancement to employees who remain employed during the duration of the Store Closings and/or these chapter 11 cases; and (d) granting certain related relief; and upon the First Day Declaration; and upon the *Declaration of Eric W. Kaup in Support of Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Assume*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: West Marine, Inc. (5502); Marine One Holdco, LLC (2231); Marine One Parent, Inc. (0402); Rising Tide Holdings Inc. (2628); Rising Tide Parent Inc. (6153); Seascapes, Inc. (3739); W Marine Management Company, Inc. (4151); and West Marine Products, Inc. (4523). For purposes of these chapter 11 cases, the Debtors' service address is West Marine Headquarters, 1 East Broward Blvd., Suite 200, Fort Lauderdale, FL 33301.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

*Consulting Agreement, (II) Authorizing Store Closing Sales and Approving Related Procedures, (III) Authorizing Customary Compensation Enhancement, and (IV) Granting Related Relief* [Docket No. 83]; and upon the *Declaration of Jonas D.L. McCray in Support of Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Assume Consulting Agreement, (II) Authorizing Store Closing Sales and Approving Related Procedures, (III) Authorizing Customary Compensation Enhancement, and (IV) Granting Related Relief* [Docket No. 106]; and upon the *First Supplemental Declaration of Eric W. Kaup in Support of Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Assume Consulting Agreement, (II) Authorizing Store Closing Sales and Approving Related Procedures, (III) Authorizing Customary Compensation Enhancement, and (IV) Granting Related Relief* [Docket No. 108]; and upon the *First Supplemental Declaration of Jonas D.L. McCray in Support of Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Assume Consulting Agreement, (II) Authorizing Store Closing Sales and Approving Related Procedures, (III) Authorizing Customary Compensation Enhancement, and (IV) Granting Related Relief* [Docket No. 190] and the United States District Court for the District of Delaware having jurisdiction over this matter pursuant to 28 U.S.C. § 1334, which was referred to this Court under 28 U.S.C. § 157 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter this Order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the

Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"), if any; and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor; IT IS HEREBY FOUND AND DETERMINED THAT[3]

A. The Debtors have advanced sound business reasons for assuming the Consulting Agreement, attached hereto as **Schedule 1**, and adopting the Sale Guidelines, attached hereto as **Schedule 2**, and assuming the Consulting Agreement is a reasonable exercise of the Debtors' business judgement and in the best interest of the Debtors and their estates.

B. The Consulting Agreement was negotiated, proposed, and entered into by the Agent and the Debtors without collusion, in good faith and from arm's length bargaining positions.

C. The Sale Guidelines are reasonable and appropriate, and conducting the Store Closings in accordance with the Sale Guidelines will provide an efficient means for the Debtors to dispose of the Store Closure Assets and are in the best interest of the Debtors' estates.

D. The Debtors have demonstrated good, sufficient, and sound business purposes and justifications for the relief approved herein.

E. The Store Closings and the related Store Closing Sales are in the best interest of the Debtors' estates.

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[3] Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact where appropriate. *See* Fed. R. Bankr. P. 7052.

F. The Dispute Resolution Procedures are fair and reasonable and comply with applicable law.

G. The Debtors have represented that they intend to neither sell nor lease personally identifiable information pursuant to the relief requested in the Motion.

H. The Agent is not an insider of the Debtors.

I. The Sale Compensation Enhancement Program is justified by the facts and circumstances of these chapter 11 cases, is a sound exercise of the Debtors' business judgement, and is necessary to maximize value to the estates.

J. The entry of this Order is in the best interests of the Debtors and their estates, creditors, and interest holders and all other parties in interest herein; and now therefore, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.

2. Except as otherwise provided herein and subject to paragraph 13 hereof, all objections to the relief granted in this Order that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby overruled and denied on the merits with prejudice.

3. The Debtors and the Agent are authorized to take all actions that are necessary and appropriate to effectuate the relief granted in this Order.

4. To the extent of any conflict between the Sale Guidelines and the Consulting Agreement, the Consulting Agreement shall control. To the extent of any conflict among this Order, the Sale Guidelines, and the Consulting Agreement, the terms of this Order shall control.

**I. Authority to Assume the Consulting Agreement**

5. The Debtors are authorized to assume the portions of the Consulting Agreement relating to the Retail Services pursuant to sections 363 and 365 of the Bankruptcy Code.

6. The Debtors are authorized to act and perform in accordance with the applicable terms of the Consulting Agreement, including making payments to the Agent as and when required by the Consulting Agreement in connection with the Retail Services without a further order of this Court and without the need for the Agent to apply for same and notwithstanding any budgets approved in connection with the Cash Collateral Orders (and all such payments of fees and reimbursement of expenses shall be free and clear of any and all Encumbrances (as defined below)). The Agent's fees and expenses shall be paid from the gross proceeds of the Store Closing Sales in accordance with the Consulting Agreement and shall be included in any budget approved by this Court in connection with the Cash Collateral Orders.

7. Subject to the restrictions set forth in this Order and the Sale Guidelines, the Debtors and the Agent are hereby authorized to take any and all actions as may be necessary or desirable to implement the applicable portions of the Consulting Agreement.

8. The Consulting Agreement and related documents may be modified, amended, or supplemented by the parties thereto in accordance with the terms thereof without further order of this Court so long as the interest of the landlords under the applicable Leases are not adversely affected, or as otherwise ordered by this Court upon notice to landlords, the Official Committee of Unsecured Creditors (the "Committee"), and the Consenting Stakeholders, and an opportunity to be heard to the extent of any objections, which may be sought on an expedited basis by any party.

9. Notwithstanding anything contrary in the Consulting Agreement, the Debtors and their estates shall not indemnify the Agent for any damages arising primarily out of the Agent's fraud, willful misconduct, or gross negligence.

10. The failure to specifically include any of the applicable provisions of the Consulting Agreement in this Order shall not diminish or impair the effectiveness of such provisions, it being

the intent of the Court that such portions of the Consulting Agreement be, and they hereby are, authorized and approved to the extent provided in this Order.

## II. Authority to Engage in and Conduct Store Closing Sales and Store Closings

11. The Debtors are authorized, pursuant to sections 105(a) and 363(b)(1) of the Bankruptcy Code, to commence and conduct the Store Closing Sales and the Store Closings in accordance with this Order, the Sale Guidelines, and the Consulting Agreement, and in a manner acceptable to the Required Consenting Term Loan Lenders (as defined in the Restructuring Support Agreement).

12. Subject to paragraph 13 hereof, the Sale Guidelines are approved in their entirety.

13. The Debtors shall file a list, or lists, of Store locations subject to Store Closing Sales (a "Store Closing List") with this Court, which shall be consistent with the review and consent rights of the Required Consenting Term Loan Lenders under the Restructuring Support Agreement. The Debtors shall serve a notice of their intent to conduct Store Closing Sales at the Stores subject to the Store Closing List, with a copy of this Order, on the Store Closing Landlords whose Stores are listed on the Store Closing List by overnight mail and email, where available, and on applicable Governmental Units by email, to the extent available, or by first class mail. For the avoidance of doubt, the Debtor shall serve a notice of the Store Closing List on the applicable Store Closing Landlords by overnight mail at the notice address set forth in the applicable Lease (or, if none, at the last known address available to the Debtors) and their counsel of record, if known. The Store Closing Landlords and any interested parties shall have five (5) business days after service of the applicable Store Closing List to object to the applicability of this Order to their Stores. If no timely objections are filed with respect to the application of this Order, as applicable, to the Stores listed on the Store Closing List, then the Debtors shall be authorized to proceed with the Store Closing Sales at the Stores subject to the Store Closing List in accordance with this Order,

the Sale Guidelines, and the Consulting Agreement. If any objections are filed with respect to the application of this Order to any Store on the Store Closing List, and such objections are not resolved, then such objection(s) will be considered by this Court at the next regularly scheduled omnibus hearing, subject to the rights of any party to seek relief on an emergency basis on shortened notice.

14. This Order and the Sale Guidelines are applicable to the Stores subject to the Store Closing List filed by the Debtors on June 1, 2026 [Docket No. 110].

15. All entities that are in possession of some or all of the Store Closure Assets that are or may be subject to the Consulting Agreement or this Order are hereby directed to surrender possession of such Store Closure Assets to the Debtors or the Agent; *provided* that any such surrender shall be pursuant to an adversary proceeding to the extent that any such adversary proceeding is required under section 542 of the Bankruptcy Code.

16. Subject to paragraphs 16, 35, and 36, and the Restructuring Support Agreement, the Debtors nor the Agent nor any of their respective officers, employees, or agents shall be required to obtain the approval of any third party, including (without limitation) any Governmental Unit or landlord, to conduct the Store Closing Sales and to take the actions related to the Store Closings, as authorized herein.

17. The Debtors and/or the Agent and the Store Closing Landlords are authorized to enter into the Side Letters modifying the Sale Guidelines without further order of this Court, and each such Side Letter shall be binding on the Debtors, the Agent and the applicable landlords. In the event of any conflict between the Sale Guidelines, this Order, the Consulting Agreement, and any Side Letter, the terms of such Side Letter shall control with respect to the applicable Store Closing Landlord and Store.

## III. Conduct of Store Closing Sales

18. Newspapers and/or other media in which the Store Closings and/or the Store Closing Sales may be advertised and all applicable landlords are directed to accept this Order as binding authority authorizing the Debtors and the Agent to conduct the Store Closing Sales pursuant to the Consulting Agreement, including, without limitation, to conduct and advertise the sale of the Store Closure Assets in the manner contemplated by and in accordance with this Order, the Sale Guidelines, any applicable Side Letter, and the Consulting Agreement.

19. The Debtors and the Agent are authorized to take such actions as may be necessary and appropriate to implement the Consulting Agreement and conduct the Store Closing Sales and the Store Closings without further order of this Court as provided in the Consulting Agreement and the Sale Guidelines, including, but not limited to, advertising the Store Closing Sales as a "store closing sale", "sale on everything", "everything must go", or similar-themed sales through the posting of signs (including the use of exterior banners at non-enclosed mall closing locations, and at enclosed mall closing locations to the extent that the applicable closing location entrance does not require entry into the enclosed mall common area), use of sign-walkers, A-frames, and other street signage, as contemplated in the Sale Guidelines (subject to any Side Letter).

