IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	
TETON BUILDINGS, LLC	§	**Case No. 19-35811**
	§	
Debtor.	§	**Chapter 11**

DEBTOR'S EMERGENCY MOTION FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. §§ 105, 363 AND 365 (A) AUTHORIZING AND SCHEDULING AN AUCTION AT WHICH THE DEBTOR WILL SOLICIT THE HIGHEST OR BEST BID FOR THE SALE OF SUBSTANTIALLY ALL OF DEBTOR'S ASSETS, (B) APPROVING BIDDING PROCEDURES RELATED TO CONDUCT OF AUCTION, (C) APPROVING BREAKUP FEE, (D) APPROVING FORM AND MANNER OF NOTICES, (E) APPROVING THE SALE OF THE ASSETS TO THE PARTY SUBMITTING THE HIGHEST OR BEST BID, AND (F) GRANTING RELATED RELIEF

A HEARING WILL BE CONDUCTED ON THIS MATTER ON NOVEMBER 4, 2019 AT 3:00 P.M. IN COURTROOM 404, 4th FLOOR, UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS, 515 RUSK STREET, HOUSTON, TEXAS 77002. IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING, SPECIFICALLY ANSWERING EACH PARAGRAPH OF THIS PLEADING. UNLESS OTHERWISE DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE WITH THE CLERK OF THE BANKRUPTCY COURT WITHIN TWENTY-ONE DAYS FROM THE DATE YOU WERE SERVED WITH THIS PLEADING. YOU MUST SERVE A COPY OF YOUR RESPONSE ON THE PERSON WHO SENT YOU THE NOTICE; OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.

Teton Buildings, LLC, the above-captioned debtor and debtor in possession (the "Debtor"), hereby files this Emergency Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105, 363 and 365 (A) Authorizing and Scheduling an Auction at Which the Debtor Will Solicit the Highest or Best Bid for the Sale of Substantially All of Debtor's Assets, (B) Approving Bidding Procedures Related to Conduct of Auction, (C) Approving Breakup Fee, (D) Approving Form and Manner of Notices, (E) Approving the Sale of the Assets to the Party

Submitting the Highest or Best Bid, and (F) Granting Related Relief (the "Motion"), and in support hereof, respectfully states as follows:

I. PRELIMINARY STATEMENT

1. By this Motion, the Debtor seeks entry of two orders: (i) following an initial hearing (the "Bid Procedures Hearing") to be scheduled on an expedited basis as the Court permits, an order (the "Bid Procedures Order") (a) authorizing and scheduling an auction at which the Debtor will solicit the highest or best bid for the sale of substantially all of the Debtor's assets;[1] (b) approving the bidding procedures related to the conduct of the auction; (c) approving the break-up fee payable to the Stalking Horse Purchaser (as defined below); (d) approving the form and manner of the notices of (1) the proposed sale of the Debtor's assets, the Auction and the Sale Hearing (each as defined below), and (2) the proposed assumption and assignment of the Debtor's executory contracts and unexpired leases and proposed cure costs related thereto; and (ii) following a final hearing (the "Sale Hearing"), an order (the "Sale Order") approving the sale by the Debtor of the Acquired Assets (as defined below) to Asoka, LLC (the "Stalking Horse Purchaser") or to the bidder submitting the highest or best bid for the Acquired Assets in connection with the sale and bidding process.

II. JURISDICTION AND VENUE

2. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

[1] The Debtor is not selling the real property it owns in Casper, Wyoming or its stock in its subsidiaries, Teton Oilfield Services, LLC and Teton Latin America, LLC.

3. The statutory predicates for the relief requested in this Motion are 11 U.S.C. §§ 105(a), 363 and 365.

III. BACKGROUND

4. On October 16, 2019 (the "Petition Date"), the Debtor filed a voluntary petition for relief (the "Bankruptcy Case") under chapter 11, Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "Court").

5. Pursuant to Bankruptcy Code sections 1107(a) and 1108, the Debtor is operating its business and managing its property as a debtor in possession.

6. As of the date of this Motion, no official committee of unsecured creditors has been appointed in the Bankruptcy Case, and no request has been made for the appointment of a trustee or examiner.

A. The Debtor's Business

7. The Debtor is a Texas limited liability company in the business of designing, manufacturing, leasing and selling customized remote workforce and semi-permanent housing and office facilities.

8. Founded in 1967 in Casper, Wyoming, the Debtor was originally known as Teton Homes. In 2008, the Debtor became Teton Buildings, LLC, a Delaware limited liability company, and was wholly owned by FC Crestone Oak, LLC. That same year, Teton Buildings, LLC acquired a facility for manufacturing modular housing in Casper. In 2009, the Debtor also acquired assets in Houston, Texas in order to expand operations both domestically and internationally.

9. In 2011, Teton Buildings, LLC opened a facility in Bogota, Colombia in order to satisfy a growing demand for modular buildings and expand its presence in Latin America.

10. In 2012, Lone Star Investments Advisors, through its affiliates Lone Star Opportunities Fund V LP ("LSOF") and Lone Star Growth Capital LP ("LSGC," and collectively with LSOF, "Lone Star"), acquired an interest in Teton Buildings, LLC, and began to drive additional capital into the Debtor to bolster its growth. Lone Star now owns 100% of the membership interests in the Debtor.

i. The Debtor's Operations

11. Today, the Debtor has garnered significant name recognition and goodwill in the modular building market, a niche industry that plays an important role in the functions of other related industries, such as oil and gas. The Debtor is headquartered and operates out of a 100,000 square foot warehouse and office space located at 2701 Magnet Street in Houston, Texas (the "Warehouse"), where it manufactures its products.

12. The Debtor's products and services include man camps, workforce housing, worker villages, commercial kitchens, heli-camps, among other modular spaces. Further, as "tiny homes" have become a popular option in both the housing and camping markets, the Debtor has added a product mix of tiny homes to its manufacturing capabilities.

13. Over time, the Debtor has also acquired valuable certifications and licenses which it has used strategically to develop its products. These licenses and certifications have helped the Debtor distinguish itself from its competitors.

ii. Warehouse Facility Lease

14. As set forth above, the Debtor is headquartered at the Warehouse located at 2701 Magnet Street in Houston, Texas. The Debtor leased this Warehouse space from CG

7600 LP (the "Landlord") pursuant to a commercial lease agreement, as amended and supplemented (the "Lease"). Landlord is not affiliated with the Debtor. The Lease expired in June 2019 and the Debtor is currently a hold-over tenant pursuant to the law of the State of Texas. As of the filing of this Motion, the Debtor is four (4) months in arrears on the monthly Lease payments.

15. As more fully described below in this Motion, Landlord is aware of the exigent circumstances surrounding the filing of this Bankruptcy Case and, despite interest from other potential tenants, has worked with the Debtor in its efforts to identify a potential buyer of the Debtor's assets who is also acceptable to Landlord and willing to enter into a new long-term lease with the Landlord when it takes over the Debtor's operations.

B. Events Leading to Bankruptcy

16. A number of factors have had a material adverse effect on the Debtor's financial condition and led to the filing of this Bankruptcy Case. Specifically, the Debtor has not been able to generate sufficient cash from operations to satisfy all of its obligations as they become due because of (i) the niche market within which it operates, and (ii) a downturn in production, sales and leasing due, in part, to low oil prices.

17. As a result of the cash flow and liquidity issues, the Debtor has relied on cash infusions from Lone Star to supplement its liquidity needs. However, after a down year in 2018, the members of the Debtor were unwilling to inject additional capital. Recognizing the circumstances at hand, the Debtor began to cut costs and downsize its operations in early 2019 with a view toward maintaining its value until it could effectuate a sale of substantially all of its assets. The Debtor is currently operating at the minimum level needed to sustain value,

with only three (3) employees and one (1) turnaround management contractor until a sale process can be effectuated.

18. The Debtor does not see a reasonable chance of rehabilitation of its business given the current business climate. The Debtor filed this Bankruptcy Case to overcome the cash flow and other impediments described above, ensure a fair and equitable distribution to creditors, and effectuate a sale of its valuable assets, as more fully set forth in this Motion.

C. Sale Process

19. In early 2019, the Debtor commenced the process of evaluating financing and sale options. For the past several months, the Debtor has endeavored to market its business and identify and engage with potential buyers of its assets. Given the niche market of the modular building manufacturing industry, the Debtor has limited options available with respect to potential buyers who will purchase the assets and take over operations. The Debtor attempted to engage with six (6) prospective purchasers. Of all the parties contacted, three (3) signed nondisclosure agreements, received presentations from management, and toured the Debtor's Warehouse facilities. However, only one, the Stalking Horse Purchaser, was identified as a potential bidder and entered into substantive negotiations with the Debtor.

20. Concluding that all alternatives had been exhausted, the Debtor pursued a path to secure a stalking horse bid for the sale of substantially all of its assets. In the business judgment of the Debtor and its advisors, and after considering all other options and following extensive efforts to negotiate favorable terms, the Stalking Horse Purchaser has emerged as the highest and best bid for the assets.

D. The APA and Proposed Bidding Procedures

21. The Debtor and the Stalking Horse Purchaser have been negotiating that certain Asset Purchase Agreement (the "Agreement"). A copy of the draft Agreement is attached hereto as **Exhibit A**. The Agreement contemplates the sale of the Acquired Assets to the Stalking Horse Purchaser (subject to higher or better bids) and contains the following material terms:

- Purchase Price – $1,000,000.00 of Total Consideration; As more fully set forth in the Agreement, this amount includes the aggregate sum in cash of $800,000.00 less the actual amounts paid by Purchaser to Landlord for arrearages owed by Seller under the Lease and less the Deposit (the "Cash Consideration"), plus an aggregate amount in cash equal to the lesser of (i) Net Profit multiplied by 0.10, or (ii) $200,000.00 (the "Contingent Consideration").

- Good Faith Deposit - $80,000.00.

- Acquired Assets –All assets (excluding the Excluded Assets) set forth in Schedule 2.1 of the Agreement.

- Assumed Liabilities – As part of the consideration for the Acquired Assets, subject to Section 2.4 of the Agreement, at Closing, Purchaser shall assume the following liabilities of Seller to the extent arising from, or related to, the Acquired Assets (the "Assumed Liabilities"); all obligations of Seller to be performed on or after the Closing Date under those Assumed Contracts, Assumed Leases and Permits that are Acquired Assets, in each case, to the extent legally assigned to Purchaser, but excluding any obligations or liabilities arising from or related to any default, breach or violation of any such Assumed Contracts, Assumed Leases or Permits on or prior to the Closing Date; provided that Purchaser shall pay past due amounts related to the real property Assumed Lease in the amount set forth on Schedule 2.3 of the Agreement, up to the maximum of $70,281.98 in the aggregate.

- Cure Costs – Seller shall provide timely and proper written notice of the motion seeking entry of the Bankruptcy Sale Order to all parties to Assumed Contracts and Assumed Leases included in the Acquired Assets and take all other actions necessary to cause such Assumed Contracts and Assumed Leases to be assumed by Seller and assigned to Purchaser pursuant to section 365 of the Bankruptcy Code, and Seller and Purchaser shall, at or prior to Closing, comply with all requirements under section 365 of the Bankruptcy Code for Seller to assume and assign to Purchaser such Assumed Contracts and Assumed Leases, including the payment of Cure Costs, if any, to the counterparties to the Assumed Contracts and Assumed Leases.

- Breakup Fee – A proposed Breakup Fee payable to the Stalking Horse Purchaser in the amount of $75,000.

- Designation Rights – At any time up to consummation of the Closing, Purchaser shall have the right in its sole and absolute discretion to notify Seller in writing of any Assumed Contracts, Assumed Leases or Permits that it does not wish to assume.

- Landlord Qualification – Purchaser shall have the capacity to take over operations at the Warehouse, meet Landlord's credit requirements, and enter into a Lease with Landlord, pursuant to such terms as may be negotiated between Purchaser and Landlord.

- Outside Termination Date – December 15, 2019.

22. The Agreement with the Stalking Horse Purchaser will be further "tested" in the marketplace by the sale and bidding procedures described below, so as to ensure that the Debtor's estate realizes the maximum value for the Acquired Assets. The Debtor has developed the proposed process for continuing to market the Acquired Assets for sale (the "Proposed Sale Process") in connection with concluding a prompt sale of its business. In connection herewith the Debtor requests that this Court approve the Proposed Sale Process, including the following bidding procedures (the "Bidding Procedures").

IV. EMERGENCY RELIEF REQUESTED

23. This emergency Motion is filed because the Debtor is operating a business that needs to be sold on an expedited basis to preserve value and ensure an orderly transition of the business to an identified buyer. While management has engaged in significant efforts to maintain the business and preserve value, the Debtor has also worked diligently over the past several months to market the business and identify potential buyers of its assets. Because there are outside dates and circumstances that the Debtor believes justify procedures that would otherwise comport with the necessary due process to implement a sale, the Debtor has requested an accelerated timeline for the sale process in this Bankruptcy Case.

24. An accelerated process is warranted under the unique circumstances of this Debtor because it has been evaluating and undertaking a sale process that started several months ago. After substantial effort, the Debtor has identified and proposed a transaction with a capable and experienced buyer that can acquire substantially all of the Debtor's assets for a value that is above any others thus far identified. However, for important and pressing business reasons regarding the Debtor's need to preserve a month-to-month Lease with Landlord, any sale transaction must close by the start of December 1, 2019. By this Motion, and pursuant to sections 105, 363 and 365 of the Bankruptcy Code, the Debtor requests that the Court enter (i) following the Bidding Procedures Hearing, the Bidding Procedures Order substantially in the form attached hereto as **Exhibit B,** which (a) authorizes and schedules the Auction; (b) approves the Proposed Sale Process and Bidding Procedures (each as defined below); (c) approves the Breakup Fee (as defined below) payable to the Stalking Horse Purchaser; and (d) approves the form and manner of notices of (1) the proposed sale of the Debtor's assets, the Auction and the Sale Hearing, and (2) the proposed assumption and assignment of the Debtor's executory contracts and unexpired leases and proposed cure costs related thereto; and (ii) following the Sale Hearing, the Sale Order substantially in the form attached hereto as **Exhibit C** which approves the sale by the Debtor of the Acquired Assets to the Stalking Horse Purchaser or to the bidder submitting the highest or best bid for the Acquired Assets in connection with the sale and bidding process.

V. BASIS FOR RELIEF

25. The Debtor currently believes that the Proposed Sale Process provides the Debtor with its best opportunity to preserve and maximize the value of the Debtor's business and the Acquired Assets for the benefit of its estate, and, therefore, the Debtor believes that

implementation of the Proposed Sale Process, and approval of any sale that is presented in accordance therewith, is in the best interests of the Debtor's creditors, employees, estate and other stakeholders. As such, the Debtor submits that approval of this Motion and the Proposed Sale Process is consistent with applicable law and should be granted.

A. Bankruptcy Code Section 363(b) Authorizes the Sale and Proposed Sale Process.

26. Section 363(b)(1) of the Bankruptcy Code provides, in relevant part, that "[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). The proposed use, sale or lease of property of the estate may be approved under section 363(b) of the Bankruptcy Code if it is supported by sound business justification. *See e.g. Institutional Creditors of Continental Air Lines, Inc. v. Continental Air Lines, Inc. (In re Continental Air Lines, Inc.)*, 780 F.2d 1223, 1226 (5th Cir. 1986) ("[F]or a debtor-in-possession or trustee to satisfy its fiduciary duty to the debtor, creditors and equity holders, there must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business."); *see also In re Crutcher Resources Corp.*, 72 B.R. 628, 631 (Bankr. N.D. Tex. 1987) ("A Bankruptcy Judge has considerable discretion in approving a § 363(b) sale of property of the estate other than in the ordinary course business, but the movant must articulate some business justification for the sale."); *In re Terrace Gardens Park Partnership*, 96 B.R. 707, 714 (Bankr W.D. Tex. 1989). In reviewing a proposed sale of assets, a bankruptcy court should give deference to the business judgment of a debtor in possession when it deems the sale to be appropriate. *See Esposito v. Title Ins. Co. (In re Fernwood Mkts.)*, 73 B.R. 616, 621 n.2 (Bankr. E.D. Pa. 1987); *see also In re Chateaugay Corp.*, 973 F.2d 141 (2d Cir. 1992) (holding that a judge determining a § 363(b) application must find from the evidence presented a good business reason to grant

such application); *In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d Cir. 1983) (same); *Stephens Indus. v. McClung*, 789 F.2d 386, 390 (6th Cir. 1986) (holding that "bankruptcy court can authorize a sale of all of a chapter 11 debtor's assets under § 363(b)(1) when a sound business purpose dictates such action"); *In re Delaware & Hudson Ry. Co.*, 124 B.R. 169 (D. Del. 1991); *In re Phoenix Steel Corp.*, 82 B.R. 334, 335-36 (Bankr. D. Del. 1987) (stating that judicial approval of a § 363 sale requires a showing that the proposed sale is fair and equitable, a good business reason exists for completing the sale and that the transaction is in good faith).

