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and Debtor-in-Possession

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN MARIANA ISLANDS  
BANKRUPTCY DIVISION

In re  
  
IMPERIAL PACIFIC INTERNATIONAL  
(CNMI), LLC,  
  
Debtor and  
Debtor-in-Possession.

Case No. 24-00002  
(Chapter 11)

HEARING  
DATE: January 31, 2025  
TIME: 9:00 a.m. CHST  
JUDGE: Hon. Robert J. Faris

**NOTICE OF DESIGNATION OF STALKING HORSE BIDDER;  
EXHIBIT A**

IMPERIAL PACIFIC INTERNATIONAL (CNMI), LLC, debtor and debtor in  
possession (the “Debtor”) and the Official Committee of General Unsecured Creditor  
(the “Committee”) in the above-captioned chapter 11 case, hereby give notice that,  
subject to evidence satisfactory to the Committee of financial wherewithal to



1 consummate the sale transaction contemplated in the APA (defined below), Loi Lam  
2 Sit (the “Stalking Horse Bidder”) has been designated by the Debtor and the  
3 Committee as the Stalking Horse Bidder (pursuant to the *Order Approving Stipulation*  
4 *Of Debtor And Official Committee Of General Unsecured Creditors (A) To Establish*  
5 *Bidding Procedures For The Sale Of The Assets Of The Debtor, (B) To Designate A*  
6 *Stalking Horse Bidder, (C) To Schedule An Auction And A Sale Hearing, And (D) To*  
7 *Establish Assumption And Assignment Procedures* [ECF 340]).

8  
9 Attached as Exhibit A is the proposed Asset Purchase Agreement (in  
10 substantially final form) by and between the Debtor and the Stalking Horse Bidder  
11 (the “APA”).

12 DATED: January 29, 2025

13  
14 /s/ Allison A. Ito  
15 CHUCK C. CHOI  
16 ALLISON A. ITO  
17 CHARLES H. McDONALD II (F0494)  
18 Attorneys for Debtor  
19 and Debtor-in-Possession

20  
21 **ARENTFOX SCHIFF LLP**

22 /s/ Christopher K.S. Wong  
23 Aram Ordubegian  
24 Christopher K.S. Wong  
25 Attorneys for Official Committee of General  
26 Unsecured Creditors  
27  
28

# **EXHIBIT A**

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “Agreement”) is made effective this 20<sup>th</sup> day of January, 2025, by and between **LOI LAM SIT**, an individual, or his assignee, as purchaser (“Purchaser”), and **IMPERIAL PACIFIC INTERNATIONAL (CNMI), LLC**, a Commonwealth of Northern Mariana Islands limited liability company, as seller (“Seller”). Purchaser and Seller may be individually referred to as a “Party” or jointly as the “Parties”

### RECITALS

**WHEREAS**, on April 19, 2024 (the “Petition Date”), Seller filed a voluntary petition under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq.*, as amended (the “Bankruptcy Code”) in the United States District Court for the Northern Mariana Islands, Bankruptcy Division (the “Bankruptcy Court”) as Case No. 1:24-bk-00002 (the “Bankruptcy Case”);

**WHEREAS**, on May 14, 2024, the Office of the United States Trustee appointed three (3) members to the Official Committee of General Unsecured Creditors (the “Committee”) pursuant to Section 1102 of the Bankruptcy Code;

**WHEREAS**, Seller obtained an exclusive casino license (the “Casino License”) for the island of Saipan and opened casino operations in 2014. The COVID-19 Pandemic forced the closure of the Debtor’s operations in March 2020. In April 2021, Debtor’s Casino License was suspended by the Commonwealth Casino Commission (the “Casino Commission”) for nonpayment of fees and other alleged monetary defaults;

**WHEREAS**, Seller has determined that it is in the best interest of Seller’s Chapter 11 bankruptcy estate to effectuate a prompt sale of substantially all of Seller’s assets in connection with Seller’s hospitality and casino business (the “Business”);

**WHEREAS**, on January 4, 2025, Seller and the Committee entered into the *Stipulation of Debtor and Official Committee of General Unsecured Creditors (A) to Establish Bidding Procedures for the Sale of the Assets of the Debtor, (B) to Designate A Stalking Horse Bidder, (C) to Schedule An Auction and A Sale Hearing, and (D) to Establish Assumption and Assignment Procedure* [Docket No. 338] (the “Bidding Procedures Stipulation”). On January 8, 2025, the Bankruptcy Court entered an order approving the Bidding Procedures Stipulation [Docket No. 340] (the “Bidding Procedures Order”);

**WHEREAS**, pursuant to the Bidding Procedures Order, the Bankruptcy Court has ordered an auction to be held, if necessary, on February 26, 2025 at 8 a.m. (ChST) to determine the highest and best bid for the assets of the Business (the “Auction”).