20. Except as expressly provided in the Consulting Agreement and the Sale Guidelines, the sale of the Store Closure Assets and Additional Agent Goods shall be conducted by the Debtors and the Agent notwithstanding any restrictive provision of any Lease, restrictive covenant, or other agreement affecting or purporting to restrict the conduct of the Store Closings or the sale of the Store Closure Assets or the Additional Agent Goods, abandonment of assets, or "going dark" provisions. Such provisions shall not be enforceable with respect to the Store Closings or the sale of the Store Closure Assets or Additional Agent Goods, and breach of any such provisions in connection with the Store Closings or the sale of the Store Closure Assets and Additional Agent

Goods shall not constitute a default under the applicable instrument, including a Lease, or provide a basis to terminate such instrument; provided that the Store Closing Sales are conducted in accordance with the terms of this Order and the Sale Guidelines.

21. Except as expressly provided for herein or in the Sale Guidelines, no person or entity, including, but not limited to, any landlord, licensor, service providers, utilities, or creditors, shall take any action to directly or indirectly prevent, interfere with, or otherwise hinder consummation of the Store Closings and/or the Store Closing Sales, or the advertising and promotion (including the posting of signs and exterior banners or the use of sign-walkers) of such sales, and all such parties and persons of every nature and description, including, but not limited to, any landlord, licensor, service providers, utilities, and creditors and all those acting for or on behalf of such parties, are prohibited and enjoined from (a) interfering in any way with, obstructing, or otherwise impeding, the conduct of the Store Closing Sales and/or Store Closing, and/or (b) instituting any action or proceeding in any court (other than in this Court) or administrative body seeking an order or judgment against, among others, the Debtors, the Agent, or the landlords at the closing locations that might in any way directly or indirectly obstruct or otherwise interfere with or adversely affect the conduct of the Store Closing Sales and the Store Closings at the Stores or other Debtor location and/or seek to recover damages for breach(es) of covenants or provisions in any Lease, license, or contract based upon any relief authorized herein.

22. In accordance with and subject to the terms and conditions of the Consulting Agreement, the Agent shall have the right to use the Stores, the FF&E, and other assets of the Debtors for the purpose of conducting Store Closing Sales and Store Closings, free of any interference from any entity or person, subject to compliance with the Sale Guidelines and this Order.

23. The Agent is authorized to supplement the Merchandise in the Stores with Additional Agent Goods; *provided* that any such Additional Agent Goods must be of like kind and no lesser quality to the Merchandise. Sales of Additional Agent Goods shall be run through the Debtors' cash register systems; *provided*, *however*, that the Agent shall mark the Additional Agent Goods using either a "dummy" SKU or department number or in such other manner that would distinguish the Additional Agent Goods from the Merchandise. The Agent and the Debtors shall cooperate to ensure that the Additional Agent Goods are marked in such a way that a reasonable consumer could distinguish the Additional Agent Goods from the Merchandise. The Additional Agent Goods will assist the Agent in selling the Store Closure Assets, by maintaining the Stores' consumer base without the Debtors expending their own liquidity.

24. All transactions relating to the Additional Agent Goods are, shall be construed as, and are acknowledged by the Debtors to be, a true consignment from the Agent to the Debtors under Article 9 of the Uniform Commercial Code in effect in the State of Delaware (the "UCC") and not a consignment for security purposes.

25. The Agent shall pay to the Debtors an amount equal to five percent (5%) of the gross proceeds (excluding sales taxes) from the sale of Additional Agent Goods in the Stores completed during the Sale Term. All remaining amounts from the sale of the Additional Agent Goods shall be the exclusive property of the Agent, and no other person or entity shall have any claim against any of the Additional Agent Goods or their proceeds. At the Agent's sole cost and expense, the Debtors shall insure the Additional Agent Goods and, if required, promptly file any proofs of loss with regard to the same with the Debtors insurers. The Agent shall be responsible for payment of any deductible under any such insurance in the event of any casualty affecting the Additional Agent Goods.

26. The Agent is hereby granted a first-priority security interest in and lien on (i) the Additional Agent Goods and (ii) the Additional Agent Goods proceeds, which security interest shall be deemed perfected pursuant to this Order without the requirement of filing UCC financing statements or providing notifications to any prior secured parties; *provided* that the Agent is authorized to deliver any notices and file any financing statements under the applicable UCC and amendments thereof with respect to the Agent's interest in the Additional Agent Goods and any proceeds from the sale thereof.

27. All sales of Store Closure Assets and Additional Agent Goods shall be "as is" and final. No returns related to the purchase of the Store Closure Assets shall be accepted at any Stores or any stores that are not participating in the Store Closing Sales. Conspicuous signs stating that "all sales are final" and "as is" will be posted at the point-of-sale areas at all Stores.

28. The Agent shall not be liable for sales taxes except with respect to the Additional Agent Goods or as expressly provided in the Consulting Agreement, and the payment of all sales taxes (except with respect to the Additional Agent Goods or as expressly provided in the Consulting Agreement) is the responsibility of the Debtors. The Debtors are directed to remit all taxes arising from the Store Closing Sales and the Store Closings to the applicable Governmental Units as and when due; *provided that*, in the case of a bona fide dispute, the Debtors are only directed to pay such taxes upon the resolution of such dispute, if and to the extent that the dispute is decided in favor of the applicable Governmental Unit. For the avoidance of doubt, sales taxes collected and held in trust by the Debtors shall not be used to pay any creditor or any other party, other than the applicable Governmental Unit for which the sales taxes are collected. The Agent shall collect, remit to the Debtors, and account for sales taxes as and to the extent provided in the Consulting Agreement. This Order does not enjoin, suspend, or restrain the assessment, levy, or

collection of any tax under state or federal law, and does not constitute a declaratory judgment with respect to any party's liability for taxes under state or federal law.

29. Pursuant to section 363(f) of the Bankruptcy Code, all sales of Store Closure Assets, whether by the Agent or the Debtors, shall be free and clear of any and all liens, claims, interests, encumbrances, and defenses (including without limitation, rights of setoff), including, without limitation, security interests of whatever kind or nature, mortgages conditional sales or title retention agreements, pledges, deeds of trust, hypothecations, liens, encumbrances, assignments, preferences, debts, easements, charges, suits, licenses, options, rights -of-recovery, judgments, orders and decrees of any court or foreign or domestic governmental entity, taxes (including foreign, state, and local taxes), licenses, covenants, restrictions, indentures, instruments, leases, options, off-sets, claims for reimbursement, contribution, indemnity or exoneration, successor, product, environmental, tax, labor, ERISA, alter ego and other liabilities, causes of action, contract rights, and claims, to the fullest extent of the law, in each case, of any kind or nature (including, without limitation, all "claims" as defined in section 101(5) of the Bankruptcy Code), known or unknown, whether pre-petition or post-petition, secured or unsecured, choate or inchoate, filed or unfiled, scheduled or unscheduled, perfected or unperfected, liquidated or unliquidated, noticed or unnoticed, recorded or unrecorded, contingent or noncontingent, material or non-material, statutory or non-statutory, matured or unmatured, legal or equitable (collectively, "<u>Encumbrances</u>"), as provided for herein because in each case, one or more of the standards set forth in section 363(f)(1)–(5) has been satisfied; *provided, however*, that, subject to the terms of the Cash Collateral Orders, and paragraph 6 of this Order, any Encumbrances shall attach to the Debtors' share of (i) the proceeds of the sale of the applicable Store Closure Assets and (ii) the Additional Agent Goods Fee, if any, with the same validity, amount, and priority as, and to the

same extent, that any such Encumbrances have with respect to the Store Closure Assets, subject to any claims and defenses that the Debtors may possess with respect thereto and the Agent's fees and expenses. For the avoidance of doubt, payment of fees and expenses to the Agent in accordance with this Order and the Consulting Agreement shall be free and clear of any Encumbrances.

30. The Debtors and/or the Agent are authorized and empowered to transfer Store Closure Assets and Additional Agent Goods among, and into, the Stores. The Agent is authorized to sell the Store Closure Assets and the Additional Agent Goods as provided for and in accordance with the terms of the Consulting Agreement and the Sale Guidelines.

31. Neither the Sale Guidelines, Consulting Agreement, nor this Order authorize the Debtors to transfer or sell to the Agent or any other party the personal identifying information (which means information which alone or in conjunction with other information identifies an individual, including but not limited to an individual's first name (or initial) and last name, physical address, electronic address, telephone number, social security number, date of birth, government-issued identification number, account number and credit or debit card number ("<u>PII</u>") of any customers unless such sale or transfer is permitted by the Debtors' privacy policy and state or federal privacy and/or identity theft prevention laws and rules. The foregoing shall not limit the Agent's use of the Debtors' customer lists and mailing lists (if any) in accordance with the Consulting Agreement solely for purposes of advertising and promoting Store Closing Sales.

32. The Debtors and the Agent are authorized to sell or abandon the Debtors' FF&E in accordance with the Consulting Agreement and Sale Guidelines, as applicable.

33. The Debtors shall remove, or cause to be removed, any confidential information and/or PII in any of the Debtors' hardware, software, computers or cash registers or similar

equipment which are to be sold or abandoned so as to render the PII unreadable or undecipherable. At the conclusion of the Store Closing Sales, the Agent shall provide the Debtors with written verification that the Agent has not removed, copied, or transferred any customer PII and that any records containing PII were shredded, erased, or otherwise modified to render the PII unreadable or undecipherable.

34. Nothing in this Order shall (a) alter or affect the Debtors' obligations to comply with section 365(d)(3) of the Bankruptcy Code or (b) alter or modify the rights of any lessor or other counterparty to a Lease with the Debtors to file an appropriate motion or otherwise seek relief if the Debtors fail to comply with section 365(d)(3) of the Bankruptcy Code; *provided* that the conduct of the Stores Closings and Store Closing Sales in accordance with the Sale Guidelines, as may have been modified by any Side Letter, shall not be in violation of section 365(d)(3) of the Bankruptcy Code.

35. Provided that the Store Closing Sales and the Store Closings are conducted in accordance with the terms of this Order, the Consulting Agreement, and the Sale Guidelines (subject to any Side Letter), and in light of the provisions in the laws that exempt court-ordered sales from their provisions, the Debtors and the Agent shall be presumed to be in compliance with any Liquidation Sale Laws and, subject to paragraphs 16, 35, and 36 of this Order, are authorized to conduct Store Closing Sales and Store Closings in accordance with the terms of this Order and the Sale Guidelines, without the necessity of further showing compliance with any such Liquidation Sale Laws.