27. Although the Debtor cannot predict the results of the Proposed Sale Process and the Auction, the Debtor respectfully submits that the proposed sale and Proposed Sale Process fit squarely within the parameters of the sound business judgment test articulated in the above-referenced authorities. They are also reflective of sound management and business practices and are in accord with obtaining the highest value possible in a difficult business segment.

28. First and foremost, the Debtor has articulated a sound business purpose for any transaction emanating from the Auction, including as a baseline the sale under the Agreement to the Stalking Horse Bidder. As set forth above, the Debtor has determined that it is in the best interest of the estate and stakeholders to consummate a sale of its assets. In order to monetize the Acquired Assets for distribution to creditors and other stakeholders, it is critical that the Debtor is permitted to consummate a sale of the Acquired Assets pursuant to the Proposed Sale Process. The Debtor believes that the Purchase Price reflected in the Agreement is fair and reasonable and the Debtor would be prepared to close a transaction with the Stalking Horse Purchaser even if no Initial Overbid is submitted by a competing bidder.

29. The Debtor respectfully submits that the notice and timing of the Proposed Sale Process are adequate and fair, and are reasonably calculated to elicit the highest levels of interest in purchasing the Acquired Assets. As described above, the Debtor has engaged in reasonable and appropriate marketing of its business and the Acquired Assets and strongly believes that its efforts, coupled with the Proposed Sale Process outlined herein, will garner the highest and best possible value for the Acquired Assets.

30. The Debtor has made, and will continue to make, diligent efforts to seek out all potentially credible buyers, having already contacted numerous parties in the modular building industry. As in the case of *Delaware & Hudson Ry. Co.*, the substantial solicitation and marketing efforts of the Debtor supports the Proposed Sale Process and the reasonableness of any offer ultimately presented through that process.

31. Moreover, because the Proposed Sale Process will create a fair and reasonable environment in which all legitimate and qualified interest in the business and the Acquired Assets can be presented in a competitive, open and level playing field, any offer presented in accordance with the terms of the Proposed Sale Process will necessarily be negotiated and presented in good faith. In connection therewith, the Debtor will be prepared to present further evidence of good faith during the course of the Sale Hearing that will satisfy the Court and the mandates of section 363(m) of the Bankruptcy Code.

32. The Debtor intends to give notice of the Bidding Procedures Hearing, the Auction, the Proposed Sale Process, the Sale Hearing and the proposed sale by the Debtor of the Acquired Assets, by mailing a copy of the Motion to (i) the parties on the Master Service List established in this Bankruptcy Case, which will initially comprise (a) all government entities and creditors entitled to be provided notice under the Bankruptcy Rules, (b) the 20

largest unsecured creditors, (c) all secured creditors, and (d) the United States Trustee; (ii) any parties who previously have expressed any interest in acquiring all or substantially all of the Acquired Assets; and (iii) all parties known by the Debtor to assert a lien or security interest in the Acquired Assets (the parties listed in clauses (i) through (iii) are referred to collectively as the "Notice Parties"; provided, however, that notwithstanding anything herein to the contrary, any notices sent to the parties set forth in clause (ii) may be sent by electronic mail). In addition to the foregoing, the Debtor also proposes to give additional notice by mailing (a) a copy of any Bidding Procedures Order entered by the Court within three business days of its entry to each of the Notice Parties, (b) a copy of the Auction Notice (as such term is defined in the Bidding Procedures Order) within three business days of entry of the Bidding Procedures Order to the Notice Parties, and all counterparties to the Debtor's executory contracts and unexpired leases, and (c) a copy of the Cure Notice (as such term is defined in the Bidding Procedures Order) within three business days of entry of the Bidding Procedures Order to all non-debtor parties to the Debtor's executory contracts and unexpired leases. The Debtor submits that the foregoing is sufficient notice of the Auction, the Proposed Sale Process, the Sale Hearing and the proposed sale by the Debtor of the Acquired Assets.

33. By this Motion the Debtor intends to sell the business in order to monetize the Acquired Assets for distributions to its creditors and other stakeholders. The Debtor strongly believes that, in furtherance of this goal, it has done all that is reasonably possible to secure the highest or best possible offer for the Acquired Assets under the circumstances. For all of the foregoing reasons, the relief requested in this Motion is a product of sound business judgement and is in the best interests of the Debtor, its creditors, employees, estate and other stakeholders, and should be granted. Accordingly, the Debtor submits that the Proposed Sale

Process, and any sale presented in accordance therewith, is warranted and appropriate under the terms and provisions of section 363(b) of the Bankruptcy Code.

B. Bankruptcy Code Section 363(f) Authorizes the Sale Free and Clear of Liens and Other Claims.

34. The Debtor requests that the sale and transfer of the Acquired Assets be approved free and clear of all Liens (as such term is defined in the Agreement), other than those specifically assumed by the party submitting the Prevailing Bid. Such relief is consistent with the provisions of section 363(f) of the Bankruptcy Code in these types of cases.

35. Sections 363(f) provides that a debtor-in-possession may sell property free and clear of any lien, claim or interest of another entity in such property if any of the following circumstances apply:

(1) applicable non-bankruptcy law permits sale of such property free and clear of such interest;

(2) such entity consents;

(3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;

(4) such interest is in bona fide dispute; or

(5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f).

36. As indicated by the use of the disjunctive term "or," satisfaction of any one of the five requirements listed above is sufficient to permit the sale of assets free and clear of Liens. *See In re Elliott*, 94 B.R. 343, 345 (E.D. Pa. 1988) (stating that section 363(f) is written in the disjunctive; the court may approve a sale "free and clear" provided that at least one of the subsections is met).

37. In this instance, the Debtor believes that all entities holding or asserting a security interest in the Acquired Assets will consent to the transaction presented for approval at the Sale Hearing.

38. The Debtor proposes that any Liens against the Acquired Assets (other than Permitted Liens and Assumed Liabilities, as such terms are defined in the Agreement) attach to the proceeds of the sale. Based on the above, the requirements of section 363(f) of the Bankruptcy Code can be satisfied, and the sale of the Acquired Assets free and clear of all liens, claims, encumbrances and other interests is appropriate.

C. The Prevailing Bidder Should Be Afforded All Protections Under Sections 363(m) as a Good Faith Purchaser.

39. Section 363(m) of the Bankruptcy Code provides that "the reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith … " 11 U.S.C. § 363(m).

40. As discussed above, the Proposed Sale Process and the bidding procedures contemplated as a part thereof (if and in whatever form approved at the Bidding Procedures Hearing), have been designed to create a fair, open and level playing field. Accordingly, the Debtor requests that the party submitting the Prevailing Bid be determined to have acted in good faith and be entitled to the protections of a good faith purchaser under section 363(m) of the Bankruptcy Code. *See, e.g., In re United Press Int'l, Inc.*, No. 91 B 13955 (FGC), 1992 U.S. Bankr. LEXIS 842, at *3 (Bankr. S.D.N.Y. May 18, 1992). In this regard, the transaction reflected in the Agreement was negotiated by the parties at arm's length and in good faith, and

the Stalking Horse Purchaser and its affiliates, (i) are not "insiders" or affiliates of the Debtor, and (ii) do not have any relationship to the Debtor that has not been fully disclosed to the Court.

D. Bankruptcy Code Section 365 Authorizes Assumption and Assignment of Executory Contracts and Unexpired Leases.

41. The Agreement also contemplates the assumption of certain executory contracts and unexpired leases and the assignment of these contracts and leases to the Stalking Horse Purchaser. The amount of the cure costs will be material to confirm in order for any transaction to proceed, and for determinations to be made by the time of closing by the Prevailing Bidder. Accordingly, the Debtor also respectfully seeks provisions in the Sale Order (i) authorizing the Debtor to assume and assign the Assumed Contracts, Assumed Leases, and Permits (each as defined in the Agreement). Pursuant to section 365 of the Bankruptcy Code, (ii) fixing and determining on a final and irrevocable basis the cure amounts identified in the Cure Notice as the exact amounts that must be paid, if any, to the non-debtor contract counterparties to the Assigned Contracts and Assumed Leases (the "Cure Costs"), (iii) authorizing and directing the Debtor or the Purchaser (as applicable) to pay the Cure Costs promptly following the closing, and (iv) deeming the parties to the Assigned Contracts adequately assured of future performance.

42. Section 365(a) of the Bankruptcy Code provides that a debtor-in-possession "subject to the court's approval, may assume or reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a). Courts evaluate a decision to assume or reject an executory contract or unexpired lease under the "business judgment" standard. *See Chateaugay Corp.*, 973 F.2d at 141; *see also In re Gardinier, Inc.*, 831 F.2d 974, 976 n.2 (11th Cir. 1987); *In re Wells*, 227 B.R. 553, 564 (Bankr. M.D. Fla. 1998); *see also NLRB v. Bildisco*

& Bildisco, 465 U.S. 513, 523 (1984). This standard is satisfied if the debtor determines in its business judgment that the assumption or rejection of the contract or lease would benefit the estate. *See Sharon Steel Corp. v. National Fuel Gas Distr. Corp.*, 872 F.2d 36, 39-40 (3d Cir. 1989); *In re Bicoastal Corp.*, 125 B.R. 658, 667 (Bankr. M.D. Fla. 1991). The business judgment standard requires that the court approve the debtor's business decision unless that judgment is the product of bad faith, whim, or caprice. *See Lubrizol Enter. v. Richmond Metal Finishers, Inc.*, 756 F.2d 1043, 1047 (4th Cir. 1985); *In re Prime Motor Inns*, 124 B.R. 378, 383 (S.D. Fla. 1991).

43. Here, the Assumed Contracts, Assumed Leases, and Permits are integral assets of the business, and the Debtor has determined, in the exercise of its business judgment, that the assumption and assignment of the executory contracts and unexpired leases in connection with a sale of the Acquired Assets is necessary to yield significant value and benefit to the Debtor and its estate from the sale of the Acquired Assets pursuant to the Agreement.

44. The Debtor also requests that the Court fix the amount of Cure Costs, if any, due under the Assumed Contracts, Assumed Leases, and Permits in connection with the requirement in section 365(b)(1) of the Bankruptcy Code that the debtor in possession, at the time of assumption, cure defaults in any executory contract or unexpired lease being assumed, or provide adequate assurance that the default will be promptly cured. In anticipation of the sale of business, the Debtor carefully reviewed its books and records, calculated all of the arrearages and overdue amounts owing to the counterparties to such agreements, and determined that the Cure Costs identified in the Cure Notice are the exact amounts that should be paid to the counterparties to the Assumed Contracts, Assumed Leases, and Permits.

45. To the Debtor's knowledge, there are no defaults that are required to be cured or for which there is compensation due, other than the Cure Costs. The Debtor strongly believes that, in furtherance of the goal of maximizing value for the estate and creditors and to enable the Stalking Horse Purchaser, or other Purchaser as the case may be, to be confirmed, it has done all that is possible to secure the highest or best possible offer for the Acquired Assets under the circumstances. Accordingly, the Debtor respectfully requests that this Court include in the Sale Order provisions (i) authorizing the Debtor to assume and assign the Assumed Contracts and Assumed Leases to the Stalking Horse Purchaser (or to the party that submits the Prevailing Bid) pursuant to section 365 of the Bankruptcy Code, (ii) fixing the Cure Costs as the exact amounts needed to cure any defaults under the Assigned Contracts, (iii) authorizing and directing the Debtor or the Purchaser (as applicable) to pay the Cure Costs promptly following the closing, and (iv) deeming the parties to the Assumed Contracts and Assumed Leases adequately assured of future performance by the Stalking Horse Purchaser (or by the party that submits the Prevailing Bid).

E. <u>The Proposed Bidding Procedures and Breakup Fee Are Appropriate</u>.

46. The Debtor has formulated a bidding process that the Debtor believes will induce prospective competing bidders to expend the time, energy and resources necessary to submit an Initial Overbid, and which the Debtor believes is fair and reasonable in view of the assets to be sold. The Proposed Sale Process, and in particular the proposed Breakup Fee, are reasonable under the exigent circumstances of the Bankruptcy Case, and are supported by applicable case law.

47. Historically, bankruptcy courts have approved bidding incentives, including breakup fees awarded to an initial bidder, or "stalking horse," in the event of a successful

overbid based on the business judgment of the debtor. *See, e.g. In re 995 Fifth Ave. Assocs., L.P.*, 96 B.R. 24, 28 (Bankr. S.D.N.Y. 1992) (bidding incentives may "be legitimately necessary to convince a white knight to enter the bidding by providing some form of compensation for the risks it is undertaking"); *In re Integrated Resources, Inc.*, 147 B.R. 650, 656 (Bankr. S.D.N.Y. 1992) (noting that "the business judgment of the Debtor is the standard applied under the law in this district" and applying the standard to a breakup fee); *Asarco, Inc. v. Elliot Mgmt. (In re Asarco, LLC)*, 650 F.3d 593, 597-98, 601-03 n. 9 (5th Cir. 2011).

48. The Third Circuit Court of Appeals has also addressed the appropriate standard for determining whether proposed bidding incentives in the bankruptcy context are appropriate. In *Calpine Corp. v. O'Brien Envtl. Energy, Inc. (In re O'Brien Envtl. Energy, Inc.)*, 181 F.3d 527 (3d Cir. 1999), the Court of Appeals held that even though bidding incentives are measured against a business judgment standard in non-bankruptcy transactions, the administrative expense provisions of section 503(b) of the Bankruptcy Code govern bidding incentives in the bankruptcy context. Finding no "compelling justification" for treating an application for breakup fees and expenses under section 503(b) any differently from other application for administrative expenses, the Court concluded that "the determination whether break-up fees or expenses are allowable under § 503(b) must be made in reference to general administrative expense jurisprudence. In other words, the allowance and payment of breakup fees, like that of other administrative expenses, depends upon the requesting party's ability to show that the fees were actually necessary to preserve the value of the estate." *Id*. at 535.

49. In *O'Brien*, the Third Circuit identified at least two circumstances in which bidding incentives may provide actual benefit to the estate, justifying administrative expense

status. First, there exists an actual benefit to the estate where "assurance of a break-up fee promoted more competitive bidding, such as by inducing a bid that otherwise would not have been made and without which bidding would have been limited." *Id*. at 537. Second, where the availability of bidding incentives induces a prospective buyer to research the value of the debtor and submit a bid that serves as a minimum bid on which other bidders can rely, the initial "bidder may have provided a benefit to the estate by increasing the likelihood that the price at which the debtor is sold will reflect its true worth." *Id*. Both of those circumstances exist in this case because the inducement of the Breakup Fee was critical in persuading the Stalking Horse Purchaser to make an initial offer (which will serve as a "floor" for other bidders in connection with the Proposed Sale Process) and to expend the time and resources associated with conducting due diligence regarding the Debtor's business and with negotiating and entering into the Agreement.

50. Under the "administrative expense" standard, as well as the "sound business judgment" standard followed in other jurisdictions (like the Fifth Circuit), the Bidding Procedures proposed by the Debtor should be approved as fair and reasonable. Under the circumstances, the proposed Breakup Fee of $75,000, which is approximately 7.5% of the Total Consideration provided under the Agreement of $1,000,000.00, is reasonable under the exigent circumstances, despite being higher than the general range of bidding protection typically approved by bankruptcy courts in Texas. *See, e.g., In re Stone Energy Corp.*, No. 16-36390 (MI) (Bankr. S.D. Tex. Jan 18, 2017) (court approved 3% breakup fee); *In re UGHS Senior Living, Inc.*, No. 15-80399 (DRJ) (Bankr. S.D. Tex. Nov. 24, 2015) (3% breakup fee and 1% expense reimbursement); *In re Enron Corp.*, No. 01-16034 (AJG) (Bankr. S.D.N.Y., Apr. 8, 2004) (breakup fee equal to 5% of the purchase price); *In re TransCom USA Mgmt.*

Co., L.P., No. 01-35158 (KKB) (Bankr. S.D. Tex. Feb 12, 2002) (breakup fee of more than 3.6% of the purchase price). Specifically, the Debtor submits that the Breakup Fee (i) is reasonable in light of the size of the transaction contemplated by the Agreement, and (ii) is reasonably related to the fees and expenses incurred by the Stalking Horse Purchaser in relation to its efforts to enter into the Agreement with the Debtor.

51. Furthermore, pursuant to the Agreement, the entry of Bidding Procedures Order approving the Breakup Fee is a condition precedent that must be satisfied before the Stalking Horse Purchaser is obligated to proceed further, much less close the transaction set forth in the Agreement. Accordingly, if the Court does not enter the Bidding Procedures Order approving the Breakup Fee, the Stalking Horse Purchaser would not be obligated to proceed, it would be entitled to have the initial deposit immediately returned, and would not be bound to close the transaction and purchase the Acquired Assets.