**WHEREAS**, Seller and the Committee anticipate filing a motion (the “Sale Motion”) for entry of orders pursuant to 11 U.S.C. §§ 105, 363 and 365, and Bankruptcy Rules 2002, 6004 and 6006: (a) approving this Agreement, subject to overbids; (b) approving the sale of substantially all of Seller’s respective assets; and (c) approving the sale and assignment of Seller’s assets free and clear of all liens, claims, interests, and encumbrances and granting related relief; and

**WHEREAS**, in connection with the Bankruptcy Case and the Bidding Procedures Order, and subject to the terms and conditions herein, Seller wishes to sell and assign to Purchaser, and Purchaser desires to purchase and acquire from Seller, pursuant to Sections 363 and 365 of the Bankruptcy Code, free and clear of all liens, claims and encumbrances, substantially all of the assets and assume from Seller the Assumed Liabilities (as hereinafter defined); and

**WHEREAS**, Purchaser and Seller desire to consummate the asset purchase transaction contemplated herein as promptly as practicable after the entry of a Final Order of the Bankruptcy Court approving the sale contemplated hereunder; and

**WHEREAS**, the terms of this Agreement are subject to approval by the Bankruptcy Court, and the Parties are not bound to consummate the transactions contemplated hereby until such approval is obtained in an order entered by the Bankruptcy Court.

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

**Section 1.01. Definitions.** Capitalized terms used in this Agreement shall have the meanings ascribed to them in Annex I hereto or as may be set forth throughout the provisions of this Agreement.

## **ARTICLE II**

### **PURCHASE AND SALE OF THE ASSETS**

**Section 2.01. Purchase and Sale of the Assets.** Subject to the terms, provisions and conditions of this Agreement, at the Closing referred to in Section 3.01 hereof, pursuant to Sections 363 and 365 of the Bankruptcy Code, Seller shall sell, assign, transfer (without recourse, representation or warranty whatsoever except as expressly set forth herein) and deliver to Purchaser, and Purchaser shall purchase, acquire and accept from Seller, all of Seller's right, title and interest in and to the following assets and properties of Sellers that are in existence as of the Closing Date, other than any Excluded Assets (collectively, the "Purchased Assets"), free and clear of all Encumbrances:

(a) all Contracts and unexpired leases set forth on Schedule 2.01(a), including the Lease Agreement LA 15-002S between Seller and the Department of Public Lands for the Commonwealth of Northern Mariana Islands<sup>1</sup> (the "Assigned Contracts");

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<sup>1</sup> Such leased property, known as CPL Derence Jack Road, Orchid Street, Garapan, Saipan, MP 9695, is described in the Lease Agreement LA 15-002S between Debtor and the Department of Public Lands for the Commonwealth of Northern Mariana Islands as follows: "Tract No. 21049-R2 containing approximately 328 square meters, more or less,

(b) all of Seller's membership interest in the entity named Imperial Pacific Properties, LLC (the "IPP Membership Interest").

(c) all edifices, construction improvements, and related fixtures, whether completed or in progress, located at the real property known as CPL Derence Jack Road, Orchid Street, Garapan, Saipan, MP 96950 (the "Infrastructure");

(d) all construction raw materials, containers, furniture, equipment, machinery, forklifts, tools, vehicles, office equipment, supplies, computers, telephones, and other tangible personal property, wherever located (the "Tangible Personal Property");

(e) all of Seller's respective inventory of liquor, tobacco, cigars, finished goods, samples, components, in existence on the Closing Date, wherever located (the "Inventory");

(f) all accounts or notes receivable held by Sellers, and any security, claim, remedy or other right related to any of the foregoing (the "Accounts Receivable");

(g) all rights to any Actions of any nature available to or being pursued by Seller to the extent related to the Business, the Purchased Assets or the Assumed Liabilities, whether arising by way of counterclaim or otherwise, except as set forth in Section 2.02(c);

(h) all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums and fees relating to Purchased Assets;

(i) all of Seller's rights under warranties, indemnities and all similar rights against third parties to the extent related to any Purchased Assets;

(j) originals, or where not available, copies, of all books and records, including, but not limited to, books of account, ledgers and general, financial and accounting records, machinery and equipment maintenance files, customer lists, customer purchasing histories, price lists, distribution lists, supplier lists, quality control records and procedures, customer complaints and inquiry files, research and development files, records and data (including all correspondence with any Governmental Authority), sales material and records (including pricing history, total sales, terms and conditions of sale, sales and pricing policies and practices), strategic plans, internal financial statements, and marketing and promotional surveys ("Books and Records"); and

(k) all goodwill of the Business.