36. Nothing in this Order, the Consulting Agreement, or the Sale Guidelines, releases, nullifies, or enjoins the enforcement of any liability to a Governmental Unit under environmental laws or regulations (or any associated liabilities for penalties, damages, cost recovery, or injunctive

relief) to which any entity would be subject as the owner, lessor, lessee, or operator of the property after the date of entry of this Order. Nothing contained in this Order, the Consulting Agreement, or the Sale Guidelines shall in any way: (a) diminish the obligation of any entity to comply with environmental laws; or (b) diminish the obligations of the Debtors to comply with environmental laws consistent with their rights and obligations as debtors in possession under the Bankruptcy Code. The Store Closing Sales and the Store Closings shall not be exempt from laws of general applicability, including, without limitation, public health and safety, criminal, tax, (including, but not limited to, the collection of sales taxes), labor, employment, environmental, antitrust, fair competition, traffic and consumer protection laws, including consumer laws regulating deceptive practices and false advertising, consumer protection, the sale of gift certificates, layaway programs, return of goods, express or implied warranties of goods, and "weights and measures" regulation and monitoring (collectively, "General Laws"). Nothing in this Order, the Consulting Agreement, or the Sale Guidelines, shall alter or affect obligations to comply with all applicable federal safety laws and regulations. Nothing in this Order shall be deemed to bar any Governmental Unit from enforcing General Laws in the applicable non-bankruptcy forum, subject to the Debtors' rights to assert in that forum or before this Court that any such laws are not in fact General Laws or that such enforcement is impermissible under the Bankruptcy Code or this Order. Notwithstanding any other provision in this Order, no party waives any rights to argue any position with respect to whether the conduct was in compliance with this Order and/or any applicable law, or that enforcement of such applicable law is preempted by the Bankruptcy Code. Nothing in this Order shall be deemed to have made any rulings on any such issues.

## IV. Dispute Resolutions

37. To the extent that the Store Closing Sales are subject to any Liquidation Sale Laws, including any federal, state or local statute, ordinance, rule, or licensing requirement directed at

regulating "store closing" or similar inventory liquidation sales, or bulk sale laws, laws restricting safe, professional and non-deceptive, customary advertising such as signs, banners, signage, and use of sign-walkers solely in connection with the sale of the Store Closure Assets, including ordinances establishing license or permit requirements, waiting periods, time limits or bulk sale restrictions that would otherwise apply solely to the sale of the Store Closure Assets, the dispute resolution procedures in this section shall apply:

i. On the date that the Debtors file the Store Closing List(s), the Debtors will serve, by email, where available, or by first-class mail, copies of this Order (with the Consulting Agreement and the Sale Guidelines attached) and the Store Closing List(s) on: (a) the office of the Attorney General for each state where the Store Closing Sales are being held; (b) the county consumer protection agency or similar agency for each county where the Store Closing Sales are being held; (c) the division of consumer protection for each state where the Store Closing Sales are being held; and (d) the Store Closing Landlords[4] at the notice address in the Lease and their counsel of record (if known) (collectively, the "Dispute Notice Parties").

ii. To the extent that a dispute relating to any Liquidation Sale Laws arises in connection with the Store Closing Sales, this Order, the signage, Consulting Agreement, or the Sale Guidelines (each, a "Reserved Dispute"), this Court will have jurisdiction to resolve such dispute. Any time within ten (10) days following service of this Order and Store Closing List(s), any Governmental Unit may assert that a Reserved Dispute exists by sending a notice (a "Dispute Notice") explaining the nature of the dispute to: (a) proposed co-counsel for the Debtors, (i) Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn: Matthew C. Fagen, P.C. (matthew.fagen@kirkland.com); (ii) Kirkland & Ellis LLP, 830 Brickell Plaza, Miami, Florida 33131, Attn: Brian J. Nakhaimousa (brian.nakhaimousa@kirkland.com) and Trevor Eck (trevor.eck@kirkland.com); and (iii) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn.: Michael R. Nestor (mnestor@ycst.com), Kara Hammond Coyle (kcoyle@ycst.com), Shella Borovinskaya (sborovinskaya@ycst.com), Kristin L. Cardoza (kcardoza@ycst.com), and Roger L. Sharp (rsharp@ycst.com); (b) counsel to Eclipse, as ABL Agent and FILO Agent, (i) Riemer Braunstein LLP, Times Square Tower, Suite 2506, Seven Times Square, New York, New York 10036, Attn: Lyle Stein (lstein@riemerlaw.com), Emily Lustbader (elustbader@riemerlaw.com), and Steven Fox (sfox@riemerlaw.com); and (ii) Ashby & Geddes, P.A., 500 Delaware Avenue, 8th Floor, Wilmington, Delaware 19801, Attn: Gregory A. Taylor

[4] For the avoidance of doubt, the Debtors will serve the Store Closing Landlords with this Order and the Store Closing Lists by overnight mail and email, where available.

(gtaylor@ashbygeddes.com); (c) counsel to the Consenting Stakeholders, (i) Otterbourg P.C., 230 Park Avenue, New York, New York 10169, Attn: Daniel F. Fiorillo (dfiorillo@otterbourg.com) and Nicholas Palazzolo (npalazzolo@otterbourg.com); (ii) Milbank LLP, 55 Hudson Yards, New York, New York 10001, Attn: Matthew Brod (mbrod@milbank.com) and Benjamin Schak (bschak@milbank.com); and (iii) Richards, Layton, & Finger, P.A., 920 North King Street, Wilmington, Delaware 19801, Attn: Michael J. Merchant (merchant@rlf.com); (d) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn.: Linda Casey (linda.casey@usdoj.gov); (e) counsel to the Agent, Womble Bond Dickinson (US) LLP, 1313 North Market Street, Suite 1200, Wilmington, Delaware 19801, Attn: Marcy McLaughlin Smith (marcy.smith@wbd-us.com); (f) proposed counsel to the Committee, Kelley Drye & Warren LLP, 3 World Trade Center, 175 Greenwich Street, New York, New York 10007, Attn: Jason Adams (jadams@kelleydrye.com) and Meghan McLoughlin (mmcloughlin@kelleydrye.com); and (g) the Store Closing Landlords at the notice address in the Lease and their counsel of record (if known). If the Debtors, the Agent and the Governmental Unit are unable to resolve the Reserved Dispute within 15 days after service of the Dispute Notice, the Governmental Unit may file a motion requesting that the Reserved Dispute be resolved by this Court (a "Dispute Resolution Motion"). In the Dispute Resolution Motion, any Governmental Unit will be entitled to assert any jurisdictional, procedural, or substantive arguments it wishes with respect to the requirements of its Liquidation Sale Laws or the lack of preemption of such Liquidation Sale Laws by the Bankruptcy Code.

iii. Nothing in this Order precludes the Debtors, any landlord, or any other interested party from asserting that (A) any provision of any Liquidation Sale Laws is preempted by the Bankruptcy Code, or (B) neither the terms of this Order nor the conduct of the Agent or the Debtors pursuant to the Order violates any Liquidation Sale Laws. The filing of a Dispute Resolution Motion will not affect the finality of this Order or limit or interfere with the Debtors' or the Agent's ability to conduct the Store Closing Sales, absent further order of this Court. Nothing in this Order constitutes a ruling with respect to any issues to be raised in any Dispute Resolution Motion.

iv. If, at any time, a dispute arises between the Debtors and/or the Agent and a Governmental Unit as to whether a particular law is a Liquidation Sale Law, subject to any provisions in this Order related to the Liquidation Sale Laws, any party to that dispute may, upon notice to the other party, proceed in accordance with subparagraphs (ii) and (iii) above.

37. Subject to paragraphs 35 and 36 above, each and every federal, state, or local agency, departmental, or Governmental Unit with regulatory authority over the Store Closing Sales and the Store Closings and all newspapers and other advertising media in which Store Closing

Sales and Store Closings are advertised shall consider this Order as binding authority to conduct Store Closings and/or Store Closing Sales and that no further approval, license, or permit of any Governmental Unit shall be required, nor shall the Debtors or the Agent be required to post any bond.

38. In a dispute relating to the Leases between the Agent and/or the Debtors and a Store Closing Landlord, the Debtors, the Agent and the Store Closing Landlord may seek an emergency hearing before this Court on no less than three (3) business days' notice, unless the parties agree to a hearing on a shorter notice, in each respect subject to this Court's availability.

39. Notwithstanding anything to the contrary herein, in view of the importance of the use of sign-walkers, banners, and other advertising to the Store Closing Sales and the Store Closing, to the extent that disputes arise during the course of the Store Closing Sales regarding laws regulating the use of sign-walkers, banners, or other advertising and the Debtors and the Agent are unable to resolve the matter consensually, any party may request an immediate telephonic hearing with this Court. Such hearing will, to the extent practicable and subject to the Court's availability, be scheduled no later than three (3) business days of such request. This scheduling procedure shall not be deemed to preclude additional hearings for the presentation of evidence or arguments as necessary.

## V. Other Provisions

40. The Agent shall not be liable for any claims against the Debtors, and the Debtors shall not be liable for any claims against Agent, in each case, other than as expressly provided for in the Consulting Agreement.

41. To the extent that the Debtors are subject to any state Fast Pay Laws in connection with the Store Closings, the Debtors shall be presumed to be in compliance with such laws to the extent, in applicable states, such payroll payments are made by the later of: (a) the Debtors' next

regularly scheduled payroll; and (b) seven (7) calendar days following the termination date of the relevant employee, and in all such cases consistent with, and subject to, any previous orders of this Court regarding payment of same.

42. Neither the Agent nor any of its respective affiliates (whether individually, as part of a joint venture, or otherwise), shall be precluded from providing additional services to the Debtors including pursuant to the Consulting Agreement and/or bidding on the Debtors' assets not subject to the Consulting Agreement in connection with any other future process that may or may not be undertaken by the Debtors to close additional stores; provided that any such services and/or transactions are approved by separate order of this Court.

43. The Agent shall act solely as an independent consultant to the Debtors and shall not be liable for any claims against the Debtors other than as expressly provided in the Consulting Agreement (including the Agent's indemnity obligations thereunder) or the Sale Guidelines, with the exception of acts of gross negligence or willful misconduct and, for greater certainty, the Agent shall not be deemed to be an employer, or a joint or successor employer or a related or common employer or payor of any of the Debtors' employees within the meaning of any legislation governing employment or labor standards or pension benefits or health and safety or other statute, regulation or rule of law or equity for any purpose whatsoever, and shall not incur any successor liability whatsoever.

44. The Debtors are authorized and permitted to transfer to the Agent personal information in the Debtors' custody and control solely for the purposes of assisting with and conducting the Store Closing Sales and the Store Closings and only to the extent necessary for such purposes.

