

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF ANOKA

TENTH JUDICIAL DISTRICT  
CASE TYPE: CIVIL OTHER

Court File No. 02-CV-24-6730

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In re Assignment for Benefit of Creditors of:

Northern Wholesale Supply, LLC and its subsidiaries B2C, LLC, Northern Sales & Consulting, LLC, Rocky Mountain RV, LLC, RV Excessories, LLC, and Southwest RV Parts Direct, LLC<sup>1</sup>

**ORDER APPROVING SALE OF  
CERTAIN ACQUIRED ASSETS FREE  
AND CLEAR OF LIENS, CLAIMS AND  
ENCUMBRANCES**

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The above-captioned matter came before the Court on the motion (the “Motion”) of Lighthouse Management Group, Inc. as Assignee (“Assignee”) of Northern Wholesale Supply, LLC (“NWS”), B2C, LLC, Northern Sales & Consulting, LLC, Rocky Mountain RV, LLC, RV Excessories, LLC, and Southwest RV Parts Direct, LLC (each an “Assignor” and together, the “Assignors”) for approval of the sale of certain property free and clear of liens, claims and encumbrances (the “Sale”). All appearances were noted on the record.

1. The Court, being fully advised of the premises, and based upon the Motion, memorandum, affidavit, hearing, arguments of counsel, and other records in this proceeding, and having found that the Asset Purchase Agreement and all other APA Transaction Documents were not entered into for the purpose of hindering, delaying, or defrauding creditors and the consideration provided by the Buyer in respect of the Sale (i) is fair and reasonable, (ii) is the highest or otherwise best offer for the Acquired Assets received by the Assignee, (iii) will provide a greater recovery for each Assignor’s creditors more expeditiously than would be provided by any other practical available alternative, and (iv) constitutes reasonably equivalent value and fair

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<sup>1</sup> B2C, LLC, Northern Sales & Consulting, LLC, Rocky Mountain RV, LLC, RV Excessories, LLC, and Southwest RV Parts Direct, LLC are wholly-owned subsidiaries of Northern Wholesale Supply, LLC.

consideration under applicable law (including the Uniform Fraudulent Conveyance Act, the Uniform Voidable Transactions Act, the Uniform Fraudulent Transfer Act, and similar laws and acts); and having further found that neither the Assignee nor the Buyer is entering into the Sale contemplated by the Asset Purchase Agreement fraudulently for the purpose of statutory and common-law fraudulent conveyance and fraudulent transfer claims, no other entity or group of entities has offered to purchase the Acquired Assets for greater economic value to the Assignors' estate than the Buyer and that the Assignee's determination that the Asset Purchase Agreement constitutes the highest and best offer for the Acquired Assets constitutes a valid and sound exercise of the Assignee's business judgment, concludes that the Sale on the terms and conditions embodied in the Asset Purchase Agreement is in the best interests of creditors and satisfies the requirements set forth in Minn. Stat. § 576.46. Therefore, **IT IS ORDERED:**

2. The Assignee's Motion is **GRANTED** as set forth herein.
3. The Assignee's service of the Motion to the parties and creditors, and via the methods identified in the Motion and in the proof of service constitutes proper, timely, adequate, and sufficient notice of the Motion and the proposed sale in accordance with the requirements of Minn. Stat. § 576.35. No other or further notice is required.
4. In accordance with the terms of the Asset Purchase Agreement between the Assignee, NWS and NWS Acquisition, LLC (the "Buyer"), the Assignee is authorized to sell the Acquired Assets (as defined in the Asset Purchase Agreement<sup>2</sup>) pursuant to Minn. Stat. §§ 577.18 and 576.46 free and clear of Liens (as defined herein) or Interests (as defined herein) with any Liens or Interests attaching to the proceeds of the Sale to be received by the Assignee in the same priority and subject to the same defenses and avoidability, if any, as of the Closing Date that they

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<sup>2</sup> Unless otherwise specified, capitalized terms in this Order shall have the definitions ascribed to them in the Asset Purchase Agreement.

have now as against the Acquired Assets. A sale of the Acquired Assets other than free and clear of Liens and Interests would adversely impact the consideration to be received by the Assignee and would likely yield substantially less value for the Acquired Assets with less certainty. Therefore, the Sale contemplated by the Asset Purchase Agreement free and clear of Liens and Interests is in the best interests of the assignment for the benefit of creditors, creditors, and all parties in interest.