52. Therefore, because the procedures and incentives included in the Proposed Sale Process, including the proposed Breakup Fee, are fair and reasonable, are reasonably calculated to produce the best and highest offers for the Acquired Assets and thereby confer actual benefits upon the bankruptcy estate, despite being above the range of incentives customarily approved by courts, such procedures should be approved in this Bankruptcy Case.

F. Relief Under Bankruptcy Rules 6004(h) and 6006(d) is Appropriate.

53. Bankruptcy Rule 6004(h) provides that an "order authorizing the use, sale or lease of property … is stayed until the expiration of 14 days after the entry of the order, unless the court orders otherwise." FED. R. BANKR. P. 6004(h). Additionally, Bankruptcy Rule 6006(d) provides that an "order authorizing the trustee to assign an executory contract or unexpired lease … is stayed until the expiration of the 14 days after the entry of the order,

unless the court orders otherwise." FED. R. BANKR. P. 6006(d). The Debtor requests that any Sale Order be effective immediately by providing that the 14-day stays under Bankruptcy Rules 6004(h) and 6006(d) are waived.

VI. NOTICE

54. This Motion will be served, and further notice of the Auction, the Proposed Sale Process, the Sale Hearing and the proposed sale by the Debtor of the Acquired Assets will be given in accordance with the procedures set forth above. The Debtor respectfully submits that such notice is sufficient and proper under the circumstances, and that no other or further notice is required.

VII. PRAYER

WHEREFORE, the Debtor respectfully requests that this Court (a) enter an order following the Bidding Procedures Hearing, substantially in the form attached hereto as Exhibit B, (i) approving the Proposed Sale Process (including payment of the Breakup Fee), and (ii) authorizing the Debtor to take all actions reasonably necessary to effectuate such Proposed Sale Process and the sale presented in accordance therewith; (b) enter the Sale Order following the Sale Hearing, approving the highest or best bid for the Acquired Assets and granting the other relief requested in this Motion; and (c) grant such other and further relief as the Court deems just and proper.

Respectfully submitted on the 24th day of October 2019.

OKIN ADAMS LLP

By: /s/ *Matthew S. Okin*
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PROPOSED ATTORNEYS FOR THE DEBTOR

CERTIFICATE OF ACCURACY PURSUANT TO LOCAL RULE 9013-1(I)

In accordance with Bankruptcy Local Rule 9013-1(I), I hereby certify to the accuracy of the matters set forth in the foregoing Motion.

By: /s/ *Matthew S. Okin*
Matthew S. Okin

EXHIBIT B

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	
TETON BUILDINGS, LLC	§	**Case No. 19-35811**
	§	
Debtor.	§	**Chapter 11**

ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105, 363 AND 365: (A) SCHEDULING AN AUCTION; (B) SCHEDULING THE DATE, TIME AND PLACE FOR A HEARING ON THE PROPOSED SALE MOTION; (C) APPROVING THE FORM AND MANNER OF THE NOTICE OF (I) THE PROPOSED SALE OF THE DEBTOR'S ASSETS, THE AUCTION AND THE SALE HEARING, AND (II) PROPOSED ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (D) APPROVING (I) BIDDING PROCEDURES, AND (II) BREAKUP FEE

[Relates to Doc. No. ___]

Upon consideration of the Motion[1] filed by Teton Buildings, LLC, the above captioned debtor and debtor in possession (the "Debtor") for an order (a) authorizing and scheduling an auction at which the Debtor will solicit the highest or best bid for the sale of substantially all of the Debtor's assets; (b) scheduling the date, time and place for a hearing on the proposed sale motion; (c) approving the form and manner of the notice of (i) the Auction and the Sale Hearing (each as defined below), and (ii) the proposed assumption and assignment of the Debtor's executory contracts and unexpired leases and proposed cure costs related thereto; and (d) approving the (i) bidding procedures, and (ii) breakup fee payable to the Stalking Horse Purchaser; the Court having reviewed the Motion; the Court having heard the statements of counsel in support of the relief requested therein at a hearing held on November 4, 2019 (the "Bid Procedures Hearing"); the Court having determined that the relief requested in the Motion is in the best interests of the Debtor, its estate, creditors and other parties in interest; and it

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

appearing that notice of the Motion and the Bid Procedures Hearing given by the Debtor was sufficient under the circumstances; and the Court being fully advised in that premises; it is hereby

FOUND AND DETERMINED THAT:[2]

A. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014.

B. This Court has jurisdiction over the Motion and the transactions contemplated by the Agreement pursuant to 28 U.S.C. § 1334, this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (N) and (O). Venue in this District is proper under 28 U.S.C. §§ 1408 and 1409.

C. The Debtor has articulated good and sufficient reasons for approval of the Bidding Procedures.

D. The Bidding Procedures have been proposed by the Debtor in good faith, are fair and reasonable, are reasonably calculated to produce the best and highest offers for the Acquired Assets, will facilitate an orderly sale process and will confer actual benefits upon the Debtor's estate, creditors and other parties in interest. The Bidding Procedures were negotiated at arm's length and in good faith between the Debtor and the Stalking Horse Purchaser.

E. Approval of the Breakup Fee (as defined below) is a necessary and appropriate inducement to the Stalking Horse Purchaser to (i) make an initial offer which will serve as a "floor" for further bidding, and (ii) negotiate and enter into the Agreement and consummate the transactions contemplated thereby. The Stalking Horse Purchaser has expended, and will

[2] When appropriate, findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact. *See* FED. R. BANKR. P. 7052.

continue to expend, considerable time, money and energy pursuing the transactions proposed in the Agreement and has engaged in arm's length and good faith negotiations. The Debtor and the Stalking Horse Purchaser have engaged in significant arm's length negotiations on the terms and amount of the Breakup Fee. The Debtor has been unable to find a buyer who is willing to enter into a definitive agreement on terms as favorable to the Debtor and its estate as the Agreement. Recognizing this, the Debtor has agreed to the Breakup Fee. Approval of the Breakup Fee is, therefore, in the best interests of the Debtor and its estate.

F. The Debtor's proposed notice of the Bidding Procedures, including the Notice of Auction and Sale Hearing (the "Auction Notice") in substantially the form attached hereto as **Exhibit 1**, is adequate and reasonable.

G. The Debtor's proposed notice to counterparties of the Debtor's executory contracts and unexpired leases that may be assumed and assigned, in substantially the form attached hereto as **Exhibit 2** (the "Cure Notice"), is adequate and reasonable.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion [Docket No. ____] is granted to the extent set forth in this Order.

2. All objections to entry of this Order that have not been resolved or withdrawn are overruled on the merits.

3. The following "Bidding Procedures" are hereby approved and shall be used in connection with the proposed sale of the Acquired Assets:

a. **The Bidding Process**. Any third party (other than the Stalking Horse Purchaser) that is interested in purchasing the Acquired Assets must submit an "Initial Overbid" by not later than 4:00 p.m. (CST) in Houston, Texas on November 21, 2019 (the "Bid Deadline"). The Debtor shall promptly inform the Stalking Horse Purchaser of any Initial Overbid received by the Bid Deadline. Any such Initial Overbid must:

(i) Contain a signed definitive asset purchase agreement in the form of, and marked against, the Stalking Horse Purchaser's Agreement;

(ii) Include a cashiers' or certified check in the amount of $80,000.00 to be held as a deposit (it being understood that the deposit may also be sent by wire transfer of immediately available funds) in an account maintained by the Escrow Agent;

(iii) To the extent not previously provided to the Debtor, be accompanied by evidence satisfactory to the Debtor in its commercially reasonable discretion that the overbidder is willing, authorized, capable and qualified financially, legally and otherwise, of unconditionally performing all obligations under the Agreement (or its equivalent) in the event that it submits the Prevailing Bid (as defined below) at the Auction (as defined below);

(iv) Remain open and irrevocable until the date that is 30 days after the close of the Auction; and

(v) Be submitted to (1) the Debtor, Teton Buildings, LLC, 2701 Magnet Street, Houston, Texas 77054, Attention: Phil Hickman (email: hickmanp1@aol.com), and (2) counsel to the Debtor, Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, Attention: Matthew S. Okin (email: mokin@okinadams.com), in each case so as to be received no later than the Bid Deadline.

b. **Auction**. In the event that the Debtor timely receives a conforming Initial Overbid from a prospective purchaser as described above (a "Qualified Bidder"), then the Debtor will conduct an auction (the "Auction") with respect to the sale of the Acquired Assets. The Debtor shall hold the Auction for the Acquired Assets at the offices of Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, commencing on November 26, 2019 at 10:00 a.m. (CST), or at such other time and location as may be designated by the Debtor. Based upon the terms of the qualified bids received and such other information as the Debtor determines is relevant, the Debtor (in its discretion) may conduct the Auction in the manner the Debtor determines will achieve the maximum realizable value for the Acquired Assets. The Stalking Horse Purchaser under the Agreement shall be deemed a Qualified Bidder at the Auction. In order to participate in the Auction, each Qualified Bidder shall be required to comply with the requirements of the Bidding Procedures, and any Qualified Bidder other than the Stalking Horse Purchaser shall be required to submit an Initial Overbid that is timely and complies in all respects with the Bidding Procedures. At the Auction, Qualified Bidders and the Stalking Horse Purchaser may submit successive bids in increments of at least $25,000 (or such other amount that the Debtor determines in its reasonable discretion) in cash greater than the prior bid for the purchase of the Acquired Assets until there is only one offer that the Debtor determines, subject to Court approval, is the highest or best offer for the Acquired Assets (the "Prevailing Bid"). When bidding at the Auction, Purchaser shall receive a credit in the amount of the Breakup Fee. All bidding for the Acquired Assets will be concluded and final at the conclusion of the Auction and there will be no further

bidding at the Sale Hearing. Subject to Court availability, the Sale Hearing shall be scheduled for December 2, 2019 at 3:30 p.m. If no conforming Initial Overbid from a Qualified Bidder is received at or prior to the Bid Deadline, the Auction will not be held and the Sale Hearing will proceed with respect to the Agreement. In determining the Prevailing Bid, the Debtor will consider, among other things: (i) the number, type and nature of any modifications to the Agreement requested by each bidder; (ii) the extent to which such modifications are likely to delay the closing of the sale of the Acquired Assets and the cost to the Debtor of such modifications and/or delay; (iii) the total consideration to be received by the Debtor; (iv) the nature of the consideration to be received by the Debtor; (v) the likelihood of the bidder's ability to close a transaction, enter into a new lease with the landlord, and the timing thereof; and (vi) the net benefit to the Debtor's estate. In the event that a Qualified Bidder who submits a Prevailing Bid (the "Prevailing Bidder") fails to close the transaction contemplated in the Prevailing Bid, the Debtor shall be permitted to retain the Prevailing Bidder's good faith deposit as liquidated damages.

c. **Backup Bid**. At the conclusion of the Auction, the Debtor shall identify and certify the bid that constitutes the second highest or best offer for the Acquired Assets (the "Backup Bid") and the Qualified Bidder submitting such bid, the "Backup Bidder"). The Backup Bidder may be required by the Debtor to close on the Backup Bid no later than forty-five (45) days of the conclusion of the Auction and no sooner than ten (10) business days after the date the Backup Bidder receives written notice of the requirement to close on the Backup Bid, which notice shall be given no later than thirty (30) days after the Auction. In the event that Backup Bidder fails to close on the transaction contemplated in the Backup Bid, the Seller shall be permitted to retain the Backup Bidder's good faith deposit as liquidated damages and that shall be Seller's sole and exclusive remedy in connection with such failure. Notwithstanding the foregoing, nothing in this subparagraph shall prevent the Stalking Horse Purchaser, even if designated as the Backup Bidder, from terminating the Agreement in accordance with the provisions thereof and, in the event of any such termination, the Stalking Horse Purchaser shall not be entitled to return of its good faith deposit.

d. **Sale Hearing**. The Sale Hearing will be conducted in the courtroom of the Honorable Marvin Isgur, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Southern District of Texas on December 2, 2019, at 3:30 p.m. (CST), at which time the Debtor intends to present the Prevailing Bid for approval by the Court pursuant to the provisions of sections 105, 363(b), 363(f), 363(m), 363(n) and 365 of the Bankruptcy Code. The Debtor shall be deemed to have accepted a bid only when the bid has been approved by the Court at the Sale Hearing. Upon the failure to consummate a sale of the Acquired Assets after the Sale Hearing because of the occurrence of a breach or default under the terms of the Prevailing Bid, the Backup Bid, as determined as soon as practicable after the conclusion of the Auction, and as disclosed at the Sale Hearing, shall be deemed the Prevailing Bid without further order of the Court

and the parties shall be authorized to consummate the transactions contemplated by the Backup Bid. The party submitting the Backup Bid may be required by the Debtor to close on such bid no later than December 16, 2019.

e. **Highest and/or Best Bid**. At all times during the sale process through the conclusion of the Auction, the Debtor shall retain full discretion and right to determine, in the exercise of its business judgment, which bid constitutes the highest or otherwise best offer for the purchase of the Acquired Assets, and which bid should be selected as the Prevailing Bid, if any, all subject to final approval by the Court pursuant to the provisions of section 363(b) of the Bankruptcy Code. Without limiting the generality of the foregoing, the Debtor may, at any time before the conclusion of the Auction, reject any bid that the Deter determines is (i) inadequate or insufficient, (ii) contrary to any requirement of the Bankruptcy Code or the Bidding Procedures, or (iii) contrary to the best interest of the Debtor, the estate, creditors or other parties in interest. The Debtor may adopt rules for the Auction that, in its judgment, will better promote the goals of the Auction (provided that such rules shall not be inconsistent with this Order).

f. **Sale Implementation**. Following the approval of the Prevailing Bid at the Sale Hearing, the Debtor will be authorized and directed to take all commercially reasonable and necessary steps to complete and implement the transactions contemplated by the Prevailing Bid.

4. Recognizing the Stalking Horse Purchaser's expenditure of time, energy and resources, the Debtor is authorized to provide certain bidding protections to the Stalking Horse Purchaser. Specifically, upon the consummation of a sale of all or substantially all of the Acquired Assets to any third party (other than Stalking Horse Purchaser) who submits a Prevailing Bid for the Acquired Assets, the Debtor shall pay to the Stalking Horse Purchaser solely from the proceeds of such Prevailing Bid, cash or other immediately available funds in an amount equal to $75,000 (the "Breakup Fee"); provided, however, that the Breakup Fee shall not be due and payable if the Stalking Horse Purchaser has committed a material breach of the Agreement prior to the consummation of such sale to the third party. The parties agree that the Breakup Fee and the prompt return of the Good Faith Deposit shall be the full and liquidated damages of the Stalking Horse Purchaser arising out of any termination of the Agreement pursuant to the terms and provisions thereof.

5. Subject to the terms of Paragraph 4, above, the Breakup Fee shall be treated as an allowed and final administrative expense claim pursuant to sections 503(b)(1) and 507(a)(1) of the Bankruptcy Code.

6. The Breakup Fee shall be paid by the Debtor to the Stalking Horse Purchaser within five (5) business days following the closing of a Prevailing Bid with any third party, and shall be paid by the Debtor to the Stalking Horse Purchaser prior to the payment of the proceeds of such sale to any third party asserting a Lien on the Acquired Assets (and no Lien of any third party shall attach to the portion of the sale proceeds representing the Breakup Fee).

7. The Auction Notice is hereby approved as good and sufficient notice of the sale of the Acquired Assets, the Auction and all proceedings related thereto.

8. The Debtor shall serve the Auction Notice upon the persons and entities in the manner specified in the Motion, including (without limitation) on all creditors of the Debtor. Such service shall be deemed good and sufficient notice of this Order, the Motion, the Bidding Procedures, the Auction, the Sale Hearing, and all related proceedings to be held thereon.

9. The Cure Notice is hereby approved as good and sufficient notice of the proposed assumption and assignment of the Debtor's executory contracts and unexpired leases.

10. The Debtor shall serve the Cure Notice on all counterparties and persons having any interests in and to the executory contracts and unexpired leases identified in the Cure Notice in the manner specified in the Motion.

11. The Bidding Procedures (including the Breakup Fee) are fair and reasonable, are reasonably calculated to produce the best and highest offers for the Acquired Assets, and will confer actual benefits upon the Debtor's estate. The Bidding Procedures represent an exercise of the Debtor's sound business judgment and will facilitate an orderly sale process.