45. Within thirty (30) days of the earlier of the conclusion of the Store Closing Sales or the effective date of a confirmed plan of reorganization, the Debtors shall file with this Court a summary report of the Store Closings that will include (i) a list of the Stores closed and (ii) gross revenue from the Store Closing Sales through the effective date of any confirmed plan of reorganization.

46. The Debtors shall have the authority, but not the obligation, to make payments under the Sale Compensation Enhancement Program, which shall be disclosed in Store Closing Lists, and parties will have five (5) business days to object to the payments made thereunder.

47. Except as expressly provided for in this Order, nothing in this Order is intended as or shall be construed or deemed to be: (a) an implication or admission as to the amount of, basis for, or validity of any particular claim against the Debtors under the Bankruptcy Code or other applicable non-bankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in the Motion or this Order; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code or otherwise affect the Debtors' rights under section 365 of the Bankruptcy Code to assume or reject any executory contract or unexpired lease; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; (g) a waiver or limitation of the Debtors' or any other party in interest's claims, causes of action, or other rights under the Bankruptcy Code or any other applicable law; or (h) a waiver of the obligation of any party in interest to file a proof of claim.

48. Any payment made pursuant to this Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party-in-interest's rights to subsequently dispute such claim, other than with respect to payments made to the Agent, which are governed by the reconciliation procedures in the Consulting Agreement.

49. Notwithstanding anything to the contrary in the Motion or this Order, the personal property ad valorem tax liens that have attached to the Debtors' tangible personal property located in each Texas Taxing Authority's[5] respective jurisdiction (the "Tax Liens"), if any, shall attach to the proceeds of the sale of any Store Closure Assets subject to such Tax Liens (the "Texas Sale Proceeds") to the same extent and with the same priority and validity as such Tax Liens attached to the applicable Store Closure Assets immediately prior to the closing of such sale. The Debtors shall not make any payment of principal from the Texas Sale Proceeds to any creditor with liens junior to the Tax Liens without first establishing a reserve for any such Tax Liens (in an amount not to exceed the amount of any obligations secured by the purported Tax Liens and to be agreed upon by the Debtors, Eclipse Business Capital LLC, the Consenting Stakeholders, and the applicable Texas Taxing Authority). The rights of any party to contest the validity, priority, or enforceability of any purported lien of any Texas Taxing Authority is reserved.

50. Notice of the Motion as described therein is deemed good and sufficient notice of the Motion and the relief requested therein.

51. Notwithstanding Bankruptcy Rule 6004(h), the terms of this Order are immediately effective and enforceable upon its entry.

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[5] "Texas Taxing Authorities" or "Texas Taxing Authority" are defined as the following entities: Dallas County, Galveston County, Lewisville Independent School District, Nueces County, Denton County, and Clear Creek Independent School District.

52. This Court shall retain jurisdiction with regard to all issues or disputes relating to the Motion, this Order, the Consulting Agreement, or any Side Letter, including, but not limited to, (a) any claim or issue relating to any efforts by any party or person to prohibit, restrict or in any way limit banner and sign-walker advertising, including with respect to any allegations that such advertising is not being conducted in a safe, professional, and non-deceptive manner, (b) any claim of the Debtors, the landlords and/or the Agent for protection from interference with the Store Closings and/or Store Closing Sales, (c) any other disputes related to the Store Closings and/or Store Closing Sales, and (d) any claim related to the assertion of any Encumbrance against the Debtors and/or the Agent. No such parties or person shall take any action against the Debtors, the Agent, the landlords, or the Sale Closure Assets until this Court has resolved such dispute. This Court shall hear the request of such parties or persons with respect to any such disputes on an expedited basis, as may be appropriate under the circumstances.

**Dated: June 9th, 2026**
**Wilmington, Delaware**

Ka B. O

**KAREN B. OWENS**
**CHIEF JUDGE**

# Schedule 1

## Consulting Agreement

# CONSULTING AND MARKETING SERVICES AGREEMENT FOR MULTIPLE ASSET CATEGORIES

This Consulting and Marketing Services Agreement for Multiple Asset Categories (this "Agreement") is entered into as of May 10, 2026 (the "Effective Date"), by and among Hilco Merchant Resources, LLC ("HMR") and Hilco Real Estate, LLC ("HRE", and together with HMR, collectively, "Hilco"),[1] and West Marine Products, Inc. and its subsidiaries (collectively, the "Company"). Hilco and the Company are each a "Party" and together the "Parties."

## Recitals

WHEREAS, the Company operates retail stores and desires that Hilco act as the Company's exclusive agent for the limited purposes of: (a) selling all of the Merchandise (as defined below) from Company's retail store locations and distribution centers identified on Exhibit A attached to this Agreement (each individually a "Store," and collectively, the "Stores") by means of a "store closing", "sale on everything at store", "everything at store must go", or similar sale (as further described below, the "Sale"); and (b) selling or disposing of the FF&E (as defined below) in the Stores or otherwise located under Company control (the "Retail Services"); and

WHEREAS, the Company is the owner of (i) certain leasehold interests identified on Exhibit B attached to this Agreement (each a "Lease," and collectively, the "Leases") and the Company seeks to engage Hilco to provide certain consulting services in connection with the Leases as provided in this Agreement (the "RE Services" and together with the Retail Services, the "Services").

## Agreement

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Company and Hilco agree as follows:

1. **Appointment**. The Company appoints Hilco, and Hilco agrees to serve, as the Company's exclusive agent with respect to the Services during the Term (as defined below).

2. **Real Estate Services**. With respect to the RE Services, Hilco and the Company agree as follows:

A. REAL ESTATE SERVICES

(1) Consulting and Advisory Services. HRE shall provide the business with the following RE Services:

a. Meet with the Company to ascertain the Company's goals, objectives and financial parameters;

b. Mutually agree with the Company with respect to a strategic plan for restructuring, extending the term of, or shortening the term of the Leases

[1] HRE and HMR are being engaged under the same agreement for administrative purposes and to ease the burden on the Company. For the avoidance of doubt, nothing in this agreement is intended to expressly or implicitly mean, nor shall anything be construed as meaning, HMR is a "professional" under 11 U.S.C. §§ 101, et seq. (2022).

(the "Strategy");

c. On the Company's behalf, negotiate the terms of restructuring, including, but not limited to rent reductions, waivers, term shortening, or term extensions with the landlords under the Leases, in accordance with the Strategy;

d. Provide the Company with weekly Lease status reports, and meet periodically with Company management regarding the status of such negotiations;

e. At the Company's direction, provide key updates and strategic information on the Company's behalf to the Company's key advisors, lawyers, lenders and other interested parties to assist the Company in obtaining cooperation needed to complete the Services contemplated by this Agreement; and

f. Assist the Company in closing pertinent restructuring and/or sale agreements for the Leases.

(2) Scope. HRE shall serve as the Company's exclusive contractor for the purpose of the RE Services for the Leases. HRE shall be kept informed of inquiries regarding selling, restructuring, assigning, subleasing, or terminating the Leases, including those directed to the Company (including (without limitation) its officers, agents and employees). HRE shall promptly advise the Company of all offers made with respect to the Leases. HRE is authorized to negotiate the terms of agreements with respect to the Leases in accordance with the Strategy. The Company has the exclusive right to accept or reject any offers with respect to the Leases.

(3) Fee Structure; Expense Reimbursement.

a. "Restructured Lease" means any Lease for which the Company enters into a written agreement with the applicable landlord that has the effect of modifying the terms of such Lease that provide the Company with value, excluding modifications with respect to the term of the lease or termination rights of the Company.

b. "Restructured Lease Savings" means an amount equal to the net savings created by a Restructured Lease, including (without limitation) the sum of
(x) the aggregate reduction of base rent, percentage rent, CAM, real estate taxes, insurance, and deferred maintenance or maintenance obligations (including clean up) payable under a Lease (exclusive of term shortening), and (y) the aggregate amount of any tenant improvement allowance dollars secured or any past due amounts waived, minus any restructuring fees paid by the Company to the counterparty to the Lease in connection with the Restructured Lease.

c. "Term Extended Lease" means any Lease for which the Company enters into a written modification of the Lease with the applicable landlord that provides the Company with a new right to extend the term of such Lease for a term of at least three (3) years , regardless of whether the Company ever exercises such right, or otherwise has the effect of extending the term of such Lease for a minimum of three (3) years.

d. "Term Extended Lease Fee" means for any Term Extended Lease, an amount equal to three-quarters (0.75) of one month of gross rent under such Term Extended Lease. To the extent a Lease is both a Restructured Lease and a Term Extended Lease, any costs attributable to the extending of a Restructured Lease term shall not be offset from the calculation of the applicable Restructured Lease Savings Fee (as defined below).

e. "Term Shortened Lease" means any Lease for which the Company enters into a written agreement with the applicable landlord that has the effect of (i) terminating the Lease, or (ii) providing the Company with an early termination right, regardless of whether the Company ever exercises such right, or otherwise has the effect of shortening the term of such Lease.

f. "Term Shortened Lease Fee" means for any Term Shortened Lease where the Company is provided with an early termination right or the term of the Lease is otherwise shortened, an amount equal to one month of gross rent under such Term Shortened Lease. To the extent a Lease is both a Restructured Lease and a Term Shortened Lease, any lease savings attributable to the shortening of a Restructured Lease term shall be excluded from the calculation of the applicable Restructured Lease Savings Fee, and Hilco shall only be entitled to receive the applicable Term Shortened Lease Fee on account of such Restructured Lease term shortening.

g. "Sold Lease" means any Lease for which the Company enters into a written agreement that has the effect of (i) selling the Lease for cash value or other value paid to the Company and (ii) terminating all of the Company's obligations with respect to such Lease, but shall not include leases that are the subject of a going-concern sale of the Company.

h. "Sold Lease Fee" means, for any Sold Lease, an amount equal to five percent (5%) of any cash value or other value paid to the Company for the Lease.

i. Leases.

i. Restructuring. For each Lease that becomes a Restructured Lease, Hilco shall earn a fee equal to a base fee of $1,500 plus three and one-half percent (3.5%) of the Restructured Lease Savings ("Restructured Lease Savings Fee"), which Restructured Lease Savings Fee shall be paid in a lump sum at the time of the closing of the agreement having the effect of restructuring the Lease.

ii. Term Extension. For each Lease that becomes a Term Extended Lease, Hilco shall earn a fee equal to the Term Extended Lease Fee. The amounts payable on account of a Term Extended Lease shall be paid in a lump sum upon closing of the transaction that has the effect of extending the term of such Lease.

iii. Termination or Term Shortening. For each Lease that becomes a Term Shortened Lease, Hilco shall earn a fee equal to the Term Shortened Lease Fee. The amounts payable on account of a Term Shortened Lease shall be paid in a lump sum upon closing of the transaction that provides the Company with an early termination right or has the effect of terminating or otherwise shortening the term of such Lease.

iv. Sales. For each Lease that becomes a Sold Lease, Hilco shall earn a fee equal to the Sold Lease Fee. The amounts payable on account of a Sold Lease shall be paid in a lump sum upon closing of the transaction having the effect of selling the Lease, as the case may be.

v. Free and Clear. All fees payable to Hilco hereunder shall be free and clear of any liens, claims and encumbrances, including the liens of any secured parties.

j. Expenses. All HRE Reimbursable Expenses (defined below) shall be borne by the Company, and HRE shall be entitled to reimbursement from the Company for all such expenses. Billing shall be monthly and invoices are due no later than seven (7) days after the Company's receipt of the invoice. "HRE Reimbursable Expenses" means all reasonable, documented out-of-pocket expenses incurred by Hilco in connection with its performance of its Services hereunder, including, without limitation: reasonable expenses of advertising, marketing, travel and transportation, including, the cost of out-of-town travel and postage and courier/overnight express fees and other mutually agreed upon expenses incurred in connection with performing the services required by this Agreement.