5. The Assignee stipulates that JPMorgan Chase Bank, N.A. (“JPMorgan”) possesses first-priority, properly perfected Liens over the Acquired Assets. JPMorgan has consented to the sale of the Acquired Assets free and clear of its Liens.

6. The failure to include or specifically reference any particular provision of the Asset Purchase Agreement or any other APA Transaction Document (as defined herein) in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the APA Transaction Documents (including the Asset Purchase Agreement) be authorized and approved in their entirety. In the event of a conflict between, on the one hand, this Order, and on the other hand, the Asset Purchase Agreement or any other APA Transaction Document, the terms of this Order shall govern.

7. The Acquired Assets were adequately marketed and the sale process was conducted in a non-collusive, fair and good-faith manner. Potential purchasers were provided a full and fair opportunity to participate in the process to purchase the Acquired Assets and the Asset Purchase Agreement with the Buyer was deemed the highest and best offer for the Acquired Assets. The Buyer is purchasing the Acquired Assets in good faith and for fair and reasonable consideration. The Asset Purchase Agreement was negotiated at arm’s length and in a non-collusive manner. Therefore, the Buyer is a good faith purchaser of the Acquired Assets and is hereby granted and is

entitled to all the protections provided to a good faith purchaser including under Minn. Stat. § 576.46. Pursuant to Minn. Stat. § 576.46 Subd. 4, if any or all provisions of this Order are hereafter reversed, modified or vacated by a subsequent order of the Court or any other court, such reversal, modification, or vacatur shall not affect the validity and enforceability of the Sale, any transfer or assignment under the APA Transaction Documents or any obligation or right granted pursuant to the terms of this Order or any APA Transaction Document (including the Asset Purchase Agreement), and notwithstanding any reversal, modification or vacatur, the Sale and any transfer or assignment shall be governed in all respects by the original provisions of this Order or the APA Transaction Documents, as the case may be.

8. The transfer of the Acquired Assets to the Buyer in accordance with the terms of the APA Transaction Documents is a legal, valid, enforceable, and effective sale and transfer of the Acquired Assets and will vest the Buyer with all legal, equitable, and beneficial right, title, and interest of the Assignee and each Assignor to the Acquired Assets free and clear of (i) any mortgage, lien, pledge, charge, security interest, claim or other encumbrance relating to, accruing, or arising any time prior to the Closing (collectively, the “Liens”) and (ii) all debts arising under, relating to, or in connection with any act of any Assignor or the Assignee and all claims, liabilities, obligations, demands, guaranties, options in favor of third parties, rights, contractual commitments, restrictions, interests, hypothecations, indentures, loan agreements, instruments, collective bargaining agreements, leases, licenses, deeds of trust, security interests or similar interests, conditional sale or other title retention agreements and other similar impositions, restrictions on transfer or use, pledges, judgments, claims for reimbursement, surcharge, contribution, indemnity, exoneration, infringement, products liability, alter ego liability, suits, defenses, credits, allowances, options, limitations, causes of action, choses in action, rights of first

refusal or first offer, rebates, chargebacks, credits, or returns, proxies, voting trusts or agreements or transfer restrictions under any shareholder or similar agreement, encumbrance, easements, rights of way, encroachments, and matters of any kind and nature, whether arising prior to or subsequent to the assignment for the benefit of creditors, whether known or unknown, legal or equitable, matured or unmatured, contingent or noncontingent, liquidated or unliquidated, asserted or unasserted, whether imposed by agreement, understanding, law, equity, or otherwise (collectively, the “Claims”) (including, without limitation, rights with respect to Claims and Liens (A) that purport to give to any party a right or option to effect a setoff or recoupment against, or a right or option to effect any forfeiture, modification, profit sharing interest, right of first refusal, purchase or repurchase right or option, or termination of, any of the Assignee’s, Assignors’ or the Buyer’s interests in the Acquired Assets, or any similar rights, if any, or (B) in respect of taxes, restrictions, rights of first refusal, charges of interests of any kind or nature, if any, including without limitation, any restriction of use, voting, transfer, receipt of income, or other exercise of any attribute of ownership (Claims, collectively with any other interests of any kind or nature whatsoever, the “Interests”), relating to, accruing, or arising any time prior to the Closing or from and after the Closing but which arise out of relate to any act, omission, circumstances, breach, default, or other event occurring prior to the Closing.