12. Objections, if any, to the sale of the Acquired Assets, shall be in writing, shall set forth the name of the objecting party, the basis for the objection and the specific grounds therefor, and shall be filed with the Court and served so as to be actually received by 4:00 p.m. (CST) on November 29, 2019, by: (i) counsel to the Debtor, Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, Attention: Matthew S. Okin (email: mokin@okinadams.com), (ii) Office of the United States Trustee, 515 Rusk Street, Suite 3516, Houston, Texas 77002, Attention: Hector Duran and Stephen Statham (Facsimile: 713-718-4670), (iii) counsel to any official committee of unsecured creditors appointed in this Bankruptcy Case), and (iv) counsel to the Stalking Horse Purchaser, DLA Piper, 6225 Smith Avenue, Baltimore, Maryland 21209, Attention: Thomas Pilkerton III and C. Kevin Kobbe (emails: thomas.pilkertoniii@dlapiper.com; kevin.kobbe@dlapiper.com).

13. Objections, if any, that relate to the proposed assumption and assignment of the Debtor's executory contracts and unexpired leases (including, but not limited to, any objections relating to the validity of the cure amounts as determined by the Debtor or to otherwise assert that any amounts, defaults, conditions, or pecuniary losses must be cured or satisfied under any of the assigned executory contracts or unexpired leases as of the date of the Sale Hearing (not including accrued by not yet due obligations) in order for such contracts and leases to be assumed and/or assigned (a "Cure Objection")), shall be filed with the Court and served so as to be received by 4:00 p.m. (CST) on November 29, 2019 (the "Cure Objection Deadline"), by: (i) counsel to the Debtor, Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, Attention: Matthew S. Okin (email: mokin@okinadams), (ii) Office of the United States Trustee, 515 Rusk Street, Suite 3516, Houston, Texas 77002, Attention: Hector Duran and Stephen Statham (Facsimile: 713-718-4670), (iii) counsel to any official committee of

unsecured creditors appointed in this Bankruptcy Case), and (iv) counsel to the Stalking Horse Purchaser, DLA Piper, 6225 Smith Avenue, Baltimore, Maryland 21209, Attention: Thomas Pilkerton III and C. Kevin Kobbe (emails: thomas.pilkertoniii@dlapiper.com; kevin.kobbe@dlapiper.com).

14. Except as set forth herein, unless a Cure Objection is filed and served by a non-debtor party to an executory contract or unexpired lease proposed to be assumed and assigned by the Cure Objection Deadline, all interested parties who have received actual or constructive notice of such Cure Objection Deadline shall be deemed to have waived and released any right to assert a Cure Objection and to have otherwise consented to the assumption and assignment of the executory contracts and unexpired leases set forth on the Cure Notice as served and shall be forever barred and estopped from asserting or claiming against the Debtor or the ultimate Purchaser of the Acquired Assets, or any other assignee of them, that any additional amounts are due or defaults exist, or conditions to assignment must be satisfied, under such assumed contract or unexpired lease for the period prior to the date of the Sale Hearing.

15. Each Cure Objection shall set forth the cure amount the objector asserts is due, the specific types and dates of the alleged defaults, pecuniary losses, conditions to assignment and the support therefor.

16. Any hearings with respect to the Cure Objections may be held (a) at the Sale Hearing; or (b) at such other date as the Court may designate. A properly filed and served Cure Objection shall reserve such party's rights against the Debtor (but not against any purchaser of the Acquired Assets) with respect to any cure obligations, but shall not constitute an objection to the relief generally requested in the Motion.

17. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) this

Order shall be effective immediately and enforceable upon its entry and the stay provided for in Bankruptcy Rule 6004(h) is hereby waived; (b) the Debtor is not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order; and (c) the Debtor is authorized and empowered to, and may in its discretion without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order.

18. To the extent this Order is inconsistent with any prior order or pleading with respect to the Motion in this Bankruptcy Case, the terms of this Order shall govern.

19. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation of this Order.

20. Counsel for the Debtor is directed to serve this Order on each of the Notice Parties within three (3) business days of the entry of this Order and file a certificate of service.

Signed: _____, 2019.

_____
MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	
TETON BUILDINGS, LLC	§	**Case No. 19-35811**
	§	
Debtor.	§	**Chapter 11**

NOTICE OF (I) PROPOSED SALE OF THE DEBTOR'S ASSETS, (II) AUCTION, AND (III) THE SALE HEARING

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On October 24, 2019, Teton Buildings, LLC, the above-captioned debtor and debtor in possession (the "Debtor") filed *Debtor's Emergency Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105, 363 and 365 (A) Authorizing and Scheduling an Auction at Which the Debtor Will Solicit the Highest or Best Bid for the Sale of Substantially all of Debtor's Assets, (B) Approving Bidding Procedures Related to Conduct of Auction, (C) Approving Breakup Fee, (D) Approving Form and Manner of Notices, (E) Approving the Sale of the Assets to the Party Submitting the Highest or Best Bid, and (F) Granting Related Relief* (the "Motion") [Docket No. ___]. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

2. On [__], 2019, the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") entered the *Order Pursuant to Bankruptcy Code Sections 105, 363 and 365: (A) Scheduling an Auction; (B) Scheduling the Date, Time and Place for a Hearing on the Proposed Sale Motion; (C) Approving the Form and Manner of the Notice of (I) the Proposed Sale of the Debtor's Assets, the Auction, and the Sale Hearing, and (II) Proposed Assumption and Assignment of Executory Contracts and Unexpired Leases; and (D) Approving (I) Bidding Procedures, and (II) Breakup Fee* (the "Bidding Procedures Order") [Docket No. ___].

3. Any third party (other than the Stalking Horse Purchaser) that is interested in purchasing the Acquired Assets must submit an Initial Overbid conforming to the requirements set forth in the Bidding Procedures set forth in the Order by no later than 4:00 p.m. (CST) on November 21, 2019 (the "Bid Deadline").

4. Any Initial Overbid must be submitted to (A) the Debtor, Teton Buildings, LLC, 2701 Magnet Street, Houston, Texas 77054, Attention Phil Hickman (email: hickmanp1@aol.com), and (B) counsel to the Debtor, Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, Attention: Matthew S. Okin (email: mokin@okinadams.com), in each case so as to be received no later than the Bid Deadline. The Debtor, in its sole discretion, may extend the Bid Deadline without further notice for one or more bidders, but shall not be obligated to do so.

5. In the event that the Debtor receives a timely conforming Initial Overbid from a Qualified Bidder by the Bid Deadline, the Debtor will conduct an auction (the "Auction") with respect to the sale of the Acquired Assets. The Debtor shall hold the Auction for the Acquired Assets at the offices of Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, **commencing on November 26, 2019 at 10:00 a.m. (CST)**, or at such other time and location as may be designated by the Debtor. All bidding for the Acquired Assets will be concluded at the Auction and there will be no further bidding at the Bankruptcy Court hearing held to approve the highest or best bid for the Acquired Assets (the "Sale Hearing").

6. The Sale Hearing will be conducted on December 2, 2019 at 3:30 p.m., in the courtroom of the Honorable Marvin Isgur, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Southern District of Texas, at which time the Debtor intends to present the Prevailing Bid for approval by the Bankruptcy Court pursuant to the provisions of sections 105, 363(b), 363(f), 363(m) 363(n) and 365 of the Bankruptcy Code. The Debtor shall be deemed to have accepted a bid only when the bid has been approved by the Bankruptcy Court at the Sale Hearing.

7. At the Sale Hearing the Debtor will seek authorization to consummate the transactions contemplated by either the Prevailing Bid or that certain Asset Purchase Agreement by and between the Debtor and the Stalking Horse Purchaser (the "Agreement"). **The Debtor will seek to sell and transfer the Acquired Assets and assume and assign the Assumed Contract and Assumed Leases therewith, subject to the terms of the Prevailing Bid, to either the Stalking Horse Purchaser or the purchaser under the Prevailing Bid, free and clear of any and all Liens, except Permitted Liens (as such terms are defined in the Agreement).**

8. Objections, if any, to the sale of the Acquired Assets, shall be in writing, shall set forth the name of the objecting party, the basis for the objection and the specific grounds therefor, and shall be filed with the Bankruptcy Court and served so as to be actually received by 4:00 p.m. (CST) on November 29, 2019, by: (a) counsel to the Debtor, Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, Attention: Matthew S. Okin (email: mokin@okinadams.com), (b) Office of the United States Trustee, 515 Rusk Street, Suite 3516, Houston, Texas 77002, Attention: Hector Duran and Stephen Statham (Facsimile: 713-718-4670), (c) counsel to any official committee of unsecured creditors appointed in this Bankruptcy Case), and (d) counsel to the Stalking Horse Purchaser, DLA Piper, 6225 Smith Avenue, Baltimore, Maryland 21209, Attention: Thomas Pilkerton III and C. Kevin Kobbe (emails: thomas.pilkertoniii@dlapiper.com; kevin.kobbe@dlapiper.com). **Each person or entity who receives notice of the proposed sale of the Acquired Assets and who does not object thereto on or prior to the November 29, 2019 deadline shall be deemed to have consented to the sale**.

9. This Notice and the Auction are subject to the terms and conditions of the Bidding Procedures Order, which shall control in the event of any conflict with this Notice. Copies of the Motion, the Bidding Procedures Order and the Agreement can be obtained by sending a written request to counsel to the Debtor, Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, Attention: Matthew S. Okin (email: mokin@okinadams.com).

Dated: October 24, 2019.

OKIN ADAMS LLP

By: /s/ *Matthew S. Okin*

Matthew S. Okin
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mokin@okinadams.com
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PROPOSED ATTORNEYS FOR THE DEBTOR

EXHIBIT 2

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	
	§	
TETON BUILDINGS, LLC	§	**Case No. 19-35811**
	§	
Debtor.	§	**Chapter 11**

NOTICE OF (I) CURE AMOUNTS AND (II) PROPOSED ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On October 24, 2019, Teton Buildings, LLC, the above-captioned debtor and debtor in possession (the "Debtor") filed *Debtor's Emergency Motion for Entry of an Order Pursuant to 11 U.S.C. §§ 105, 363 and 365 (A) Authorizing and Scheduling an Auction at Which the Debtor Will Solicit the Highest or Best Bid for the Sale of Substantially all of Debtor's Assets, (B) Approving Bidding Procedures Related to Conduct of Auction, (C) Approving Breakup Fee, (D) Approving Form and Manner of Notices, (E) Approving the Sale of the Assets to the Party Submitting the Highest or Best Bid, and (F) Granting Related Relief* (the "Motion") [Docket No. ___]. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

2. On [__], 2019, the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") entered the *Order Pursuant to Bankruptcy Code Sections 105, 363 and 365: (A) Scheduling an Auction; (B) Scheduling the Date, Time and Place for a Hearing on the Proposed Sale Motion; (C) Approving the Form and Manner of the Notice of (I) the Proposed Sale of the Debtor's Assets, the Auction, and the Sale Hearing, and (II) Proposed Assumption and Assignment of Executory Contracts and Unexpired Leases; and (D) Approving (I) Bidding Procedures, and (II) Breakup Fee* (the "Bidding Procedures Order") [Docket No. ___].

3. A hearing to consider the remaining relief requested in the Motion and the results of the Auction (the "Sale Hearing") will be held before the Honorable Marvin Isgur, United States Bankruptcy Judge, in Courtroom 404, United States Courthouse, 515 Rusk Avenue, Houston, Texas 77002, on December 2, 2019 at 3:30 p.m.

4. In connection with any sale of the Acquired Assets authorized at the Sale Hearing, the Debtor will assume and assign to the Stalking Horse Purchaser (or another Purchaser of the Acquired Assets) certain of the Debtor's executory contracts and unexpired leases as identified and defined in the Agreement (the "Assumed Contracts and Assumed Leases").

5. The Debtor believes that any and all defaults (other than the filing of this Bankruptcy Case) and the actual pecuniary losses under the agreements listed on **Exhibit A**, to the extent they are Assumed Contracts or Assumed Leases, can be cured by the payment of the

Cure Costs listed on **Exhibit A**. The inclusion of any document on **Exhibit A** shall not constitute or be deemed to be a determination or admission by the Debtor that such document, is, in fact, an executory contract or unexpired lease within the meaning of the Bankruptcy Code.

6. If any non-debtor party to an agreement listed on **Exhibit A** objects to the Cure Cost listed on **Exhibit A** for such agreement or object to the possible assumption and assignment of such agreement, such party must file an objection (a "Cure Objection") with the Bankruptcy Court and serve such Cure Objection so as to be actually received by 4:00 p.m. (CST) on November 29, 2019 (the "Cure Objection Deadline"), by (i) counsel to the Debtor, Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, Attention: Matthew S. Okin (email: mokin@okinadams.com), (ii) Office of the United States Trustee, 515 Rusk Street, Suite 3516, Houston, Texas 77002, Attention: Hector Duran and Stephen Statham (Facsimile: 713-718-4670), (iii) counsel to any official committee of unsecured creditors appointed in this Bankruptcy Case), and (iv) counsel to the Stalking Horse Purchaser, DLA Piper, 6225 Smith Avenue, Baltimore, Maryland 21209, Attention: Thomas Pilkerton III and C. Kevin Kobbe (emails: thomas.pilkertoniii@dlapiper.com; kevin.kobbe@dlapiper.com). **A Cure Objection must set forth (1) the cure amount the objector asserts is due, (2) the specific types and dates of the alleged defaults, pecuniary losses, conditions to assignment and (3) all supporting documents therefor.**

7. Except as set forth in the Bidding Procedures Order, unless a non-debtor party to an agreement listed on **Exhibit A** files and serves a Cure Objection by the Cure Objection Deadline, such non-debtor party shall: (a) be deemed to have consented to the possible assumption and assignment of such Assumed Contract or Assumed Lease to the Stalking Horse Purchaser (or any other Purchaser of the Acquired Assets); (b) be deemed to have waived and released any right to assert a Cure Objection; and (c) be forever barred and estopped from asserting any claim against the Debtor, the Stalking Horse Purchaser (or any other Purchaser of the Acquired Assets), or any other assignee of them, or that any additional amounts are due or defaults exist, or conditions to assignment must be satisfied, under such Assumed Contracts or Assumed Leases for the period prior to the date of the Sale Hearing.

8. Any hearing with respect to the Cure Objections may be held (a) at the Sale Hearing; or (b) at such other date and time as the Bankruptcy Court may designate.

9. If a non-debtor party to an agreement listed on **Exhibit A** agrees with the applicable Cure Cost set forth on **Exhibit A** and does not otherwise object to the Debtor's possible assumption and assignment of such agreement, no further action need be taken on the part of that non-debtor party.

10. The Debtor's decision to sell, assign and/or transfer the Assumed Contracts and Assumed Leases to the Stalking Horse Purchaser (or any other Purchaser of the Acquired Assets) is subject to Bankruptcy Court approval and the closing of the transactions contemplated by either the Prevailing Bid or that certain Asset Purchase Agreement by and between the Debtor and the Stalking Horse Purchaser (the "Agreement"). Accordingly, absent such closing or further order of the Bankruptcy Court, none of the Assumed Contracts or Assumed Leases shall

be assumed, sold, assigned and/or transferred, and shall in all respects be subject to further administration under the Bankruptcy Code.

11. This Notice is subject to the terms and conditions of the Bidding Procedures Order, which shall control in the event of any conflict with this Notice. Copies of the Motion, the Bidding Procedures Order and the Agreement can be obtained by sending a written request to counsel to the Debtor, Okin Adams LLP, 1113 Vine Street, Suite 240, Houston, Texas 77002, Attention: Matthew S. Okin (email: mokin@okinadams.com).

Dated: October 24, 2019.

OKIN ADAMS LLP

By: /s/ *Matthew S. Okin*
Matthew S. Okin
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PROPOSED ATTORNEYS FOR THE DEBTOR

EXHIBIT A TO CURE NOTICE

SCHEDULE OF CURE COSTS AND TRANSFERRED CONTRACTS

[*To Be Supplemented*]

EXHIBIT A

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "***Agreement***"), is dated as of October 24, 2019, by and between Asoka, LLC, a Delaware limited liability company ("***Purchaser***"), and Teton Buildings, LLC, a Texas limited liability company and a debtor under the provisions of Chapter 11 of the Bankruptcy Code (the "***Seller***"). Purchaser and the Seller will collectively be referred to as the "***Parties***."

A. Certain capitalized terms used but not defined elsewhere in the text of this Agreement are defined in Annex I hereto.

B. Seller is currently engaged in a modular building manufacturing business conducted at 2701 Magnet Street, Houston, Texas 77054 (the "***Business***").

C. On October 16, 2019, Seller filed a voluntary petition for relief pursuant to Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the "***Bankruptcy Code***") in the United States Bankruptcy Court for the Southern District of Texas (the "***Bankruptcy Court***"). Seller's case is being administered as case number 19-35811 (the "***Bankruptcy Case***");

D. Seller continues to operate as a debtor and debtor-in-possession pursuant to the Bankruptcy Code;

E. Seller desires to sell, transfer and assign to Purchaser, and Purchaser desires to buy and assume from Seller, pursuant to Sections 363 and 365 of the Bankruptcy Code, the Acquired Assets and the Assumed Liabilities, all at the price, and on the terms and conditions, as more specifically provided herein;

F. Seller has determined that it is advisable and in the best interests of its estate and the beneficiaries of such estate to consummate the transaction provided for herein and to obtain approval of this Agreement pursuant to the Bankruptcy Sale Order; and

G. The transactions contemplated by this Agreement are subject to the approval of the Bankruptcy Court and will be consummated only pursuant to the Bankruptcy Sale Order to be entered in the Bankruptcy Case.