(4) Sub-Contractors. With the prior written consent of the Company, not to be unreasonably withheld, HRE shall have the right to enter into co-contractor or sub-contractor relationships as necessary or appropriate, including local brokers as may be deemed appropriate, so long as any such relationships do not impose any additional cost to the Company.

(5) Survival. Within ten (10) business days after termination of this Agreement, HRE shall provide the Company with a list of all third parties, including landlords (each, a "Prospect") that HRE has engaged in negotiations with respect to the Leases. If within one hundred and eighty (180) days after termination or expiration of this Agreement (the "Survival Period"), the Company, or any assignee, designee or purchaser of the Company (including any purchaser, credit bidder or designee that has not otherwise retained Hilco on similar terms and conditions) in a bankruptcy or other restructuring sale process, and any Prospect should enter into a written agreement covered by the RE Services, HRE shall be entitled to a fee calculated in accordance with the terms of this Agreement upon the closing or consummation of the transaction or other arrangement contemplated by such written agreement. For the avoidance of doubt, if a transaction with respect to a Lease is pending as of the expiration of the Term or the Survival Period, HRE shall be entitled to the applicable fee in accordance with Section 3(i) upon closing of the transaction despite the fact that the closing occurred after the expiration or termination of the Term or the Survival

Period.

(6) Rights of the Company. In its reasonable discretion, the Company has the exclusive right to accept or reject any offers with respect to the Leases and shall have no obligation to Hilco to enter into any written agreement. Hilco shall not have any authority to bind the Company and shall make no representations (express or implied) to the contrary to any third party.

(7) IF EARNEST MONEY OR SIMILAR DEPOSITS ARE FORFEITED TO THE COMPANY, IN ADDITION TO ANY OTHER RIGHTS OF HRE UNDER THIS AGREEMENT, THE FORFEITED EARNEST MONEY SHALL FIRST BE USED BY THE COMPANY TO REIMBURSE HRE FOR ALL HRE REIMBURSABLE EXPENSES, WHICH INCLUDES MARKETING EXPENSES. TO THE EXTENT ANY EARNEST MONEY REMAINS AFTER THE COMPANY REIMBURSES ALL HRE REIMBURSABLE EXPENSES, SUCH REMAINING AMOUNTS SHALL BE DIVIDED EQUALLY BETWEEN THE COMPANY AND HRE. NOTWITHSTANDING THE FOREGOING, HRE'S PORTION OF THE REMAINING EARNEST MONEY, AFTER REIMBURSEMENT OF ALL HRE REIMBURSABLE EXPENSES, SHALL FIRST BE APPLIED AS A CREDIT TO ANY FEES PAYABLE UNDER THIS AGREEMENT ON ACCOUNT OF THE RE SERVICES.

(8) THE COMPANY AND HRE AGREE THAT THE SERVICES WILL BE PERFORMED WITHOUT REGARD TO RACE, COLOR, RELIGIOUS CREED, ANCESTRY, AGE, NATIONAL ORIGIN, DISABILITY OR FAMILIAL STATUS.

3. **Retail Services**. With respect to the Merchandise, HMR and the Company agree as follows:

A. Merchandise. "Merchandise" shall mean all goods, saleable in the ordinary course, located in the Stores or otherwise available or on-order on the Sale Commencement Date (as defined below), including perishables and other fast-turning inventory (whether delivered direct to stores or through the Company's distribution center). "Merchandise" does not mean and shall not include: (1) goods that belong to sublessees, licensees or concessionaires of Company; (2) owned furnishings, trade fixtures, equipment and improvements to real property that are located in the Stores or otherwise located under Company control (collectively, "FF&E"); or (3) damaged or defective merchandise that cannot be sold.

B. Sale Term. For each Store, the Sale shall commence on such date as the Parties shall mutually agree (the "Sale Commencement Date") and conclude no later than the date that is one hundred twenty (120) days following the Sale Commencement Date (the "Sale Termination Date"). Notwithstanding the foregoing, the Parties may mutually agree in writing to extend or terminate the Sale at any Store prior to the Sale Termination Date. The period between the Sale Commencement Date and the Sale Termination Date shall be referred to as the "Sale Term." At the conclusion of the Sale, HMR shall surrender the premises for each Store to Company in broom clean condition. It is understood and agreed that Company shall bear all costs and expenses associated with surrendering the premises according to the budget attached hereto as Exhibit C (the "Retail Services Budget"). At the conclusion of the Sale at each Store, HMR shall photographically document the condition of each such Store.

C. Services. In collaboration with and subject to the reasonable approval of Company, and in connection with the Retail Services, HMR shall:

(1) provide qualified supervisors (the "Supervisors") engaged by HMR to oversee the management of the Stores;

(2) determine appropriate point-of-sale and external advertising for the Stores, approved in advance in writing by Company;

(3) determine appropriate discounts of Merchandise, staffing levels for the Stores, approved in advance by Company, and appropriate bonus and incentive programs, if any, for the Stores' employees, approved in advance in writing by Company;

(4) oversee display of Merchandise for the Stores;

(5) to the extent that information is available, evaluate sales of Merchandise by category and sales reporting and monitor expenses;

(6) maintain the confidentiality of all proprietary or non-public information regarding Company in accordance with the provisions of the confidentiality agreement signed by the Parties;

(7) include Additional Agent Goods (as defined below) in the Sale upon mutual agreement with Company, under the terms set forth in this Agreement; and

(8) provide such other related services deemed necessary or appropriate by Company and HMR.

D. Additional Agent Goods.

(1) In the sole discretion of the Company, HMR shall have the right to supplement the Merchandise in the Sale with additional goods procured by HMR which are of like kind to the Merchandise in the Sale ("Additional Agent Goods"). Any Additional Agent Goods shall be purchased by HMR as part of the Sale at HMR's sole expense. Sales of Additional Agent Goods shall be run through Company's cash register systems. HMR shall mark the Additional Agent Goods using either a "dummy" SKU or department number, or in such other manner so as to distinguish the sale of Additional Agent Goods from the sale of Merchandise.

(2) HMR shall pay to the Company an amount equal to five percent (5%) of the gross proceeds (excluding sales taxes) from the sale of Additional Agent Goods completed during the Sale Term (the "Additional Agent Goods Fee") and HMR shall retain all remaining amounts from the sale of the Additional Agent Goods. Subject solely to HMR's obligations to pay to the Company the Additional Agent Goods Fee, at all times and for all purposes the Additional Agent Goods and their proceeds shall be the exclusive property

of HMR, and no other person or entity shall have any claim against any of the Additional Agent Goods or any proceeds related to Additional Agent Goods. At HMR's sole cost and expense, the Company shall insure the Additional Agent Goods and, if required, promptly file any proofs of loss with regard to same with the Company's insurers. HMR shall be responsible for payment of any deductible under any such insurance in the event of any casualty affecting the Additional Agent Goods.

(3) The Company acknowledges that the Additional Agent Goods shall be consigned to the Company as a true consignment in all respects under Article 9 of the Uniform Commercial Code (the "UCC") and not a consignment for security purposes.

E. Company Undertakings. During the Sale Term, the Company shall:

(1) be the employer of the Stores' employees, other than the Supervisors;

(2) be responsible for all taxes, costs, expenses, accounts payable, and other liabilities relating to the Stores, the Stores' employees and other representatives of Company;

(3) be responsible for preparing and processing all tax forms and other documentation;

(4) collect all sales taxes and remit them to the appropriate taxing authorities for the Stores;

(5) use reasonable efforts to cause Company's employees to cooperate with HMR and the Supervisors and maintain staffing levels sufficient to support effective Store operations throughout the Sale Term;

(6) execute all agreements mutually determined by the Company and HMR to be necessary or desirable for the operation of the Stores during the Sale;

(7) arrange for the ordinary maintenance of all point-of-sale equipment required for the Stores;

(8) ensure that HMR has quiet use and enjoyment of the Stores for the Sale Term in order to perform its obligations under this Agreement; and

(9) provide throughout the Sale Term central administrative services necessary for the Sale, including (without limitation) customary POS administration, sales audit, cash reconciliation, accounting, and payroll processing, all at no cost to HMR.

F. The Sale. All sales of Merchandise shall be made on behalf of Company. HMR does not have, nor shall it have, any right, title or interest in the Merchandise. All sales of Merchandise shall be by cash, gift card, gift certificate, merchandise credit, debit card, or credit card and, at Company's discretion, by check or otherwise in accordance with Company's policies, and shall be "final" with no returns accepted or allowed, unless otherwise directed by Company.

G. Retail Compensation.

(1) In consideration of its services under this Agreement, HMR shall earn a base fee equal to two (2%) of the Gross Proceeds of Merchandise sold ("Merchandise Fee"). For purposes of this Agreement, "Gross Proceeds" means gross receipts calculated using the "gross rings" method, net of applicable sales taxes, and including the face amount of any gift certificates, gift cards or merchandise credit.