9. To the extent provided for in the Asset Purchase Agreement, any and all of any Assignor’s security deposits, or other security held by landlords, lessors and other counterparties to the contracts, leases, and licenses that are Acquired Contracts are transferred and assigned to, and are the property of, the Buyer from and after the Closing.

10. To the maximum extent permitted under applicable law, the Buyer shall be authorized, as of the Closing, to operate under any license, permit, registration, and governmental

authorization or approval of any Assignor with respect to the Acquired Assets, and all such licenses, permits, registrations, and governmental authorizations or approvals are deemed to have been, and hereby are, authorized to be transferred to the Buyer as of the Closing.

11. The Buyer is not a “successor” to, a mere continuation of, or an alter ego of any Assignor and there is no continuity of enterprise or common identity between the Buyer and any Assignor by reason of any theory of law or equity. The Buyer is not holding itself out to the public as a successor to or a continuation of any Assignor or their estates. The Sale does not amount to a consolidation, succession, merger, mere continuation of, combination of, or de facto merger of Buyer and any Assignor. Immediately prior to the Closing, the Buyer was not an insider or affiliate of any Assignor, and no common identity of incorporators, directors, or controlling stockholders existed between any Assignor and the Buyer. The transfer of the Acquired Assets to the Buyer, except as otherwise explicitly set forth in the Asset Purchase Agreement or this Order, does not, and will not, subject the Buyer to any liability whatsoever, with respect to any Assignor or the operation of any Assignor’s businesses prior to the Closing or by reason of such transfer, based, in whole or in part, directly or indirectly, on any, or any theory of, successor, vicarious, antitrust, environmental, revenue, pension, tax, labor, employment or benefits, de facto merger, business continuation, substantial continuity, alter ego, derivative, transferee, veil piercing, escheat, continuity of enterprise, mere continuation, product line, products liability, or other applicable law, rule, or regulation (including filing requirements under any such law, rule, or regulation), or theory of liability, whether now known or unknown, now existing or hereafter arising, whether fixed or contingent, whether asserted or unasserted, whether legal or equitable, whether matured or unmatured, whether liquidated or unliquidated, whether imposed by agreement, understanding, law, equity, or otherwise, including, but not limited to, liabilities on account of warranties, loans,

and receivables among any Assignor, and any taxes, arising, accruing, or payable under, out of, in connection with, or in any way relating to the cancellation of debt of any Assignor, or in any way relating to the operation of any of the Acquired Assets prior to the Closing (collectively, the “Successor or Other Liabilities”).

12. The Buyer shall have no liability for any Liabilities except as specifically provided in the Asset Purchase Agreement.

13. The Assignee is authorized to execute and deliver any and all documents necessary to complete the Sale, including the Asset Purchase Agreement, Bill of Sale, Assignment of Intellectual Property Assets, or any other documents contemplated by the Asset Purchase Agreement (collectively, the “APA Transaction Documents”). The Assignee has full corporate or other organizational authority to consummate the Sale contemplated by the APA Transaction Documents. Upon execution thereof, each APA Transaction Document will be duly and validly executed and delivered by the Assignee and enforceable against the Assignee and each Assignor in accordance with its terms and will constitute a valid and binding obligation of the Assignee and each Assignor. No government, regulatory or other consents or approvals are required for the execution, delivery and performance by the Assignee of the APA Transaction Documents, for the consummation of the Sale, or for the parties to take, or cause to be taken, all such other actions as may be reasonably necessary to effectuate or evidence the Sale contemplated by the Asset Purchase Agreement. The Seller has obtained the consent of JPMorgan to consummate the transactions contemplated by this Agreement. The Assignee is authorized to execute and deliver any and all

documents on behalf of each Assignor as necessary to effectuate the transfer of ownership of the Acquired Assets to Buyer.