NOW THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency are hereby acknowledged, and intending to be legally bound, the Parties agree as follows:

I. CERTAIN INTERPRETIVE MATTERS

1.1 Unless the context requires otherwise, (a) all references to Sections, Articles, Exhibits, Annexes or Schedules are to be Sections, Articles, Exhibits, Annexes or Schedules of or to this Agreement, (b) each of the Schedules will apply only to the corresponding section or subsection of this Agreement, (c) each term defined in this Agreement has the meaning assigned to it, (d) words in the singular include the plural and vice versa, (e) all references to $ or dollar

amounts will be to lawful currency of the United States, (f) to the extent the term "***day***" or "***days***" is used, it will mean calendar days, (g) the words "***herein***," "***hereby***," "***hereof***," "***hereunder,***" and other words of similar import refer to this Agreement as a whole and not to any particular Section, Article, or other subdivision, (h) the terms "***including***" and ***"includes"*** mean "***including or includes without limitation***," (i) reference to and the definition of any document shall be deemed a reference to such document as it may be amended, supplemented, revised or modified, in writing, from time to time but disregarding any amendment, supplement, replacement or novation made in breach of this Agreement; and (j) reference to any Law shall be construed as a reference to such Law as re-enacted, redesignated, amended or extended from time to time.

1.2 No provision of this Agreement will be interpreted in favor of, or against, any of the Parties by reason of the extent to which any such Party or its counsel participated in the drafting of this Agreement or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement or any provision of this Agreement.

1.3 All references to the "***knowledge of the Seller***" or to words of similar import will be deemed to be references to the actual knowledge of Phil Hickman, in his capacity as the authorized representative of the Seller, and such knowledge that would reasonably be expected to be known by him in the ordinary and usual course of the performance of his professional responsibility, in each case after due inquiry.

II. PURCHASE AND SALE; CLOSING

2.1 Acquired Assets. Pursuant to Sections 105, 363 and 365 of the Bankruptcy Code, on the terms and subject to the conditions set forth in this Agreement, at the Closing, Seller shall sell, convey, assign, transfer and deliver to Purchaser, and Purchaser shall accept, purchase, acquire and take assignment and delivery of, all right, title and interest in, to and under the assets (excluding the Excluded Assets) set forth on Schedule 2.1 attached hereto (the "***Acquired Assets***"), free and clear of all Liens (except for Permitted Liens) and Claims.

2.2 Excluded Assets**.** Notwithstanding anything herein to the contrary, any assets that are not specifically identified as Acquired Assets on Schedule 2.1 shall be retained by Seller (collectively, the "***Excluded Assets***"), and are not being sold or assigned to Purchaser hereunder.

2.3 Assumed Liabilities. As part of the consideration for the Acquired Assets, subject to Section 2.4, at the Closing, Purchaser shall assume the following liabilities and obligations of Seller to the extent arising from, or related to, the Acquired Assets (the "***Assumed Liabilities***"): all obligations of Seller to be performed on or after the Closing Date under those Assumed Contracts, Assumed Leases and Permits that are Acquired Assets, in each case, to the extent legally assigned to Purchaser, but excluding any obligations or liabilities arising from or related to any default, breach or violation of any such Assumed Contracts, Assumed Leases or Permits on or prior to the Closing Date; provided that (i) Purchaser shall pay past due amounts related to the lease for the real property located at 2701 Magnet Street, Houston, Texas 77054, up to a maximum of $70,281.98 in the aggregate.

2.4 No Other Liabilities Assumed. Notwithstanding anything in this Agreement to the contrary, neither Purchaser nor any of its Affiliates shall assume, and in no event shall be deemed to have assumed, any liability of Seller or any of its Affiliates whatsoever (collectively, the "***Retained Liabilities***"), other than as specifically set forth in Section 2.3. Without limiting the generality of the foregoing, Purchaser is assuming no obligation for, and shall have no responsibility with respect to, Taxes, liabilities under Environmental Laws or Benefit Plans, liabilities related to pending or threatened litigation, proceedings or investigations, obligations related to the Excluded Assets, liabilities or claims for any legal, accounting, brokerage or similar fees or expenses incurred by Seller (including the fees attributable to the Bankruptcy Case), all Indebtedness of Seller, and liabilities arising out of or resulting from non-compliance or alleged non-compliance with any Law. Purchaser shall be under no obligation to assume any obligations or liabilities with respect to Seller's employees or contractors, including severance under any Benefit Plan. The Parties acknowledge and agree that disclosure of any obligation or liability on any Schedule to this Agreement shall not create a liability of Purchaser, except where such disclosed obligation has been expressly assumed by Purchaser as an Assumed Liability in accordance with the provisions of Section 2.3 hereof. Notwithstanding any other provision of this Agreement, the obligations of Seller pursuant to this Section 2.4 shall survive the Closing Date and the transactions contemplated by this Agreement.

2.5 Deposit and Closing.

(a) Within five (5) Business Days after the date of this Agreement, Purchaser shall deliver $80,000.00 (the "***Deposit***") to Citi Bank, N.A. (the "***Escrow Agent***"). If this Agreement is terminated by the Seller prior to Closing pursuant to Section 7.14.1(c)(i), the Escrow Agent shall deliver the Deposit to the Seller. If this Agreement is terminated prior to Closing for any other reason, the Escrow Agent shall return the Deposit to Purchaser. If Closing occurs, the Deposit shall be credited to Purchaser's payment of the Cash Consideration at Closing.

(b) On the terms and subject to the conditions set forth in this Agreement, at the Closing, (i) Seller will transfer, assign and surrender to Purchaser all of the Acquired Assets, (ii) Purchaser will assume all of the Assumed Liabilities, and (iii) Purchaser shall pay Seller an aggregate sum in cash of $800,000.00 less the actual amounts paid by Purchaser to Landlord for arrearages owed by Seller under the terms of the Lease and less the Deposit (the "***Cash Consideration***"). The Cash Consideration shall be paid to the Seller by wire transfer in immediately available funds to a United States account which will have been designated in writing by Seller to Purchaser no later than two (2) Business Days prior to the Closing Date.

(c) In addition to the Cash Consideration, on or prior to the date that is fifteen (15) months following the Closing, the Purchaser shall pay Seller an aggregate amount in cash equal to the lesser of (i) Net Profit multiplied by 0.10, or (ii) $200,000.00 (the "***Contingent Consideration***" and together with the Cash Consideration, the "***Total Consideration***"). The Contingent Consideration shall be paid to the Seller by wire transfer in immediately available funds to a United States account which will have been designated in writing by Seller to Purchaser no later than two (2) Business Days prior to the date of payment. Notwithstanding any other provisions of this Agreement, Seller's interest in the Contingent Consideration under

the terms of this Agreement is assignable. After giving proper notice to Purchaser, and at the direction of Seller at the time it becomes due and payable, such Contingent Consideration may be paid directly to a third-party holding a pre-petition Lien on Seller's assets if the Bankruptcy Case has been closed.

(d) The closing (the "***Closing***") of the transactions contemplated by this Agreement will take place at such place as the Parties may agree (including remotely by electronic delivery), on the date designated by Purchaser that is not later than five (5) Business Days after the date that all conditions to the Parties' obligations to consummate the transactions contemplated hereby have been satisfied (the "***Closing Date***") (except for closing conditions that by their terms can only be satisfied on the Closing Date) or, if applicable, waived by the appropriate party or parties.

(e) Except as otherwise specifically provided for herein, all actions that will be taken and all documents that will be executed and delivered by the Parties on the Closing Date under this Agreement will be deemed to have been taken and executed simultaneously, and no proceeding will be deemed taken nor any document executed and delivered until all such proceedings have been taken, and all such documents have been executed and delivered.

2.6 Allocation of Purchase Price. The Parties hereby acknowledge and agree that the transfer of the Acquired Assets from Seller to Purchaser shall be characterized as a taxable asset sale by Seller to Purchaser for all applicable income tax purposes. In connection with such characterization, and for all income tax purposes, the Total Consideration shall be allocated among the Acquired Assets by the Parties as directed by Purchaser following final determination of the Total Consideration. Such allocation is intended to comply with the requirements of Section 1060 of the Code. The Bankruptcy Sale Order shall require Seller or, as applicable, its successor, and Purchaser to cooperate in the preparation and filing of an IRS Form 8594 with their respective Tax returns consistent with such allocation. The Parties shall treat and report the transaction contemplated by this Agreement in all respects consistently for purposes of any Tax, including the calculation of gain, loss and basis with reference to the allocation made pursuant to this Section 2.6. The Parties shall not take any action or position inconsistent with the obligations set forth in this Agreement.

2.7 Taxes. Seller or, as applicable, its successor, shall be liable for all Taxes (including any income Taxes) and fees imposed by Governmental Authorities and required to be paid in connection with or arising from the sale, transfer, or assignment of the Acquired Assets.

III. REPRESENTATIONS AND WARRANTIES OF SELLER

The following representations and warranties set forth in this Article III are made to the Purchaser by the Seller:

3.1 Due Organization, Good Standing and Power. Seller is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Texas. The Seller has the requisite power and authority and all governmental licenses, authorizations, permits, consents, and approvals required to carry on its business as conducted

and as presently proposed to be conducted. Except as a result of the commencement of the Bankruptcy Case, the Seller is duly qualified or licensed to conduct business as a foreign entity and is in good standing in each jurisdiction where such qualification is required. Seller has two subsidiaries, Teton Latin America, LLC and Teton Oilfield Services, LLC. Seller's interests in these two subsidiaries are Excluded Assets.

3.2 Authorization; Enforceability. Subject to entry of the Bankruptcy Sale Order and authorization as is required by the Bankruptcy Court:

3.2.1 The Seller's execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby and thereby, is within its capacity, power and authority and has been duly authorized by all necessary third party action. The Seller has all requisite capacity, power and authority to consummate the transactions contemplated by this Agreement and the Ancillary Agreements. This Agreement has been duly executed and delivered by the Seller and the Ancillary Agreements to which the Seller is a party will be duly executed upon their delivery by the Seller. Upon approval of the Bankruptcy Court, this Agreement and the executed Ancillary Agreements to which Seller is a party shall constitute a legal, valid and binding agreement of the Seller, enforceable against it in accordance with its and their respective terms.

3.2.2 The managers of Seller have determined that, based upon their consideration of the available alternatives, and subject to the approval of the Bankruptcy Court, a sale, transfer and assignment of the Acquired Assets to Purchaser pursuant to this Agreement under Sections 105, 363 and 365 of the Bankruptcy Code is in the best interests of Seller, its estate and its equity holders.

3.3 Governmental Authorization. Subject to entry of the Bankruptcy Sale Order and authorization as is required by the Bankruptcy Court, none of (a) the execution, delivery and performance by the Seller of this Agreement or (b) the execution, delivery, and performance by the Seller of each of the Ancillary Agreements to which it is a party, requires or will require any action by or in respect of, or filing with, any Governmental Authority.

3.4 Non-Contravention; Consents.

3.4.1 The execution, delivery and performance by Seller of this Agreement and each of the Ancillary Agreements to which Seller is a party does not and will not, subject to entry of the Bankruptcy Sale Order, (a) violate the organizational or governing documents of Seller, (b) violate any applicable Law or Order, (c) require any filing with or permit, consent, or approval of, or require the giving of any notice to (including under any right of first refusal or similar provision), any Person (including under any Assumed Contract, Assumed Lease or Permit included in the Acquired Assets), (d) result in a violation or breach of, conflict with, constitute (with or without due notice or lapse of time or both) a default under, or give rise to any right of termination, cancellation, or acceleration of any right or obligation of, Seller, or to a loss of any benefit to which Seller is entitled, under any Assumed Contract, Assumed Lease or Permit included in the Acquired Assets, or (e) result in the creation or imposition of any Lien (other than Permitted Liens) or Claim on any Acquired Asset.

3.4.2 Subject to entry of the Bankruptcy Sale Order, Seller is not subject to, or a party to, any charter, bylaw, Lien, lease, license, franchise, permit, instrument, Law, Order or any other restriction of any kind or character, that (a) has had or would reasonably be expected to materially and adversely affect any of the Acquired Assets, or (b) would prevent consummation of the transactions contemplated by this Agreement and the Ancillary Agreements, compliance by such Seller with the terms, conditions and provisions of this Agreement and the Ancillary Agreements to which it is a party.

3.5 Title to Assets. Seller has good and valid title to the Acquired Assets. Subject to entry of the Bankruptcy Sale Order, Seller has delivered to Purchaser original title certificates for each certificated asset, if any, included within the Acquired Assets. Seller hereby conveys the Acquired Assets to Purchaser and, subject to entry of the Bankruptcy Sale Order, hereby vests in Purchaser, to the maximum extent permitted by Sections 363 and 365 of the Bankruptcy Code, good and valid title to the Acquired Assets, free and clear of any Claims or Liens (including any finance or equipment lease), except Permitted Liens. Seller is and at all times has been in compliance in all material respects with all Permits applicable to it, or applicable to the conduct and operations of the Business, or relating to or affecting the Acquired Assets. Seller has not received any written notice from any Governmental Authority specifically alleging (i) any actual, alleged, possible or potential violation of, or failure to comply with, any such Permits or (ii) any actual, alleged, possible or potential revocation, withdrawal, suspension, cancellation or termination of, or any modification to, any Permit.

3.6 Tax Matters. Except as set forth in Schedule 3.6, all Taxes of Seller that could create a Lien on the Acquired Assets have been properly determined in accordance with applicable Laws and have been timely paid in full (if due) and all amounts required to be withheld for Taxes related to the Acquired Assets have been duly withheld and, to the extent required, have been paid over to the proper Governmental Authorities. Notwithstanding the foregoing sentence, Seller may, and specifically reserves the right to, pay all Taxes during the Bankruptcy Case in a plan of reorganization, liquidation, or otherwise in accordance with the provisions and priorities set forth in the Bankruptcy Code. Seller shall not be required to seek authority in the Bankruptcy Case to pay pre-petition Taxes owed, if any, prior to the Closing Date.

3.7 Absence of Certain Changes. Subject to the Bankruptcy Case, since October 16, 2019, there has been no (a) material loss or damage or other adverse change to any of the Acquired Assets (whether or not covered by insurance); (b) sale, transfer or disposition of any of the Acquired Assets; or (c) Lien or Claim placed on any of the Acquired Assets.

3.8 Contracts. Subject to the Bankruptcy Sale Order, each Assumed Contract is a valid and binding Contract of the Seller and is in full force and effect, and neither the Seller nor, to the knowledge of the Seller, any other party thereto, is in default or breach under the terms of any such Assumed Contract. The Seller has not received any written notice (a) alleging breach of any Assumed Contract, (b) terminating or threatening to terminate any Assumed Contract or (c) of intent not to renew any Assumed Contract.

3.9 Litigation. Except as disclosed on Schedule 3.9 and the Bankruptcy Case, there is no action, suit, investigation, arbitration, or administrative or other proceeding pending or, to

the knowledge of the Seller, threatened that could reasonably be expected to have an adverse effect on the Acquired Assets and, to the knowledge of the Seller, there is no valid basis for the foregoing.

3.10 Properties. All Assumed Leases are valid, binding, and enforceable in accordance with their respective terms and the Seller is a tenant or possessor in good standing thereunder and, except for the Assumed Liabilities, all rents due under such Assumed Leases have been paid. Subject to entry of the Bankruptcy Sale Order, there does not exist under any Assumed Lease any default or, to the knowledge of the Seller, any event which with notice or lapse of time or both would constitute a default. The Seller is in peaceful and undisturbed possession of the space and/or estate under the Assumed Leases and has good and valid rights of ingress and egress to and from the property subject to the Assumed Leases (the "***Leased Real Property***") and to the public street systems for all usual street, road, and utility purposes. The Seller has not received any notice of any appropriation, condemnation, or like proceeding, or of any violation of any applicable zoning Law or Order relating to or affecting the Leased Real Property, and to the knowledge of the Seller, no such proceeding has been threatened or commenced.

3.11 Environmental Matters. With respect to the Leased Real Property: (a) Seller has not received any notice of any noncompliance with any Environmental Law or any liability or remedial or corrective obligation thereunder or any investigation or proceeding relating thereto; (b) no asbestos-containing materials, polychlorinated biphenyls, other Constituents of Concern or underground storage tanks have been shipped from, used at, disposed of on, or are otherwise located at or under the Leased Real Property during Seller's occupancy or use thereof; (c) to the knowledge of Seller, no property adjacent to the Leased Real Property (i) has been used for the disposal, processing or treatment of waste or Constituents of Concern or as a dump site or (ii) contains, or has contained, any underground storage tanks; and (d) to Seller's knowledge, Seller's operations have not and will not give rise to any material liability (contingent or otherwise) under any Environmental Law. Seller has provided Purchaser with copies of all environmental investigations, studies, audits, reviews, inspections and other analyses conducted by or on behalf, or which otherwise are in the possession, of Seller respecting the Leased Real Property.