(2) In addition to the base fee, and not in lieu of the base fee, the Company shall pay to HMR from Gross Proceeds an additional fee based upon the Gross Recovery Percentages (as defined below) achieved as set forth in the following table (the "Additional Incentive Compensation"). The Additional Incentive Compensation shall be equal to the aggregate sum of the percentages set forth in the "Additional Incentive Compensation" column of the table (e.g., calculated back to first dollar) for the corresponding Gross Recovery Percentage achieved. It is understood and agreed that no Additional Incentive Compensation shall be earned or payable where the Gross Recovery Percentage is less than 105%:

| Gross Recovery Percentage[2] | Additional Incentive Compensation |
|---|---|
| Less than 105% | No Additional Incentive Compensation (total fee equal to 2% of all Gross Proceeds) |
| Greater than or equal to 105% but less than 109.4% | An additional 0.25% of all Gross Proceeds (total fee equal to 2.25% of all Gross Proceeds) |
| Greater than 109.4% | An additional 0.5% of all Gross Proceeds (total fee equal to 2.75% of all Gross Proceeds) |

For purposes of the Additional Incentive Compensation:

"**Cost Value**" with respect to each item of Merchandise sold shall mean the lower of (i) the lowest per unit vendor cost in the File (as defined below) or in the Company's books and records, maintained in the ordinary course consistent with historic practices; or (ii) the Retail Price (as defined below).

"**File**" shall mean the following files provided to HMR: 09_Current Inventory.xlsx and 8_SKU Master.xlsx.

"**Gross Recovery Percentage**" shall mean the Gross Proceeds divided by the sum of the aggregate Cost Value of all of the Merchandise.

"**Retail Price**" shall mean with respect to each item of Merchandise sold, the retail price reflected at the register for such item, excluding the discount granted in connection with such sale.

[2] The Gross Recovery Percentages thresholds set forth in this Agreement assume the following (i) 95 Stores; (ii) Merchandise at cost of approximately $70,000,000; and (iii) a Sale Term commencing June 1, 2026, and concluding September 27, 2026. If any of these assumptions changes, HMR and Company will work together in good faith to adjust the Gross Recovery Percentage thresholds accordingly.

(3) Company shall be responsible for all expenses of the Sale, including (without limitation) all Store level operating expenses, all costs and expenses related to Company's other retail store operations, and HMR's other reasonable, documented out of pocket expenses. To control expenses of the Sale, Company and HMR have established an aggregate budget (the "Expense Budget") of certain delineated expenses, including (without limitation) payment of the costs of supervision (including (without limitation) Supervisors' wages, fees, travel, and deferred compensation) and advertising costs (including signage and the shipping, freight, and sales tax related to such advertising costs where applicable). The Expense Budget for the Sale is attached to this Agreement as Exhibit C. The Expense Budget may only be modified by mutual agreement of HMR and the Company. The costs of supervision set forth on Exhibit C include, among other things, industry standard deferred compensation.

(4) All accounting matters (including, without limitation, all fees, expenses, or other amounts reimbursable or payable to HMR) shall be reconciled on every Wednesday for the prior week and shall be paid within fourteen (14) days after each such weekly reconciliation. The Parties shall complete a final reconciliation and settlement of all amounts payable to HMR and contemplated by this Agreement (including, without limitation, Expense Budget items, and fees earned under this Agreement) no later than forty-five (45) days following the Sale Termination Date for the last Store.

(5) Upon execution of this Agreement, the Company shall pay by wire transfer to HMR an advance payment of costs and expenses delineated in the Expense Budget of $250,000 (the "Retail Sale Expense Advance") which shall be held by HMR and applied towards Expense Budget items as incurred. Any portion of the Retail Sale Expense Advance not so used shall be returned to Company within three (3) days following the final reconciliation.

(6) Prior to shipment of the signage relating to the Sale and not later than seven (7) business days prior to the Sale Commencement Date, Company shall pay by wire transfer to HMR the signage fees relative to the Sale, estimated to be a minimum of approximately $235,000 upon receipt of invoice for same.

H. Retail Sale Expenses. All Retail Sale Expenses shall be borne by the Company. HMR shall advance, but shall be entitled to reimbursement of, all Retail Sale Expenses incurred by HMR. "Retail Sale Expenses" means all reasonable, documented out-of-pocket expenses incurred by HMR in accordance with the Expense Budget in connection with its performance of the Retail Services under this Agreement, including (without limitation) (i) advertising (including signage and the shipping, freight, and sales tax related to such advertising where applicable), promotion and sales costs; (ii) lodging; (iii) travel; (iv) labor associated with project management oversight; (v) labor and other costs and expenses associated with the Retail Services; (vi) postage and courier/overnight express fees; (vii) insurance; (viii) costs of supervision (including (without limitation) supervisors' and temporary labor wages, fees, travel, deferred compensation, and third-party payroll charges; and (ix) other mutually agreed upon expenses incurred in connection with performing the Retail Services.

I. Furniture, Fixtures and Equipment: Subject to the Company's designation of FF&E as available for sale by HMR (the "Designated FF&E"), HMR shall sell (i) the Designated FF&E in the Stores from the Stores themselves and through other means agreed by the parties in writing and (ii) Designated FF&E in any other location under Company control from such location. Company shall be responsible for all reasonable and documented costs and expenses incurred by HMR in connection with the sale of Designated FF&E, which costs and expenses shall be incurred pursuant to a budget or budgets to be established from time to time by mutual agreement of the Parties. HMR shall have the right to abandon at the Stores or in any other applicable location under Company control as agreed by HMR any unsold Designated FF&E, unless otherwise agreed to by HMR and the Company.

(1) In consideration for providing the Designated FF&E services, HMR shall be entitled to a commission from the sale of the Designated FF&E equal to 17.5% of the Gross Proceeds of the sale of the Designated FF&E.

(2) HMR shall remit to Company all Gross Proceeds from the sale of Designated FF&E. During each weekly reconciliation described in Section G above, HMR's Designated FF&E fee shall be calculated, and HMR's calculated Designated FF&E fee and all Designated FF&E costs and expenses then incurred in accordance with the terms of this Agreement shall be paid within seven (7) days after each such weekly reconciliation.

(3) HMR shall have no right to sell any of FF&E that is not Designated FF&E.

J. Employees.

(1) The Parties expressly acknowledge and agree that HMR shall have no liability to the Company's employees for wages, taxes, withholdings, benefits, severance pay, bonus, termination pay, vacation pay, pay in lieu of notice of termination or any other liability arising from the Company's employment, hiring or retention of its employees, and such employees shall not be considered employees of HMR.

(2) The Parties expressly acknowledge and agree that the Company shall have no liability to the Supervisors for wages, benefits, severance pay, termination pay, vacation pay, pay in lieu of notice of termination or any other liability arising from HMR's hiring or engagement of the Supervisors, and the Supervisors shall not be considered employees of Company.

K. Syndication.

(1) With respect to the Retail Services, upon consent of the Company, HMR shall have the right, but not the obligation, to syndicate the transaction contemplated by this Agreement by providing the Company with written notice of such syndication and in such event, HMR shall continue to be the Company's counterpart for the Retail Services and directly responsible for provision of same.

4. **Absolute Covenants**. The following apply with respect to all Services:

A. Term. The term (the "Term") of this Agreement shall commence upon the Effective Date and shall expire upon the twelve-month anniversary of the Effective Date, but each Party shall have a unilateral termination right, on thirty (30) days advance written notice to the non-terminating Party, which notice may be sent at any time following the six-month anniversary of the Effective Date.

B. Authority. The Company acknowledges that Hilco or its affiliated entities may be engaged to sell or market similar assets by other persons or entities, and that any such engagement shall not constitute or be deemed to be a violation of this Agreement. Except as expressly set forth in this Agreement, the Company shall not exercise any control or direction over the manner, means, or methods by which the Services are performed or accomplished by Hilco under this Agreement.

C. No Guaranty. Hilco has not guaranteed, and is not guarantying, any specific result on the sale or other disposition of any Merchandise or Lease.

D. Representations and Warranties of the Company.

(1) The Company represents and warrants to Hilco and covenants that: (i) the Company has all legal right and authority to sell the Merchandise and negotiate the Leases; (ii) the Company has taken all necessary actions required to authorize the execution, delivery and performance of this Agreement and the related documents contemplated by this Agreement, and no further consent or approval is required for the Company to enter into and deliver this Agreement and to perform its obligations under this Agreement; (iii) no court order or decree of any federal, state or local governmental authority or regulatory body is in effect that would prevent or impair, or is required for the Company's consummation of, the transactions contemplated by this Agreement, and no consent of any third party which has not been obtained is required therefore; (iv) all ticketing of Merchandise at the Stores has been and will be done in accordance with the Company's customary ticketing practices; (v) all normal course hard markdowns on the Merchandise have been, and will be, taken consistent with the Company's customary practices; (vi) the Stores will be operated in the ordinary course of business in all respects (taking into account the current circumstances of the Company), other than those expressly agreed to by the Company and Hilco; and (vii) any fees and other amounts due and payable under this Agreement to Hilco shall be free and clear of any liens, claims, or encumbrances of any kind whatsoever.

(2) Hilco represents and warrants to the Company that: (i) each Hilco entity that is a Party to this Agreement is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware; and (ii) Hilco has taken all necessary actions required to authorize the execution, delivery and performance of this Agreement and the related documents contemplated by this Agreement, and no further consent or approval is required for Hilco to enter into and deliver the Agreement and to perform its obligations under the Agreement.

E. Indemnification.

(1) Hilco's Indemnification. Hilco shall indemnify and hold the Company and its officers, directors, principals, shareholders, affiliates, members, and

employees (collectively, "Company Indemnified Parties") harmless from and against all losses, liabilities, claims, demands, damages, costs and expenses (including reasonable attorneys' fees) arising from or related to: (a) the material breach of any provision of, or the failure to perform any obligation under, this Agreement by Hilco; (b) any liability or other claims, including, without limitation, product liability claims related to Additional Agent Goods, asserted by Hilco Indemnified Parties (as defined below), customers of Additional Agent Goods, any Store employees selling Additional Agent Goods (under a collective bargaining agreement or otherwise), or any other person against any Company Indemnified Party arising out of or related to Hilco's performance of the Services, except claims arising from the Company's gross negligence, material breach of this Agreement or any representation or warranty in this Agreement, intentional acts or unlawful behavior; (c) intentional acts, unlawful behavior or grossly negligent acts or omissions of Hilco or the Hilco Indemnified Parties; (d) any harassment, discrimination or violation of any laws or regulations or any other unlawful, tortuous or otherwise actionable treatment of Company Indemnified Parties, or Company customers by Hilco or any of the Hilco Indemnified Parties; (e) any claims made by any party engaged by Hilco as an employee, agent, representative or independent contractor arising out of such engagement; and (f) any claims for damages to property or persons caused by the gross negligence of Hilco employees or any of the Hilco Indemnified Parties on the premises of any Store. Notwithstanding anything to the contrary in this Agreement, Hilco shall not be responsible for any Hilco Excluded Losses. "Hilco Excluded Losses" shall mean losses arising from or related to any action of or failure to act by Company or any third party to the extent such losses are determined to have resulted from the negligence, breach, willful misconduct or unlawful behavior of Company, any other Company Indemnified Party or any third party.