14. Upon the request of the Assignee, the Minnesota Secretary of State and any other applicable agency are hereby ordered and commanded to accept the APA Transaction Documents evidencing transfer of the Acquired Assets to Buyer in accordance with the terms of this Order. Neither the Assignee nor the Buyer shall be required to execute or file releases, termination statements, assignments, consents, or other instruments or documents in order to effectuate, consummate, and implement the provisions of this Order. The Buyer may, but shall not be required to, file a certified copy of this Order in any filing or recording office in any federal, state, county, or other territory or jurisdiction in which any Assignor is incorporated or has real or personal property, or with any other appropriate clerk or recorded with any other appropriate recorder, and such filing or recording shall be accepted and shall be sufficient to release, discharge, and terminate any of the Liens or Interests as set forth in this Order as of the Closing Date.

15. Unless the Buyer otherwise consents, all persons that are in or come into possession of any portion of the Acquired Assets, at any time prior to the Closing Date, are hereby directed to surrender possession of such Acquired Assets to the Buyer on the Closing Date, or at such time thereafter as the Buyer may request. Subject to the terms of this Order, all persons are hereby forever prohibited and enjoined from taking any action that would adversely affect or interfere with the ability of the Assignee to sell and transfer the Acquired Assets to the Buyer in accordance with the terms of the Asset Purchase Agreement and this Order. Following the Closing, no holder of a Lien or any other Interest in or against any Assignor shall interfere with the Buyer's title to or



use and enjoyment of the Acquired Assets based on or related to such Interest or any actions that the Assignee may take in this assignment for the benefit of creditors.

16. The Assignee shall pay from the sale proceeds amounts sufficient to satisfy: (a) if any, unpaid real estate tax Liens or assessments or federal Liens relating to the Acquired Assets, (b) all expenses incurred in the disposition of the Acquired Assets, including Assignee fees, attorney fees, broker fees of Fort Dearborn Partners, success fee and retention bonus of Assignors' Chief Executive Officer and Chief Financial Officer, and other costs and expenses, (c) any amounts required to cure any defaults or other obligations under the Acquired Contracts arising or accruing prior to the Closing Date, and (d) the secured obligations Assignors owe to JPMorgan, as Administrative Agent for the Lenders. For the avoidance of doubt, Assignors' rights, title and interests in any contracts with and inventory products supplied by SPX Flow US, LLC ("SPX") shall be included in the Acquired Assets and transferred and assigned, as applicable, to Buyer in accordance with the terms and conditions of the Asset Purchase Agreement (including Schedule A thereto) along with any warranty, rebate or other rights in connection therewith which are being consensually assigned to the Buyer (with, for the avoidance of doubt, all transferred inventory products deemed paid in full with respect to the Buyer by virtue of the establishment of the Disputed Inventory Reserve (as set forth herein)). Notwithstanding the foregoing, the Assignee shall retain \$160,000 of the sale proceeds (the "Disputed Inventory Reserve"), to which the interests of SPX, if any, and JPMorgan shall attach in the order of their priority, and with the same validity, extent, force and effect that they have against the Acquired Assets immediately prior to the Sale Transaction, subject to all claims and defenses of the Assignee, SPX, and JPMorgan. The Assignee shall distribute the Disputed Inventory Reserve according to the agreement of JPMorgan and SPX or further order of the Court. Notwithstanding anything in this Order to the contrary, any

SPX rights under the SPX Contracts to setoff amounts that remain unpaid through the Disputed Inventory Reserve against warranty claims arising from the same products that are the subject of such reserve or against future rebates along with any defenses thereto of any of Assignors, Assignee or Buyer, shall be preserved and survive the transfer of the SPX Products to Buyer under the Asset Purchase Agreement. The foregoing provision shall not operate to expand or limit SPX's setoff rights under applicable law in any way.