3.12 Disclosure. None of the representations or warranties of Seller contained herein or information contained in the Seller's Schedules contains any untrue statement of a material fact or, to the Seller's knowledge, omits to state a material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which they were made.

IV. REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to Seller as follows:

4.1 Organization and Existence. Purchaser is duly formed, validly existing, and in good standing as a limited liability company under the laws of the State of Delaware. Purchaser has the requisite power and authority and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as conducted.

4.2 Authorization; Enforceability. Purchaser has the requisite power and authority to execute, deliver, and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is, as contemplated by this Agreement, to become a party. This Agreement has been duly authorized, executed and delivered by Purchaser and constitutes a valid and binding agreement of Purchaser, enforceable against Purchaser in accordance with its respective terms. Each of the Ancillary Agreements to which Purchaser is, as contemplated by this Agreement, to become a party, when executed, will be duly authorized, executed, and delivered by Purchaser and will constitute, a valid and binding agreement of Purchaser, enforceable against Purchaser in accordance with the Ancillary Agreements' respective terms.

4.3 Governmental Authorization. Except as set forth herein, none of (a) the execution, delivery and performance by Purchaser of this Agreement or (b) the execution, delivery and performance by Purchaser of each of the Ancillary Agreements to which it is, as contemplated by this Agreement, to become a party, requires or will require any action by or in respect of, or filing with, any Governmental Authority.

V. CONDITIONS TO CLOSING

5.1 Conditions to Obligations of the Purchaser. The obligations of the Purchaser to consummate the Closing are subject to the satisfaction of the following conditions. Any condition specified in this Section 5.1 may be waived if consented to by the Purchaser; provided, however, that no such waiver shall be effective against the Purchaser unless it is set forth in a writing signed by the Purchaser.

5.1.1 Representations, Warranties and Covenants of the Seller. (a) Each of the representations and warranties of the Seller made in this Agreement shall be true and correct in all respects as of the date of this Agreement and as of the Closing (as if made anew at and as of the Closing); (b) the Seller shall have performed and complied in all respects with all terms, agreements and covenants contained in this Agreement required to be performed or complied with by the Seller on or before the Closing Date; and (c) the Seller shall have delivered to the Purchaser a certificate dated the Closing Date, confirming the satisfaction of the conditions contained in Sections 5.1.1, 5.1.3, and 5.1.7.

5.1.2 Officer's Certificate. Seller shall have delivered to the Purchaser a certificate from an authorized representative of Seller in the Bankruptcy Case certifying as to the due adoption of resolutions by the managers and equity holders of Seller authorizing the execution, delivery, and performance of this Agreement, the Ancillary Agreements, and the consummation of all other transactions contemplated by this Agreement, as determined by Purchaser in its reasonable discretion.

5.1.3 No Injunction, Etc. No provision of any applicable Law and no Order or proceeding shall be in effect that shall prohibit or restrict the consummation of the Closing.

5.1.4 Bankruptcy Court Approval. On or prior to the Bankruptcy Sale Order Deadline, the Bankruptcy Sale Order (a) shall have been entered in form and substance reasonably acceptable to Purchaser, (b) shall be a Final Order, (c) shall not be subject to a stay, and (d) the Bankruptcy Court shall have provided such other relief as may be necessary or

appropriate to allow the consummation of the transactions contemplated by this Agreement, including the valid transfer of all Assumed Contracts and Assumed Leases. Seller shall have delivered a copy of the Bankruptcy Sale Order to Purchaser.

5.1.5 Ancillary Agreements. Each of the Ancillary Agreements shall have been executed and delivered by the Seller and the other parties thereto.

5.1.6 Third Party Consents; Governmental Approvals. All consents, approvals, or waivers, if any, disclosed on any Schedule attached to this Agreement or otherwise required in connection with the consummation of the transactions contemplated by this Agreement shall have been received. All of the consents, approvals, authorizations, exemptions, and waivers from regulators and Governmental Authorities (including the Bankruptcy Court) that shall be required in order to enable the Purchaser to consummate the transactions contemplated by this Agreement shall have been obtained.

5.1.7 No Material Adverse Change. The Business shall have been conducted in the Ordinary Course and there shall have been no Material Adverse Change. Seller shall promptly provide (but in no event later than 48 hours) Purchaser with notice of the occurrence of any Material Adverse Change. Within five (5) Business Days following Purchaser's receipt of such notice, Purchaser shall provide notice to Seller if it intends to terminate this Agreement as a result of the Material Adverse Change.

5.1.8 Lease. The Purchaser shall have entered into a lease or sublease for the Leased Real Property or assumed the Assumed Leases with respect to the Leased Real Property, as applicable, in each case, in form and substance acceptable to Purchaser.

5.1.9 Other Deliveries. The Seller shall have delivered such other usual and customary documents, instruments, and certificates as the Purchaser may reasonably request.

5.2 Conditions to Obligations of the Seller. The obligations of the Seller to consummate the Closing are subject to the satisfaction of the following conditions. Any condition specified in this Section 5.2 may be waived if consented to by the Seller; provided, however, that no such waiver shall be effective against the Seller or, as applicable, their successors, unless it is set forth in a writing signed by the Seller.

5.2.1 Representations, Warranties and Covenants of the Purchaser. (a) Each of the representations and warranties of the Purchaser made in this Agreement shall be true and correct in all respects as of the date of this Agreement and as of the Closing (as if made anew at and as of the Closing); and (b) the Purchaser shall have performed and complied in all respects with all terms, agreements and covenants contained in this Agreement required to be performed or complied with by the Purchaser on or before the Closing Date.

5.2.2 No Injunction, Etc. No provision of any applicable Law and no Order or proceeding shall be in effect that shall prohibit or restrict the consummation of the Closing.

5.2.3 Bankruptcy Court Approval. On or prior to the Bankruptcy Sale Order Deadline, the Bankruptcy Sale Order (a) shall have been entered in form and substance reasonably acceptable to Purchaser, (b) shall be a Final Order, (c) shall not be subject to a stay,

and (d) the Bankruptcy Court shall have provided such other relief as may be necessary or appropriate to allow the consummation of the transactions contemplated by this Agreement, including the valid transfer of all Assumed Contracts and Assumed Leases.

VI. COVENANTS

6.1 Pre-Closing Covenants of Seller. Seller covenants to Purchaser that, during the period from the date hereof through and including the Closing Date or the earlier termination of this Agreement:

6.1.1 Cooperation. Seller shall use commercially reasonable efforts to obtain, and assist Purchaser in obtaining, at no cost to Purchaser, such consents, waivers or approvals of any third party or Governmental Authority required for the consummation of the transactions contemplated hereby, including the sale and assignment of the Acquired Assets. Seller shall take, or cause to be taken, all commercially reasonable actions and to do, or cause to be done, all things necessary or proper, consistent with applicable Law, to consummate and make effective as soon as possible the transactions contemplated hereby. To the extent reasonably requested by Purchaser, Seller shall introduce the Purchaser to any Person with whom Seller does business in connection with the Business and permit Purchaser to have discussions with such Persons about the Business or any Contract related to the Business. Prior to the auction of the Acquired Assets in accordance with the Bid Procedures Order, the Purchaser, upon notice to Seller, shall be permitted to contact and enter into discussions with Regulatory Authorities and other applicable Parties to discuss the process and facilitate regulatory credentialing, but shall not otherwise commence the formal application or transfer process.

6.1.2 Access to Records, Properties and Regulators. Seller shall (i) provide Purchaser and its representatives reasonable access, upon reasonable notice and at reasonable times, to the personnel of Seller and to the books and records of Seller, related to the Business or the Acquired Assets or otherwise reasonably requested by Purchaser if reasonably necessary to comply with the terms of this Agreement or the Ancillary Agreements or any applicable Law, including access to perform field examinations and inspections of the Acquired Assets (including a walk-through of Seller's properties prior to closing to confirm the status of the Acquired Assets); (ii) furnish Purchaser with such financial and operating data and other information with respect to the condition (financial or otherwise), businesses, assets, properties or operations of Seller related to the Business as Purchaser shall reasonably request; and (iii) permit Purchaser to make such reasonable inspections and copies thereof as Purchaser may require; provided, however, that Purchaser shall use commercially reasonable efforts to prevent any such inspection from unreasonably interfering with the operation of the Seller's normal business operations or the duties of any employee of Seller. Seller shall use its best efforts to (i) provide Purchaser and its representatives access to any Governmental Authority, Regulatory Authority or other Person investigating, auditing or inspecting Seller, the Business or the Acquired Assets, (ii) furnish Purchaser with such information related to such investigations, audits or inspections as Purchaser shall reasonably request, and (iii) facilitate all discussions between Purchaser or its representatives and such Governmental Authorities, Regulatory Authorities or other Persons. Purchaser shall be entitled to specific performance for any failure by Seller, or any successor of Seller, to comply with this Section 6.1.2.

6.1.3 Schedules and Supplements. As to the Seller's Schedules, Seller shall notify Purchaser of, and shall supplement or amend the Seller's Schedules hereto with respect to, any matter that (i) arises after the date hereof and that, if existing or occurring at or prior to such delivery of such Seller's Schedules, would have been required to be set forth or described in the such Seller's Schedules or (ii) makes it necessary to correct any information in such Seller's Schedules or in any representation and warranty of Seller that has been rendered inaccurate thereby. Each such notification and supplementation shall be made no later than two (2) Business Days after discovery thereof and no later than three (3) days before the date set for the Closing by the Parties. No such supplement or amendment to such Seller's Schedules shall be deemed to cure any inaccuracy of any representation or warranty made in this Agreement. As to the Purchaser Schedules, Purchaser shall notify Seller of any supplement or amendment to the Purchaser Schedules arising between the date hereof and the Closing Date.

6.1.4 Conduct of Business Prior to Closing. Except as expressly contemplated by this Agreement or with Purchaser's prior written consent (which consent shall not unreasonably be withheld), and except to the extent expressly required or permitted under the Bankruptcy Code, other applicable Law or any ruling or order of the Bankruptcy Court: (i) Seller shall not directly or indirectly sell or otherwise transfer, or offer, agree or commit (in writing or otherwise) to sell or otherwise transfer, any of the Acquired Assets; (ii) Seller shall not permit, offer, agree or commit (in writing or otherwise) to permit, any of the Acquired Assets to become subject, directly or indirectly, to any Lien, except for Permitted Liens, or Claim; (iii) Seller shall not enter into any transaction or take any other action that could be reasonably expected to cause or constitute a breach of any representation or warranty made by Seller in this Agreement or any Ancillary Agreement; (iv) Seller shall comply in all material respects with all Laws applicable to Seller or having jurisdiction over the Business or any Acquired Asset; (v) Seller shall not enter into any Contract material to Seller (individually or taken as a whole) to which Seller is a party or by which it is bound and that are used in or related to its operations or the Acquired Assets (other than in the Ordinary Course) or assume, amend, modify or terminate any Contract to which Seller is a party or by which it is bound and that are used in or related to its operations or the Acquired Assets, or fail to exercise any renewal right with respect to any Contract that by its terms would otherwise expire; (vi) Seller shall not waive or release any right of Seller that constitutes an Acquired Asset; (vii) Seller shall at all times preserve its material property, in use or useful in the conduct of its operations and keep the same in good repair, working order and condition (taking into consideration ordinary wear and tear) and from time to time make, or cause to be made, all necessary or appropriate repairs, replacements and improvements thereto consistent with industry practices, so that the business carried on in connection therewith may be properly and advantageously conducted at all times; (viii) Seller shall not have made or granted any bonus or any wage, salary or other compensation increase to any of its employees (other than in the Ordinary Course); and (ix) Seller shall not take, or agree, commit or offer (in writing or otherwise) to take, any actions in violation of the foregoing. Notwithstanding any of the foregoing, solely as part of the Bankruptcy Case auction process, Seller shall be entitled to solicit higher and/or better offers to purchase the Acquired Assets, the Assumed Contracts or the Assumed Leases during such auction process through the Bid Deadline (as defined in the Bid Procedures Order).

6.2 Assumption and Assignment of Contracts and Leases. At Closing, Seller shall, pursuant to the Bankruptcy Sale Order and the Ancillary Agreements, assume and sell and

assign to Purchaser, the Assumed Contracts, Assumed Leases and Permits (to the extent transferrable by law) included in the Acquired Assets; provided, however, that, at any time up to consummation of the Closing, Purchaser shall have the right in its sole and absolute discretion to notify Seller in writing of any Assumed Contract, Assumed Lease or Permit that it does not wish to assume. Seller shall provide timely and proper written notice of the motion seeking entry of the Bankruptcy Sale Order to all parties to Assumed Contracts and Assumed Leases included in the Acquired Assets and take all other actions necessary to cause such Assumed Contracts and Assumed Leases to be assigned to Purchaser pursuant to Section 365 of the Bankruptcy Code, and Purchaser shall, at or prior to Closing, comply with all requirements under Section 365 necessary to assign to Purchaser such Assumed Contracts and Assumed Leases. Seller shall have no right to reject or seek to be rejected pursuant to Section 365 of the Bankruptcy Code any Assumed Contract or Assumed Lease during the period beginning on the date hereof and ending upon the completion of the Closing, except with Purchaser's prior written consent. Notwithstanding anything herein to the contrary, this Agreement shall not constitute an agreement to assign any Assumed Contract, Assumed Lease or any Permit, if, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, an attempted assignment thereof, without the consent of any other Person party thereto, would constitute a breach thereof or in any way negatively affect the rights of Purchaser, as the assignee of such Assumed Contract, Assumed Lease or Permit. If, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, such consent or approval is required but not obtained, Seller shall cooperate with Purchaser without further consideration, in any reasonable arrangement designed to provide Purchaser with all of the benefits of or under any such Assumed Contract, Assumed Lease or Permit, including enforcement for the benefit of Purchaser of any and all rights of Seller against any Person party to the Assumed Contract, Assumed Lease or Permit arising out of the breach or cancellation thereof by such Person. Any assignment to Purchaser of any Assumed Contract, Assumed Lease or Permit that shall, notwithstanding the provisions of Sections 363 and 365 of the Bankruptcy Code, require the consent or approval of any Person for such assignment as aforesaid shall be made subject to such consent or approval being obtained.

6.3 Transition Cooperation; Mail Received After Closing. Seller agrees to cooperate with Purchaser to facilitate the transfer of all utilities servicing the Acquired Assets or Leased Real Property into Purchaser's name, including the transfer of any electrical service, water and sewage. Following the Closing, Purchaser may receive and open all mail addressed to Seller that Purchaser reasonably believes relates to the Acquired Assets and deal with the contents thereof at its discretion. From and after the Closing, Seller shall promptly forward or cause to be forwarded to Purchaser any mail received by Seller that relates to the Acquired Assets or the Assumed Liabilities.

6.4 Post-Closing Expenses. Seller is responsible for all expenses related to the Business, the Acquired Assets and the Assumed Liabilities prior to the Closing Date, and Purchaser is responsible for all Assumed Liabilities on and after the Closing Date. Purchaser will forward invoices for expenses relating solely to the period before the Closing Date. Subject to the provisions of the Bankruptcy Code and any order of the Bankruptcy Court, Seller, Seller's successor appointed pursuant to a Chapter 11 plan confirmed by the Bankruptcy Court or a Chapter 7 trustee appointed following conversion of the Seller's Bankruptcy Case, shall be responsible for paying such invoices to the payee.

6.5 Access to Purchaser Records and Personnel. Purchaser shall preserve and keep in a reasonably accessible location, all books, records, other documents and all other information relating to the accounting, legal, Tax, regulatory, business and financial affairs of the Seller that are included in the Acquired Assets (the "***Seller Information***") for thirty-six (36) months following the Closing Date and shall use commercially reasonable efforts to cooperate with the Seller's successor pursuant to a Chapter 11 plan of reorganization confirmed by the Bankruptcy Court or a Chapter 7 trustee appointed following conversion of the Seller's Bankruptcy Case, to allow access to such Seller Information upon reasonable notice and during normal business hours, including for purposes of making available for inspection and copying any Seller Information that a party to a litigation or arbitration matter may request by way of subpoena or other proper legal process; provided, however, that Seller (or such successor) shall use commercially reasonable efforts to prevent any such access from unreasonably interfering with the operation of Purchaser's normal business operations or the duties of any employee of Purchaser. Notwithstanding anything to the contrary set forth in this Agreement, Purchaser shall not be required to disclose any Seller Information to the extent doing so (i) would, in the sole judgment of the Purchaser and/or its legal counsel, violate any Contract or Law to which the Purchaser is a party or is subject or (ii) Purchaser believes in good faith based on advice of counsel would result in a loss by the Purchaser of the ability to successfully assert a claim of privilege (including the attorney-client and work product privileges) belonging to Purchaser. Seller shall be entitled to specific performance for any failure by Purchaser, or any successor of Purchaser, to comply with this Section 6.5.