(2) The Company's Indemnification. The Company shall indemnify and hold Hilco and its affiliates and its and their officers, directors, principals, shareholders, affiliates, members, employees, and Supervisors (collectively, "Hilco Indemnified Parties" and together with the Company Indemnified Parties, the "Indemnified Parties") harmless from and against all losses, liabilities, claims, demands, damages, costs and expenses (including reasonable attorneys' fees) arising from or related to: (a) the negligence, intentional or unlawful acts or omissions of the Company, Company Indemnified Parties or their affiliates, consultants, customers, members, employees, representatives and principals (other than Hilco Indemnified Parties); (b) the material breach of any provision of, or the failure to perform any obligation under this Agreement by the Company or Company Indemnified Parties; (c) any liability or other claims, including, without limitation, product liability claims (other than with respect to Additional Agent Goods), asserted by Company Indemnified Parties, Company customers, any Store employees (under a collective bargaining agreement or otherwise), or any other person (excluding Hilco Indemnified Parties) against Hilco or a Hilco Indemnified Party, except claims arising from Hilco's or a Hilco Indemnified Party's gross negligence, material breach of this Agreement or any representation or warranty in this Agreement, intentional acts, or unlawful behavior; and (d) any violation of any laws or regulations or any other unlawful, tortuous or otherwise

actionable conduct of Company or Company Indemnified parties or treatment of the Hilco Indemnified Parties or the Company's customers by the Company or Company's Indemnified Parties. Notwithstanding anything to the contrary in this Agreement, the Company shall not be responsible for any Company Excluded Losses. "Company Excluded Losses" shall mean losses arising from or related to any action of or failure to act by Hilco to the extent such losses are determined to have resulted from Hilco's or any other Hilco Indemnified Party's gross negligence, breach, willful misconduct or unlawful behavior.

(3) Notice of Actions When Company is Not a Party. If any action is commenced, as to which a Hilco Indemnified Party proposes to demand indemnification, such Hilco Indemnified Party shall notify the Company following the Indemnified Party being notified of such action, if the Company is not a party to such action. The Company shall be entitled to assume the defense of any such action (other than those actions brought by the Company). If the Company does not assume the defense of such action, Company shall be responsible for any reasonable attorneys' fees, costs and expenses incurred by Hilco in defending against such claim and Company shall be entitled to reasonably participate (at its own cost) in such defense.

F. Insurance.

(1) The Company agrees to procure and maintain, during the Term, all insurance policies applicable to the Stores and the Merchandise (including, during the Sale Term), liability insurance policies (including, without limitation, products liability, comprehensive public liability insurance and auto liability insurance) in connection with the Stores and covering injuries to persons and property and shall cause Hilco to be named an additional insured with respect to all such policies. At Hilco's request, the Company shall provide Hilco with a certificate or certificates evidencing the insurance coverage required under this Agreement and that Hilco is an additional insured under such insurance coverage. In addition, the Company shall maintain throughout the Sale Term, in such amounts as it currently has in effect, workers compensation insurance in compliance with all statutory requirements.

(2) Hilco agrees to procure and maintain, during the Term, all insurance policies applicable to its employees. At the Company's request, Hilco shall provide the Company with a certificate or certificates evidencing the insurance coverage required under this Agreement. In addition, Hilco shall maintain throughout the Sale Term, in such amounts as it currently has in effect, workers compensation insurance in compliance with all statutory requirements.

G. Bankruptcy.

(1) If the Company commences a case under Chapter 11 of title 11, United States Code (the "Bankruptcy Code"), with a bankruptcy court (the "Bankruptcy Court"), the Company shall promptly file a motion to assume sections of this Agreement related to the Sale and Retail Services under section 365 and/or 363 of the Bankruptcy Code, and utilize its reasonable

best efforts to ensure that such motion is approved by an order that provides, among other things, as follows (the "Approval Orders"): (i) the payment of all fees and reimbursement of expenses under this Agreement related to the Sale and Retail Services to Hilco is approved without further order of the Bankruptcy Court; (ii) all such payments of fees and reimbursement of expenses related to such Approval Orders shall be made on a weekly basis without further order of the Bankruptcy Court and otherwise in accordance with this Agreement; (iii) the payment of all fees and reimbursement of expenses due to Hilco related to any Approval Orders or this Agreement shall be included in any approved debtor-in-possession ("DIP"), cash collateral, or other post-petition financing budget and/or carve-out as a condition to the assumption of this Agreement; (iv) authorizing the Sale without the necessity of complying with state and local rules, laws, ordinances and regulations, including, without limitation, permitting and licensing requirements, that could otherwise govern the Sale; (v) authorizing the Sale notwithstanding restrictions in leases, reciprocal easement agreements or other contracts that purport to restrict the Sale or the necessity of obtaining any third party consents; and (vi) take all further actions as are necessary or appropriate to carry out the terms and conditions of this Agreement. In such event, any legal action, suit or proceeding arising in connection with this Agreement shall be submitted to the exclusive jurisdiction of the Bankruptcy Court having jurisdiction over the Company, and each Party waives any defenses or objections based on lack of jurisdiction, improper venue, and/or forum non conveniens. From and after entry of the Approval Orders, Hilco shall conduct the Sale in accordance with the terms of the Approval Orders in all material respects.

(2) The Approval Orders shall also provide that the Additional Agent Goods are consigned to the Company as a true consignment under Article 9 of the UCC. HMR is granted a first priority security interest in and lien upon (i) the Additional Agent Goods and (ii) the Additional Agent Goods proceeds, which security interest shall be deemed perfected pursuant to the Approval Orders without the requirement of filing UCC financing statements or providing notifications to any prior secured parties. Notwithstanding the foregoing, it is understood and agreed that HMR is authorized to deliver all required notices and file all necessary financing statements and amendments of such financing statements under the applicable UCC identifying HMR's interest in the Additional Agent Goods as consigned goods under such notices and financing statements and the Company as the consignee for such goods, and HMR's security interest in and lien upon such Additional Agent Goods and Additional Agent Goods proceeds.

(3) In the event the Company seeks protection under the Bankruptcy Code in a Bankruptcy Court of proper jurisdiction, the Company agrees to promptly request entry of an order under sections 327 and 328 of the Bankruptcy Code, in form and substance acceptable to HRE in its reasonable discretion, authorizing the Company's assumption and/or retention of HRE under this Agreement, which the Company agrees to use the Company's reasonably diligent efforts to obtain (the "HRE Retention Order"). The Company will use reasonably diligent efforts to ensure that the HRE Retention Order specifically provides that: (i) HRE is being retained pursuant to sections 327 and 328 of the Bankruptcy Code by the Company; (ii) the payment of all

fees and reimbursement of expenses under this Agreement to HRE is approved under section 328 of the Bankruptcy Code and shall be free and clear of all liens, claims and encumbrances; (iii) all such payments of fees and reimbursement of expenses shall be made without further order of the Bankruptcy Court and in accordance with this Agreement; and (iv) HRE is not required to maintain time records or file interim or final fee applications.

H. General Provisions.

1. The Company and Hilco shall deal with each other in good faith so as to allow both parties to perform their duties and earn the benefits of this Agreement.

2. The Company recognizes and acknowledges that the Services to be provided by Hilco pursuant to this Agreement are, in general, transactional in nature, and Hilco will not be billing the Company by the hour nor maintaining time records. It is agreed that Hilco is not requested or required to maintain such time records and that its compensation will be paid in accordance with this Agreement.

3. Any correspondence or required notice shall be addressed as follows and shall be deemed given (a) when received if hand delivered, (b) three (3) business days after depositing in the United States mail if sent first-class certified mail, (c) on the next business day if sent by overnight mail, or (d) on the same date on which it is sent if sent by email or facsimile:

| | |
|---|---|
| If to Hilco: | Hilco Merchant Resources, LLC<br>5 Revere Drive, Suite 206<br>Northbrook, Illinois 60062<br>Attn: Office of the General Counsel<br>With a copy to: legal@hilcoglobal.com<br><br>and<br><br>Hilco Real Estate, LLC<br>5 Revere Drive, Suite 410<br>Northbrook, Illinois 60062<br>Attn: Office of the General Counsel<br>With a copy to: legal@hilcoglobal.com |
| With a copy to: | Hilco Trading, LLC<br>5 Revere Drive, Suite 206<br>Northbrook, Illinois 60062<br>Attn: Office of the General Counsel<br>rmaletsky@hilcoglobal.com and<br>legal@hilcoglobal.com |
| If to the Company: | West Marine Products, Inc.<br>1 East Broward Blvd, Suite 200<br>Fort Lauderdale, FL<br>Attn: Legal Department and CEO<br>pauleed@westmarine.com |

nancyo@westmarine.com

With a copy to: Young Conaway Stargatt & Taylor, LLP
Rodney Square
1000 North King Street
Wilmington, DE 19801
Attn: Michael R. Nestor and Kara Hammond Coyle
mnestor@ycst.com
kcoyle@ycst.com

4. This Agreement shall be deemed drafted by both Parties to this Agreement, and there shall be no presumption against either Party in the interpretation of this Agreement.

5. By executing or otherwise accepting this Agreement, the Company and Hilco acknowledge and represent that they are represented by and have consulted with independent legal counsel with respect to the terms and conditions contained in this Agreement.

6. This Agreement may be executed in original counterparts, and if executed and delivered via facsimile shall be deemed the equivalent of an original.

7. Except with respect to the Indemnified Parties who shall be express third-party beneficiaries with respect to Section 4.E, this Agreement creates no third-party beneficiaries.

8. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of this Agreement, which shall remain in full force and effect, and the invalid or unenforceable provision shall be reformed to the minimum extent required to render it valid and enforceable and to effect the intent of this Agreement.

9. Except as set forth in this Agreement, neither this Agreement nor any of the rights under this Agreement may be transferred or assigned by either Party without the prior written consent of the other Party. This Agreement, including, without limitation, the obligation of the Company to compensate Hilco for the Services, shall be binding upon and inure to the benefit of the Parties to this Agreement and their respective heirs, legal representatives, successors and permitted assigns.