17. The APA Transaction Documents, and this Order shall be binding in all respects upon the Assignee, each Assignor, their estates, all creditors, all holders of equity interests in any Assignor, all holders of Claims (whether known or unknown) against any Assignor, all holders of Liens or Interests against, in, or on all or any portion of the Acquired Assets, all counterparties to any executory or non-executory contract or unexpired lease of any Assignor, the Buyer, and all successors and assigns of each of the foregoing, including, without limitation, any person seeking to assert rights on behalf of any of the foregoing or that belong to any Assignor's estate.

18. From time to time, as and when requested by the other, the Assignee and the Buyer, as the case may be, shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such other party may reasonably deem necessary or desirable to consummate the Sale, including, such actions as may be necessary to vest, perfect or confirm, or record or otherwise, the Buyer's right, title and interest in and to the Acquired Assets, subject to the provisions of the applicable APA Transaction Documents and this Order.

19. Notwithstanding any provision of the APA Transaction Documents including Schedule A of the Asset Purchase Agreement, the "Johnson Outdoors Marine Electronics, Inc.

Annual Distributor Program: 2024-2025” shall not constitute an Acquired Contract assigned to the Buyer.

20. Notwithstanding any provision of the APA Transaction Documents including Schedule A of the Asset Purchase Agreement, the “NWS 3PL Fulfillment Service Provider Agreement, dated May 3, 2023, by and between FXR Racing Inc and NWS” (the “FXR Contract”) shall not constitute an Acquired Contract assigned to the Buyer. For the sake of clarity, the PROPERTY, as defined in the FXR Contract, is not included in the definition of the Acquired Assets, and title thereto is not transferred to Buyer pursuant to the Sale.

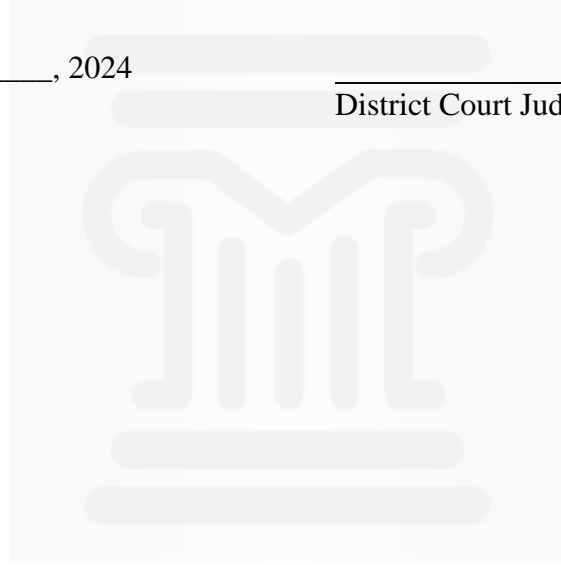
21. The Court shall retain jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Order, the APA Transaction Documents, and any amendments thereto and any waivers and consents given thereunder, and to adjudicate, if necessary, any and all disputes concerning or in any way relating to the Sale, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Acquired Assets to the Buyer, (b) interpret, implement, and enforce the provisions of this Order, including but not limited to the injunctions and limitations of liability set forth in this Order, (c) protect the Buyer against any Liens or Interests in or against any Assignor or the Acquired Assets of any kind or nature whatsoever, including, without limitation, to enjoin the commencement or continuation of any action seeking to assert Successor or Other Liability or impose successor liability or bulk sale liability on the Buyer, (d) decide any disputes concerning this Order or the Asset Purchase Agreement, or the rights and duties of the parties hereunder or thereunder or any issues relating to the Asset Purchase Agreement and this Order including, but not limited to, the interpretation of the terms, conditions, and provisions hereof and thereof, the status, nature, and extent of the Acquired Assets or any Acquired Contracts and all issues and disputes arising in connection with

the relief authorized herein, inclusive of those concerning the transfer of the assets free and clear of all Liens and Interests.

BY THE COURT:

Dated: \_\_\_\_\_, 2024

\_\_\_\_\_  
District Court Judge



MINNESOTA  
JUDICIAL  
BRANCH