6.6 Name. Within thirty (30) days following the Closing Date, the Seller shall seek relief from the Bankruptcy Court authorizing Seller to amend its organizational documents and take all other actions necessary to change its name so that it does not contain the word "Teton" or any colorable variation thereon, provided, however, that the name of the Seller as the Debtor in the Bankruptcy Case may not be amended or otherwise changed.

6.7 Employees. The Seller shall terminate all employees who are offered employment by Purchaser effective as of the Closing. The Seller agrees that Purchaser retains sole and complete discretion with respect to which employees of the Seller that Purchaser will offer employment. The Seller shall be solely responsible for any notification and liability under the Worker Adjustment and Retraining Notification Act relating to any termination of any of the Seller's employees from employment with the Seller occurring prior to or after the date of this Agreement, whether or not in connection with the transaction contemplated hereby. The Seller shall be responsible for all liabilities for employee or independent contractor compensation and benefits accrued or otherwise arising out of services rendered by its employees, directors and independent contractors prior to the Closing or arising by reason of actual, constructive or deemed termination of their service relationship with the Seller at Closing, including all costs relating to the continuation of health benefits under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, with respect to employees not hired by Purchaser after the Closing Date. Purchaser agrees to use commercially reasonable efforts to assist Seller in preparing any final payroll checks (for Seller's signature) for Seller's employees that are hired by Purchaser at Closing or for three (3) months thereafter. No provision of this Section 6.7 shall create any third party beneficiary or other rights in any employee or former employee of the Seller. In addition, Seller and Purchaser mutually agree to provide necessary access and to otherwise cooperate with respect to employee payroll matters before and after the Closing.

6.8 Bankruptcy Matters.

6.8.1 Court Approval. Seller and Purchaser acknowledge that this Agreement and the sale of the Acquired Assets and the assumption and assignment of the Assumed Contracts and Assumed Leases are subject to Bankruptcy Court approval.

6.8.2 Certain Bankruptcy Undertakings.

(a) Seller and Purchaser agree to use commercially reasonable efforts to do such acts and things and to execute and deliver such agreements and instruments as may reasonably be required to consummate, evidence, confirm or obtain the Bankruptcy Court approval of the sale of the Acquired Assets, the assumption and/or assignment of the Assumed Contracts and the Assumed Leases and any other agreement contemplated hereby.

(b) On or prior to October 24, 2019, Seller shall file with the Bankruptcy Court (and provide notice to all creditors and other parties-in-interest entitled to receive notice of) the Sale Motion seeking entry of the Bid Procedures Order and the Bankruptcy Sale Order. Prior to the filing by Seller of the Sale Motion, Seller shall (i) provide a draft of the Sale Motion (including any exhibits or attachments thereto) to Purchaser and its counsel, (ii) provide Purchaser and its counsel a reasonable opportunity to review and comment on such documents and any amendments or supplements thereto (whether proposed before or after the initial motion is filed), and (iii) incorporate any comments of Purchaser and its counsel into such documents and any amendments or supplements thereto that are consistent with the terms of this Agreement and the transactions contemplated by this Agreement.

(c) Seller and Purchaser agree to use commercially reasonable efforts to (i) have the Bankruptcy Court enter the Bid Procedures Order as soon as possible after the date of the filing of the Sale Motion and (ii) have the Bankruptcy Court enter the Bankruptcy Sale Order immediately upon the completion of the Sale Hearing or as soon as possible thereafter.

(d) If the Bankruptcy Sale Order or any other orders of the Bankruptcy Court relating to this Agreement shall be appealed by any Person (as defined in Section 101(41) of the Bankruptcy Code), or if any petition for certiorari or motion for rehearing or reargument shall be filed with respect thereto, Seller shall take all actions as may be reasonable and appropriate to defend against such appeal, petition or motion and each Party hereto agrees to use its reasonable efforts to obtain an expedited resolution of any appeal; provided, however, that nothing herein shall preclude the Parties hereto from consummating the transactions contemplated by this Agreement if the Bankruptcy Sale Order shall have been entered and has not been stayed and Purchaser, in its sole and absolute discretion, waives in writing the condition that the Bankruptcy Sale Order be a Final Order.

6.8.3 Bid Procedures Order. The Bid Procedures Order shall be in form and substance acceptable to Purchaser in its sole and absolute discretion, and Seller hereby agrees not to modify any of the dates or procedures set forth in the Bid Procedures Order without the prior written consent of Purchaser, or as otherwise approved by the Bankruptcy Court. The Parties agree that there is substantial risk that the value of the assets to be sold hereunder will deteriorate

during the pendency of the Bankruptcy Case and that time is of the essence with respect to the various dates and deadlines set forth in the Bid Procedures Order. Seller shall at all times comply with and perform the terms of the Bid Procedures Order.

6.8.4 Bankruptcy Sale Order. The Bankruptcy Sale Order shall be in form and substance acceptable to Purchaser in its sole and absolute discretion, and Seller hereby agrees not to modify the Bankruptcy Sale Order without the prior written consent of Purchaser. Purchaser agrees that it will promptly take such actions as are reasonably requested by Seller to assist in obtaining entry of the Sale Order, including furnishing affidavits or other documents or information for filing with the Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by Purchaser and demonstrating that Purchaser is a "good faith" purchaser under Section 363(m) of the Bankruptcy Code. Seller shall use their reasonable best efforts to obtain a ruling that the Bankruptcy Sale Order is immediately effective notwithstanding the provisions of Rules 6004(h) and 6006(d) of the Federal Rules of Bankruptcy Procedure.

VII. MISCELLANEOUS

7.1 Notices. Any notice, request, instruction or other document required or permitted to be given under this Agreement by any Party to another Party will be in writing and will be given to such Party at its address set forth in Annex II attached to this Agreement or to such other address as the Party to whom notice is to be given may provide in a written notice to the Party giving such notice. Each such notice, request, or other communication will be effective (x) if given by certified mail, 72 hours after such communication is deposited in the mails with certified postage prepaid addressed as aforesaid, (y) 1 Business Day after being furnished to a nationally recognized overnight courier for next Business Day delivery, or (z) on the date sent if sent by electronic mail or facsimile transmission, receipt confirmed, in each case.

7.2 Amendments and Waivers.

7.2.1 Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by the Purchaser, Seller (or by any successor), or in the case of a waiver, by the Party against whom the waiver is to be effective.

7.2.2 No failure or delay by any Party in exercising any right, power, or privilege under this Agreement will operate as a waiver thereof nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies provided will be cumulative and not exclusive of any rights or remedies provided for in this Agreement by Law.

7.3 Expenses. Except as set forth herein, each Party to this Agreement will bear its own fees and expenses incurred incident to this Agreement and the Ancillary Agreements and in preparing to consummate and consummating the transactions contemplated by this Agreement, including reasonable out of pocket costs and expenses (including the out of pocket fees, disbursements, and other charges of legal counsel, consultants, and accountants).

7.4 Successors and Assigns. The provisions of this Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and assigns (including any trustee appointed in the Bankruptcy Case); provided, however, that no Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party to this Agreement; and further provided, that Purchaser may assign this Agreement and its rights and obligations hereunder to any lender (for collateral security purposes) or Affiliate of Purchaser.

7.5 Third Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted assigns and nothing herein expressed or implied will give or be construed to give to any Person, other than the Parties and such permitted assigns, any legal or equitable rights under this Agreement.

7.6 Governing Law; Jurisdiction. This Agreement shall be construed, performed and enforced in accordance with, and governed by, the Laws of the State of Texas (without giving effect to the principles of conflict of laws thereof), except to the extent that the Laws of such State are superseded by the Bankruptcy Code or other applicable federal Law. For so long as Seller is subject to the jurisdiction of the Bankruptcy Court, the parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with the Agreement, and consent to the exclusive jurisdiction of, the Bankruptcy Court. After Seller is no longer subject to the jurisdiction of the Bankruptcy Court, the Parties irrevocably elect, as the sole judicial forum for the adjudication of any matters arising under or in connection with this Agreement, and consent to the jurisdiction of, any state or federal court having competent jurisdiction in Texas.

7.7 Waiver of Jury Trial. **TO THE EXTENT ALLOWED BY LAW, EACH PARTY IRREVOCABLY WAIVES ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT, ANY OTHER DOCUMENT, INSTRUMENT OR CERTIFICATE EXECUTED IN CONNECTION HEREWITH OR CONTEMPLATED HEREBY OR THEREBY. EACH PARTY ACKNOWLEDGES THAT THE FOREGOING WAIVER IS VOLUNTARY AND KNOWING.**

7.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be an original with the same effect as if the signatures on each counterpart were upon the same instrument.

7.9 Headings. The headings in this Agreement are for convenience of reference only and will not control or affect the meaning or construction of any provisions of this Agreement.

7.10 Entire Agreement. This Agreement and the Ancillary Agreements (including the Schedules, Exhibits, and Annexes hereto and thereto) constitute the entire agreement among the Parties with respect to the subject matter of this Agreement and such Ancillary Agreements as a complete and final integration thereof. This Agreement and the Ancillary Agreements (including the Schedules, Exhibits, and Annexes) supersede all prior agreements and

understandings, both oral and written, between the Parties with respect to the subject matter of this Agreement and such Ancillary Agreements.

7.11 Confidentiality.

7.11.1 Purchaser shall keep all non-public confidential information regarding the Seller and its Affiliates are confidential and will only use such information in connection with the transactions contemplated by this Agreement and not disclose any of such information other than (i) to Purchaser's Affiliates and their respective employees and representatives who are involved with the transactions contemplated by this Agreement, (ii) to the extent such information presently is or hereafter becomes available, on a non-confidential basis, from a source other than the Seller or their Affiliates, and (iii) to the extent disclosure is required by Law or legal process by any Governmental Authority.

7.11.2 The Seller shall keep all non-public confidential information regarding the Purchaser and its Affiliates (and after Closing, the Acquired Assets) confidential and will only use such information in connection with the transactions contemplated by this Agreement and not disclose any of such information other than (i) to Seller's Affiliates and their respective employees and representatives who are involved with the transactions contemplated by this Agreement, (ii) to the extent such information presently is or hereafter becomes available, on a non-confidential basis, from a source other than the Purchaser or its Affiliates, and (iii) to the extent disclosure is required by Law or legal process by any Governmental Authority.

7.11.3 Prior to any disclosure required by Law or legal process the Purchaser, on the one hand, or the Seller, on the other, as the case may be, shall advise the other of such requirement so that it may seek a protective order or similar relief.

7.11.4 Due to the difficulty of measuring economic losses as a result of the breach of the foregoing covenants in this Section 7.11, and because of the immediate and irreparable damage that would be caused for which they would have no other adequate remedy, the Parties hereto agree that, in the event of a breach by any of them of the foregoing covenants, the covenant may be enforced against the other parties by any equitable remedies, including injunctions and specific performance, and restraining orders without the necessity of proving actual damages or posting a bond or other security.

7.12 Severability. If any provision of this Agreement or the application of any such provision to any Person or circumstance is held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision and such invalid, illegal or unenforceable provision will be reformed, construed and enforced as if such provision had never been contained herein and there had been contained in this Agreement instead such valid, legal and enforceable provisions as would most nearly accomplish the intent and purpose of such invalid, illegal or unenforceable provision.

7.13 Further Assurances. From time to time, as and when requested by any Party to this Agreement, the other Parties will execute and deliver, or cause to be executed and delivered, all such documents and instruments and will take, or cause to be taken, all such

further or other actions, as the requesting Party may reasonably deem necessary or desirable to consummate the transactions contemplated by this Agreement.

7.14 Termination.

7.14.1 Conditions of Termination. This Agreement may be terminated at any time before the Closing as follows:

(a) by mutual written consent of Seller and Purchaser;

(b) automatically and without any action or notice by Seller to Purchaser, or Purchaser to Seller, immediately upon:

(i) the issuance of a final and non-appealable Order by a Governmental Authority to restrain, enjoin or otherwise prohibit the transfer of the Acquired Assets, or any material portion (as determined by Purchaser in its reasonable discretion) thereof, to Purchaser as contemplated by this Agreement; or

(ii) the closing of an Alternate Transaction.

(c) by Seller:

(i) if there has been a material violation or breach by Purchaser of any representation, warranty or covenant contained in this Agreement.

(d) by Purchaser:

(i) if the Bankruptcy Court has not entered the Bankruptcy Sale Order by the Bankruptcy Sale Order Deadline;

(ii) if there has been a material violation or breach by Seller of any representation, warranty or covenant contained in this Agreement;

(iii) at any time after December 15, 2019, if the Closing shall not have occurred and such failure to close is not caused by or the result of Purchaser's breach of this Agreement;

(iv) if, prior to the Closing Date, Seller's Bankruptcy Case shall be converted into a case under Chapter 7 of the Bankruptcy Code or dismissed, or if a trustee or examiner with expanded powers is appointed in the Bankruptcy Case;

(v) if there shall be excluded from the Acquired Assets any Assumed Contract or Assumed Lease that is not assignable or transferable pursuant to the Bankruptcy Code or otherwise without the consent of any Person other than Seller, to the extent that such consent shall not have been given prior to the Closing and the exclusion of such Assumed Contract or Assumed Lease would reasonably be expected to have a material adverse effect on the Acquired Assets; or

(vi) if Seller discloses, or Purchaser otherwise discovers, the existence of an event or circumstance having a material adverse effect on the value of the Acquired Assets to the Purchaser.

7.14.2 Effect of Termination. In the event of termination, this Agreement shall become null and void and have no effect and neither party shall have any liability to the other (other than those provisions that expressly survive termination or obligations to be performed on or after the Closing), except that Purchaser or Seller shall be liable to the other Party for any damages suffered by such Party on account of any prior material or willful breach hereof by Purchaser or Seller, as applicable.

7.14.3 Breakup Fee. In the event that the Bankruptcy Court enters an order approving an Alternative Transaction either (i) prior to the termination of this Agreement or (ii) within thirty (30) days after the termination of this Agreement, then no later than the closing of the sale of any Acquired Assets to a third party, Seller shall pay to Purchaser from the proceeds of such sale a breakup fee in an amount of $75,000.00.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

The Parties have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

SELLER:

Teton Buildings, LLC

By: _____
Name: _____
Title: _____

PURCHASER:

Asoka, LLC

By: _____
Name: _____
Title: _____

[Signature page to Asset Purchase Agreement]

Annex I

Definitions

In addition to the terms defined elsewhere in this Agreement, the following terms have the following meanings when used herein with initial capital letters:

"***Acquired Assets***": as set forth in Section 2.1.

"***Affiliate***": with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with the first Person. For the purposes of this definition, "***control***," when used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "***controlling***" and "***controlled***" have meanings correlative to the foregoing. With respect to any natural Person, "***Affiliate***" will include such Person's grandparents, any descendants of such Person's grandparents, such Person's spouse, the grandparents of such Person's spouse, and any descendants of the grandparents of such Person's spouse (in each case, whether by blood, adoption or marriage).

"***Agreement***": as set forth in the introductory paragraph.

"***Alternative Transaction***" shall mean any transaction by which Seller sells the Acquired Assets, or any portion of the Acquired Assets, to any bidder other than Purchaser.

"***Ancillary Agreements***": the Bill of Sale, the Assignment and Assumption Agreement and each other agreement, certificate or instrument delivered in connection with this Agreement.

"***Assignment and Assumption Agreement***": the assignment and assumption agreement pursuant to which Purchaser will assume the Assumed Liabilities as of the Closing Date, substantially in the form attached hereto as Exhibit A.

"***Assumed Contracts***": the Contracts set forth on Schedule 2.1 to be assumed by the Purchaser at the Closing.

"***Assumed Leases***": the real property leases set forth on Schedule 2.1 to be assumed by the Purchaser at the Closing.

"***Assumed Liabilities***": as set forth in Section 2.3.

"***Bankruptcy Code***": as set forth in Recital C.

"***Bankruptcy Court***": as set forth in Recital C.

"***Bankruptcy Case***": as set forth in Recital C.

"***Bankruptcy Sale Order***": shall mean an order of the Bankruptcy Court, which order shall be in form and substance acceptable to Purchaser in its sole an absolute discretion,

approving and authorizing Seller to consummate this Agreement and the transactions contemplated by this Agreement (including the sale of the Acquired Assets to the Purchaser free and clear of all Liens and Claims and the assumption and assignment of the Assumed Contracts and Assumed Leases).