10. No modification, amendment or waiver of any of the provisions contained in this Agreement, or any future representation, promise or condition in connection with the subject matter of this Agreement, shall be binding upon any Party to this Agreement unless made in writing and signed by a duly authorized representative or agent of such Party. The failure by either Party to enforce, or the delay by either party in enforcing, any of said Party's rights under this Agreement shall not be construed as a continuing waiver of such rights, and said Party may, within such time as is provided by the laws established by any government with applicable jurisdiction, commence appropriate suits, actions or proceedings to enforce any or all of such rights. A waiver by either Party of a default in one or more instances shall not be

construed as a waiver in other instances.

11. This Agreement, together with all additional schedules and exhibits attached to this Agreement, constitutes a single, integrated written contract expressing the entire agreement of the Parties concerning the subject matter of this Agreement. No covenants, agreements, representations or warranties of any kind whatsoever have been made by any Party to this Agreement except as specifically set forth in this Agreement. All prior agreements, discussions and negotiations are entirely superseded by this Agreement.

12. All headings and captions in this Agreement are for convenience only and shall not be interpreted to enlarge or restrict the provisions of this Agreement.

13. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without reference or regard to choice-of-law provisions.

**[Signature pages to follow]**

IN WITNESS WHEREOF, the Company and Hilco have executed and delivered this Agreement as of the date first above written.

HILCO MERCHANT RESOURCES, LLC

BY:__________________________________

Name: Eric Kaup
Title: Authorized Signatory

HILCO REAL ESTATE, LLC

BY:__________________________________

Name: Eric Kaup,
Title: Authorized Signatory

WEST MARINE PRODUCTS, INC.

BY: Paulee Day (May 12, 2026 10:02:52 EDT)

Name: Paulee Day
Title: CEO

**EXHIBIT A – Store Listing**

[*Filed at Docket No. 110 and Subject to Ongoing Store Closing Sales Analysis*]

**EXHIBIT B – Leases**

[*Intentionally Omitted*]

**EXHIBIT C – Retail Services Budget**

# West Marine

## Exhibit C

### Expense Budget (1)

| | |
|---|---|
| **Advertising** | |
| Digital & Media | 481,000 |
| Signs (2) | 231,577 |
| Sign Walkers/Drivers | 1,169,688 |
| Subtotal Advertising | 1,882,264 |
| | |
| **Supervision** | |
| Fees / Wages / Expenses (3) | 2,684,150 |
| Subtotal Supervision | 2,684,150 |
| | |
| **Miscellaneous** | |
| Legal (4) | 50,000 |
| Other Miscellaneous | - |
| Subtotal Miscellaneous | 50,000 |
| | |
| Total Expenses | 4,616,415 |

Notes:

1. This Expense Budget contemplates a sale term of June, 1, 2026 through September 27, 2026. The Expense Budget remains subject to modification in the event that this term is extended, or as otherwise agreed to by the parties.
2. Includes Sales Tax.
3. Includes Deferred Compensation and Insurance.
4. Any legal expenses associated with issues raised by or disputes with landlords, including (without limitation) negotiations in respect of landlord side letters, shall be in addition to and not part of the budgeted legal expenses.

# Schedule 2

## Sale Guidelines

**Sale Guidelines**[1]

1. The Store Closing Sales will be conducted during normal business hours or such hours as otherwise permitted by the applicable unexpired lease.

2. The Store Closing Sales will be conducted in accordance with applicable state and local "Blue Laws," and thus, where such a law is applicable, no Store Closing Sales will be conducted on Sunday unless the Debtors have been operating such stores on Sundays prior to the commencement of the Store Closing Sales.

3. On "shopping center" property, neither the Debtors nor the Agent shall distribute handbills, leaflets, or other written materials to customers outside of any Stores' premises, unless permitted by the applicable lease or if distribution is customary in the "shopping center" in which such Store is located; *provided* that the Debtors and the Agent may solicit customers in the Stores themselves. On "shopping center" property, neither the Debtors nor the Agent shall use any flashing lights or amplified sound to advertise the Store Closing Sales or solicit customers, except as permitted under the applicable lease or agreed in writing by the landlord.

4. The Debtors and the Agent shall have the right to use and sell the FF&E. The Debtors and the Agent may advertise the sale of the FF&E in a manner consistent with these Sale Guidelines. The purchasers of any FF&E sold during the Store Closing Sales shall be permitted to remove the FF&E either through the delivery entrances, service areas, or back or alternative shipping areas at any time, or through other areas after Store business hours; *provided, however*, that the foregoing shall not apply to *de minimis* FF&E sales made whereby the item can be carried out of the Store in a shopping cart or shopping bag.

5. At the conclusion of the Store Closing Sales, the Agent shall, subject to the Consulting Agreement, vacate the Stores in broom clean condition; *provided* that the Agent may abandon any Remaining Property, including any Store signage or FF&E (including, but not limited to, machinery, rolling stock, office equipment, personal property, conveyor systems, signage, and racking) not sold during the Store Closing Sales at the conclusion thereof, without cost or liability of any kind to the Agent; *provided further* the Agent shall notify the Debtors of its intention to abandon any Remaining Property at least three (3) business days prior to the Termination Date for the applicable Store Closing Sale. The Debtors will have the option to remove the Remaining Property at their own cost prior to such Termination Date or abandon the Remaining Property. Any abandoned Remaining Property left in a closed Store after a lease is rejected shall be deemed abandoned to the landlord having a right to dispose of the same as the landlord chooses without any liability

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[1] Capitalized terms used but not otherwise defined herein have the meanings given to such terms in the *Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Assume Consulting Agreement, (II) Authorizing Store Closing Sales at Certain Locations and Approving Related Procedures, (III) Authorizing Customary Compensation Enhancement, and (IV) Granting Related Relief.*

on the part of the landlord to any consenting party and without waiver of any claims against the Debtors.

6. The Debtors and the Agent may, but are not required to, advertise all of the Store Closing Sales as "store closing," "sale on everything," "everything must go," or similarly themed sales. The Debtors and the Agent may also have "countdown to closing" signs prominently displayed in a manner consistent with these Sale Guidelines. All signs, banners, ads, and other advertising collateral, promotions, and campaigns will be approved by the Debtors in accordance with these Sale Guidelines.

7. The Debtors and the Agent shall be permitted to utilize sign walkers, displays, hanging signs, and interior banners in connection with the Store Closing Sales; *provided* that such sign walkers, displays, hanging signs, and interior banners shall be professionally produced and hung in a professional manner. Neither the Debtors nor the Agent shall use neon or day-glo on its sign walkers, displays, hanging signs, or interior banners if prohibited by the applicable lease or applicable law. Furthermore, with respect to enclosed mall locations, no exterior signs or signs in common areas of a mall shall be used unless otherwise expressly permitted in these Sale Guidelines. In addition, the Debtors and the Agent shall be permitted to utilize exterior banners at (a) non-enclosed mall Stores and (b) enclosed mall Stores to the extent the entrance to the applicable Store does not require entry into the enclosed mall common area; *provided, however*, that such banners shall be located or hung so as to make clear that the Store Closing Sale is being conducted only at the affected Store, and shall not be wider than the storefront of the Store. In addition, the Debtors shall be permitted to utilize sign walkers in a safe and professional manner and in accordance with the terms of the Order. Nothing contained in these Sale Guidelines shall be construed to create or impose upon the Debtors or the Agent any additional restrictions not contained in the applicable lease agreement. No property of the landlord of a Store shall be removed or sold during the Store Closing Sales. The hanging of exterior banners or in-Store signage and banners shall not constitute an alteration to a Store.

8. Except with respect to the hanging of exterior banners, neither the Debtors nor the Agent shall make any alterations to the storefront, roof, or exterior walls of any Stores or shopping centers, or to interior or exterior store lighting, except as authorized by the applicable lease.

9. Affected landlords will have the ability to negotiate with the Debtors, or at the Debtors' direction, the Agent, any particular modifications to the Sale Guidelines. The Debtors and/or the Agent and the landlord of any Store are authorized to enter into Side Letters without further order of the Court, *provided* that such agreements do not have a material adverse effect on the Debtors or their estates.

10. Conspicuous signs will be posted in each of the affected stores to the effect that all sales are "final."

11. The Agent and the Debtors will keep Store premises and surrounding areas clear and orderly, consistent with past practices.

12. An unexpired nonresidential real property lease will not be deemed rejected by reason of a Store Closing Sale, Store Closing, or the adoption of these Sale Guidelines.

13. The rights of landlords against the Debtors for any damages to a Store shall be reserved in accordance with the provisions of the applicable lease; *provided* that to the extent certain Leases of Stores require written confirmation of receipt of a key to effectuate surrender, this requirement is waived.

14. If and to the extent that the landlord of any Store contends that the Debtors or the Agent is in breach of or default under these Sale Guidelines, such landlord shall provide at least five (5) days' written notice, served by E-mail or overnight delivery, on:

<u>If to the Debtors</u>:
Young Conaway Stargatt & Taylor, LLP
Rodney Square, 1000 North King Street
Wilmington, Delaware 19801,
Attn.: Michael R. Nestor (mnestor@ycst.com)
Kara Hammond Coyle (kcoyle@ycst.com)
Shella Borovinskaya (sborovinskaya@ycst.com)
Kristin L. Cardoza (kcardoza@ycst.com)
Roger L. Sharp (rsharp@ycst.com)

-and-

Kirkland & Ellis LLP
601 Lexington Avenue,
New York, New York 10022,
Attn: Matthew C. Fagen, P.C. (matthew.fagen@kirkland.com)

-and-

Kirkland & Ellis LLP
830 Brickell Plaza,
Miami, Florida 33131,
Attn: Brian J. Nakhaimousa (brian.nakhaimousa@kirkland.com)
Trevor Eck (trevor.eck@kirkland.com)

<u>If to the Agent</u>:

c/o Hilco Merchant Resources, LLC
One Northbrook Place, 5 Revere Drive, Suite 206
Northbrook, IL 60062
Fax: 847-849-0859

Attention: Christine M. Fredericks (cfredericks@hilcoglobal.com)

-and-

Womble Bond Dickinson (US) LLP
1313 North Market Street, Suite 1200
Wilmington, Delaware 19801
Attn: Marcy J. McLaughlin Smith (marcy.smith@wbd-us.com)

If the parties are unable to resolve the dispute, either the landlord or the Debtors shall have the right to schedule a hearing before the Court on no less than five (5) days' written notice to the other party, served by e-mail, or overnight delivery.