"***Bankruptcy Sale Order Deadline***": December 15, 2019, as such date may be extended from time to time by Purchaser in its sole discretion.

"***Benefit Plans***": "each "welfare" Benefit Plan, fund or program (within the meaning of Section 3(1) of ERISA), each "pension" Benefit Plan, fund or program (within the meaning of Section 3(2) of ERISA), and each other employee benefit Plan, fund, program, agreement or arrangement in each case, that is sponsored, maintained or contributed to or required to be contributed by Seller or by any trade or business, whether or not incorporated (an "***ERISA Affiliate***"), that together with Seller would be deemed a "single employer" within the meaning of Section 4001(b) of ERISA, or to which Seller or any ERISA Affiliate is a party, for the benefit of any employee or former employee of the Business.

"***Bid Procedures Order***" shall mean an order of the Bankruptcy Court, which order shall be in form and substance satisfactory to Purchaser in its sole and absolute discretion, approving bid procedures.

"***Bill of Sale***": the bill of sale pursuant to which Seller will transfer to Purchaser the Acquired Assets as of the Closing Date, substantially in the form attached hereto as Exhibit B.

"***Business***": as set forth in Recital B.

"***Business Day***": any day other than a Saturday or Sunday or a day on which banks in the State of Texas are closed.

"***Capital Lease Obligations***": with respect to any Person, for any applicable period, the obligations of such Person that are permitted or required to be classified and accounted for as capital obligations under GAAP, and the amount of such obligations at any date will be the capitalized amount of such obligations at such date determined in accordance with GAAP.

"***Cash Consideration***": as set forth in Section 2.5(a).

"***CERCLA***": the Federal Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. § 9601 et seq.

"***Claim***" shall mean any claim, liability, demand, damage, loss, debt, obligation, account, offset, action, cause of action, defense, cost, fee and/or expense of whatsoever nature, character or kind, whether in law or equity, whether known or unknown, whether disclosed or undisclosed, whether anticipated or unanticipated, whether asserted or unasserted, whether accrued or unaccrued, whether matured or unmatured, whether direct or indirect, whether contingent or non-contingent, whether liquidated or unliquidated, which any Person ever had, now has or may have in the future against or in any way relating to Seller or any of the Acquired Assets. Without limiting the generality of the foregoing, the definition of "Claim" under this Agreement shall include any "claim" as such term is defined in Section 101(5) of the Bankruptcy Code.

"***Closing***": as set forth in Section 2.5(c).

"***Closing Date***": as set forth in Section 2.5(c).

"***Code***": the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

"***Constituent of Concern***": any hazardous substance, hazardous waste, hazardous material, pollutant or contaminant, any petroleum hydrocarbon and any degradation product of a petroleum hydrocarbon, asbestos, PCB, airborne mysote, mold spores, or similar substance.

"***Contingent Consideration***": as set forth in Section 2.5(b).

"***Contracts***": contracts, leases and subleases, franchises, agreements, licenses, arrangements, commitments, letters of intent, memoranda of understanding, promises, obligations, rights, instruments, documents, indentures, mortgages, security interests, guarantees, and other similar arrangements whether written or oral, other than the Benefit Plans.

"***Environmental Law***": all applicable Laws, Environmental Permits, and similar items of any Governmental Authority relating to the protection of human health or safety, or the environment, including: (i) all requirements pertaining to liability for reporting, management, licensing, permitting, investigation, and remediation of emissions, discharges, releases, or threatened releases of a Constituent of Concern; (ii) all requirements pertaining to the protection of the health and safety of employees or the public; and (iii) all other limitations, restrictions, conditions, standards, prohibitions, obligations, and timetables contained therein or in any notice or demand letter issued, entered, promulgated, or approved thereunder. The term "***Environmental Law***" includes (x) CERCLA, the Federal Water Pollution Control Act (which includes the Federal Clean Water Act), the Federal Clean Air Act, the Federal Solid Waste Disposal Act (which includes the Resource Conservation and Recovery Act), the Federal Toxic Substances Control Act, the Federal Insecticide, Fungicide and Rodenticide Act, and OSHA, each as amended from time to time, any regulations promulgated pursuant thereto, and any state or local counterparts and (y) any common law or equitable doctrine (including injunctive relief and tort doctrines such as negligence, nuisance, trespass, strict liability, contribution and indemnification) that may impose liability or obligations for injuries or damages due to, or threatened as a result of, the presence of, effects of, or exposure to any Constituent of Concern.

"***Environmental Permits***": all permits, licenses, authorizations, certificates, and approvals of Governmental Authorities relating to or required by Environmental Laws and necessary for or held in connection with the conduct of the business.

"***ERISA***": the Employee Retirement Income Security Act of 1974, as amended.

"***Excluded Assets***": as set forth in Section 2.2.

"***Final Order***" shall mean an order or a judgment entered by the Bankruptcy Court (i) that has not been reversed, stayed, modified, amended or vacated and (ii) as to which the time for filing a notice of appeal, a petition for review or a motion for reargument or rehearing has expired.

"***GAAP***": generally accepted accounting principles in effect from time to time in the United States of America, applied on a consistent basis.

"***Governmental Authority***": any federal, state, county, city, municipal, or other local or foreign government or any subdivision, authority, commission, board, bureau, court, administrative panel, or other instrumentality thereof.

"***Guarantee***": of or by any Person (the "***guaranteeing person***"), means, without duplication, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the "***primary obligor***") in any manner, whether directly or indirectly, and including any obligation of the guaranteeing person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness (whether arising by virtue of partnership arrangements, by agreement to keep well, to purchase assets, goods, securities or services, to take-or-pay or otherwise) or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Indebtedness, (ii) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment of such Indebtedness, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or (iv) entered into for the purpose of assuring in any other manner the holders of such Indebtedness of the payment thereof or to protect such holders against loss in respect thereof (in whole or in part) or (b) any Lien on any assets of the guaranteeing person securing any Indebtedness of any other Person, whether or not such Indebtedness is assumed by the guaranteeing person.

"***Indebtedness***": with respect to any Person, without duplication, (i) all obligations of such Person for borrowed money, whether short-term or long-term, and whether secured or unsecured, or with respect to deposits or advances of any kind (other than deposits and advances of any Person relating to the purchase of products or services of the Seller in the Ordinary Course), (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (iii) all obligations of such Person upon which interest charges are customarily paid (other than trade payables incurred in the Ordinary Course), (iv) all obligations of such Person under conditional sale or other title retention agreements relating to property or assets purchased by such Person, (v) all obligations of such Person issued or assumed as the deferred purchase price of property or services (other than current trade payables incurred in the Ordinary Course), (vi) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (vii) all Guarantees by such Person of Indebtedness of others, (viii) all Capital Lease Obligations of such Person, (ix) all net payments that such Person would have to make in the event of an early termination, on the date Indebtedness of such Person is being determined, in respect of outstanding interest rate protection agreements, foreign currency exchange arrangements or other interest or exchange rate hedging arrangements, (x) all obligations including reimbursement obligations of such Person in respect of letters of credit, fidelity bonds, surety bonds, performance bonds and bankers' acceptances, (xi) obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any capital stock of such Person or any warrants, rights or options to acquire such capital stock, (xii) renewals, extensions, refundings,

deferrals, restructurings, amendments and modifications of any such Indebtedness or Guarantee and (xiii) any other obligation that in accordance with GAAP is required to be reflected as debt on the balance sheet of such Person (other than trade payables and current accruals incurred in the Ordinary Course). The Indebtedness of any Person will include the Indebtedness of any partnership in which such Person is a general partner, other than to the extent that the instrument or agreement evidencing such Indebtedness expressly limits the liability of such Person in respect thereof.

"***IRS***": the Internal Revenue Service.

"***Landlord***": CG 7600 LP, the landlord of the leased property located at 2701 Magnet Street, Houston, Texas 77054.

"***Law***": any federal, state, county, city, municipal, foreign, or other governmental statute, law, rule, regulation, ordinance, order, code, or requirement (including pursuant to any settlement agreement or consent decree) and any permit or license granted under any of the foregoing, or any requirement under the common law.

"***Lease***": that certain commercial lease agreement, as amended and supplemented, entered into between Seller and Landlord for property located at 2701 Magnet Street, Houston, Texas 77054.

"***Leased Real Property***": as set forth in Section 3.10.

"***Lien***": with respect to any property or asset, any mortgage, deed of trust, lien, pledge, hypothecation, assignment, charge, option, preemptive purchase right, easement, encumbrance, security interest, or other adverse claim of any kind in respect of such property or asset. For purposes of this Agreement, a Person will be deemed to own subject to a Lien any property or asset that it has acquired or holds subject to the interest of a vendor or a lessor under any conditional sale agreement, capital lease, or other title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such property or asset.

"***Material Adverse Change***": means any event or change or circumstance, in respect of the operation of the Business and Acquired Assets that, individually or when aggregated with any one or more of the other such changes, events or circumstances, has had or could reasonably be expected to have a material adverse effect on the Purchased Assets; provided, however, that none of the following events, changes or circumstances (individually or when aggregated with any one or more of the other such changes, events or circumstances) shall be deemed to be or constitute a Material Adverse Change, and none of the following changes, events or circumstances (individually or when aggregated with any one or more of the other such changes, events or circumstances) shall be taken into account when determining whether a Material Adverse Change has occurred: (i) war, acts of nature, general strike, acts of terror, (ii) general economic, market or political changes or conditions, (iii) events, changes or circumstances which generally affect the industries in which Seller conducts business, (iv) changes in Laws, unless such Laws or conditions apply solely or principally to the Business or Seller, and (v) actions or omissions taken or not taken by or on behalf of Seller in compliance with a specific request from

or consented to in writing by Purchaser following the execution of this Agreement, or in compliance with an order from the Bankruptcy Court

"***Net Profit***" means an amount equal to total revenue minus total expenses (including cost of goods sold, operating expenses, salaries, rent, utilities, depreciation, interest expense and taxes) solely with respect to the Business for the period commencing on the Closing Date and ending on the twelve-month anniversary of the Closing, as calculated by Purchaser based on Purchaser's income statement for the Business for such period.

"***Order***": any judgment, injunction, order, or decree that is issued by a Governmental Authority.

"***Ordinary Course***": the ordinary course of business, consistent with past practices.

"***OSHA***": the Federal Occupational Safety and Health Act of 1970, as amended from time to time.

"***Parties***": as set forth in the introductory paragraph.

"***Permits***": government or regulatory licenses, authorizations, permits, consents, and approvals held by the Seller or issued and held in respect of the Seller, or required to be so issued and held to carry on the Business, in each case to the extent such authorization, permit, consent or approval relates to or is necessary for the ownership or operation of the Acquired Assets.

"***Permitted Liens***": (i) Liens for Taxes, assessments or other similar governmental charges that are not yet due or that are being contested in good faith by appropriate proceedings, and (ii) any mechanics', workmen's, repairmen's and other similar Liens arising or incurred in the Ordinary Course in respect of obligations that are not overdue.

"***Person***": an individual, a corporation, a partnership, a limited liability company, an association, a trust, a joint stock company, a joint venture, an unincorporated organization, any Governmental Authority, or other entity or organization.

"***Purchaser***": as set forth in the introductory paragraph.

"***Purchaser Schedules***": all Schedules other than the Seller's Schedules.

"***Regulatory Authority***" shall mean any federal or state regulatory body or agency having jurisdiction or regulatory authority over the Seller.

"***Retained Liabilities***": as set forth in Section 2.4.

"***Sale Hearing***" means the hearing to consider the entry of the Bankruptcy Sale Order.

"***Sale Motion***" shall mean the motion or motions filed pursuant to the provisions of Sections 363 and 365 of the Bankruptcy Code to obtain the Bid Procedures Order and the Bankruptcy Sale Order.

"***Seller***": as set forth in the introductory paragraph.

"***Seller Information***": as set forth in Section 6.5.

"***Seller Real Property***": any real property and improvements at any time owned, leased, used, operated, or occupied (whether for storage, disposal, or otherwise) by the Seller.

"***Seller's Schedules***": The Schedules in Article II and Article III.

"***Tax***": any net income, alternative or add-on minimum tax, gross income, gross receipts, sales, use, ad valorem, value added, margins, transfer, franchise, profits, license, payroll, employment, excise, severance, stamp, occupation, premium, property, environmental, or windfall profit tax, withholding on amounts paid to or by the Seller or Affiliates, custom, duty, or other tax, escheat of unclaimed funds or property, governmental fee, or other like assessment or charge of any kind whatsoever, together with any interest, penalty, addition to tax, or additional amount imposed by any Taxing Authority.

"***Tax Returns***": as set forth in Section 3.7.

"***Taxing Authority***": any Governmental Authority responsible for the imposition of any Tax.

"***Total Consideration***": as set forth in Section 2.5(b).

Annex II

Notices

To Seller:

Teton Buildings, LLC
2701 Magnet Street
Houston, Texas 77054
Email: hickmanp1@aol.com
Attention: Phil Hickman

with a copy (which shall not constitute notice) to:

Okin Adams LLP
1113 Vine Street, Suite 240
Houston, Texas 77002
Email: mokin@okinadams.com; roconnor@okinadams.com
Attention: Matthew S. Okin and Ryan A. O'Connor

To Purchaser:

Asoka, LLC
d/b/a Modments Manufacturing Co.
3070 Windward Plaza Suite F-329
Alpharetta, GA 30005-9837
Email: jay@modments.com
Attention: Vijay Samtani

with a copy (which shall not constitute notice) to:

DLA Piper LLP (US)
6225 Smith Avenue
Baltimore, MD 21209
Fax: (713) 751-1717
Email: thomas.pilkerton@dlapiper.com; kevin.kobbe@dlapiper.com
Attention: Thomas S. Pilkerton, III and C. Kevin Kobbe

Schedule 2.1

Acquired Assets

The Acquired Assets consist of all of Seller's right, title and interest in, to and under the following assets of Seller related to the Business (unless otherwise specified in the Agreement or in this Schedule 2.1 as Excluded Assets):

(a) all inventory, finished goods, raw materials, work in progress, packaging, supplies, parts and other inventories;

(b) all Contracts, if any, that Purchaser agrees in writing on or prior to Closing to assume at Closing;

(c) all real property leases, if any, that Purchaser agrees in writing on or prior to Closing to assume at Closing and all leasehold rights to the real property located at 2701 Magnet Street, Houston, Texas 77054;

(d) all rights to the name "Teton" or "Teton Buildings", all trademarks, trade names, service marks brands, certification marks, logos, trade dress, and other similar indicia of source or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications for registration, and renewals of, any of the foregoing;

(e) all domain names, trade secrets, know-how, inventions, discoveries, improvements, technology, business and technical information, tools, methods, processes, techniques, customer lists and other confidential and proprietary information and all rights therein;

(f) all other intellectual or industrial property and proprietary rights;

(g) all furniture, fixtures, equipment, machinery, tools, office equipment, supplies, and other tangible personal property;

(h) all Permits;

(i) originals, or where not available, copies, of all books and records related to the foregoing or the Business;

(j) all credits, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, charges, sums and fees related to the foregoing;

(k) all rights under warranties, indemnities and all similar rights against third parties to the extent related to the foregoing and all insurance benefits, including rights and proceeds, arising from or relating to the foregoing; and

(l) all goodwill and going concern value related to the Business and the foregoing.

For the avoidance of doubt, the following are not Acquired Assets, Assumed Liabilities or Assumed Contracts under the terms of the Agreement, and are specifically identified as Excluded Assets:

(a) Seller's contracts with, and any deposits received from (i) Gingerbread House Early Learning Center; (ii) Helmerich and Payne International; (iii) Vilco Properties; (iv) BJ Services; and (v) Camp Young Judaea, Inc.; provided, however, that information regarding these contract counter-parties may still be included in Seller's customer lists.

(b) Seller's interests in its two subsidiaries, Teton Latin America, LLC and Teton Oilfield Services, LLC, including real property owned by Teton Oilfield Services, LLC located at 15054 FM 1144, Karnes City, Texas 78118.

(c) Seller's real property located at 3283 North 9 Mile Road, Casper, Wyoming 82604.

Schedule 3.6

Tax Matters

[*To Be Supplemented*]

Schedule 3.9

Litigation

As provided in section 3.9 of the Agreement, to the knowledge of Seller, there is no action, suit, investigation, arbitration, or administrative or other proceeding pending or threatened that could reasonably be expected to have an adverse effect on the Acquired Assets. However, in the interest of disclosure and providing notice to Purchaser, Seller identifies following prepetition litigation, or threatened litigation, against Seller:

Plaintiff	Cause No.	Jurisdiction	Status
Camp Young Judaea, Inc.	2019-34426	333rd Judicial District Court of Harris County, Texas	Suggestion of Bankruptcy to be Filed
SG Blocks, Inc.	2019-02827	151st Judicial District Court of Harris County, Texas	Suggestion of Bankruptcy to be Filed