**Section 2.02. Excluded Assets.** Notwithstanding the foregoing, the Purchased Assets shall not include the following assets (collectively, the "Excluded Assets");

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as shown on DLS Check No. 2021/15 recorded at the Commonwealth Recorder's Office on March 18, 2015, as File No. 15-0542"; and "Lot Numbers 104 D 08, containing an area of approximately 720 square meters, more or less, Lot No. 104 D 10, containing an area of approximately 1,378 square meters, more or less, Lot No. 104 D 11R/W, containing an area of approximately 1,390 square meters, more or less, and Lot No. 104 D 12, containing an area of approximately 15,338 square meters, more or less, as shown on DLS Check No. 104 D 04 recorded at the Commonwealth Recorder's Office on March 19, 2015, as File No. 15-0844."

- (a) cash;
- (b) contracts, leases, agreement that are not Assigned Contracts;
- (c) the rights of Seller's bankruptcy estate or any assignee or designee to bring avoidance actions pursuant to Sections 544-550 of the Bankruptcy Code;
- (d) the rights which accrue or will accrue to Seller under this Agreement and the Other Agreement; and
- (e) the corporate seals, organizational documents, minute books, stock books, Tax Returns, books of account or other records having to do with the corporate organization of Seller.

**Section 2.03. Purchaser's Option to Acquire the Casino License.** Notwithstanding the foregoing, in conjunction with the sale of the Purchased Assets, Purchaser shall have an exclusive option to acquire the Casino License for a period of nine (9) months after the Closing Date (the "Option Period"). If Purchaser is successful in reaching agreement with the Casino Commission regarding the assignment of the Casino License to Purchaser at Purchaser's sole expense, Purchaser shall pay the Seller an additional amount of Two million five hundred thousand Dollars (\$2,500,000) (the "Casino License Fee") within ninety (90) days of the entry of a Final Order by the Bankruptcy Court approving the assignment. If the Option Period expires without agreement between the Purchaser and the Casino Commission for the assignment of the Casino License, the Casino License shall be deemed rejected pursuant to Section 365 of the Bankruptcy Code.

**Section 2.04. Assumption of Liabilities.** Except as otherwise expressly provided in this Section, Purchaser shall not assume or be responsible for, and shall in no event be liable for any debts, liabilities or obligations of (or Claims against) Seller or any of its Affiliates, whether fixed or contingent, known or unknown, liquidated or unliquidated, suspected or unsuspected, material or immaterial, absolute or contingent, matured or unmatured, determinable or undeterminable, direct or indirect, secured or unsecured, or otherwise. As the sole exception to the first sentence of this Section 2.04, effective as of the Closing Date, Purchaser hereby assumes and agrees to pay, discharge or perform, as appropriate, when due or otherwise on a timely basis, only the following liabilities (collectively, the "Assumed Liabilities"):

- (a) all liabilities and obligations of Seller accruing, arising out of, or to be performed from and after the Closing Date under the Assigned Contracts; and
- (b) except as otherwise provided herein, all liabilities and obligations relating to or arising out of the ownership or use of the Purchased Assets from and after the Closing Date.

**Section 2.05. Purchase Price.** In addition to assuming the Assumed Liabilities, as consideration for the purchase of the Purchased Assets, Purchaser shall, subject to the terms and conditions hereof, pay to Seller an aggregate amount of approximately Twelve Million Five Hundred Thousand and No/100 Dollars \$12,500,000.00 (the "Purchase Price").

**Section 2.06. Payments at Closing.** At the Closing, Purchaser shall pay the Purchase Price to Escrow Agent less the Good Faith Deposit and any accrued interest thereon (the "Closing").

Payment”), by cashier’s check or wire transfer of immediately available funds in accordance with written instructions provided by Seller.

**Section 2.07. Good Faith Deposit.** If Purchaser is designated as the Stalking Horse Bidder, then no later than February 12, 2025,, Purchaser shall deposit the sum of One Million Two Hundred and Fifty and No/100 Dollars (\$1,250,000) (the “Good Faith Deposit”) with Pacific American Title Insurance & Escrow Company through its office located at Marianas Business Plaza Suite 605, Saipan, Northern Mariana Islands, 96950 (“Escrow Agent”) on terms and conditions acceptable to Purchaser and Seller (the “Escrow”). The Good Faith Deposit shall be held by Escrow Agent as a deposit against the Purchase Price in accordance with the terms and provisions of this Agreement. At all times that the Good Faith Deposit is being held by the Escrow Agent, the Good Faith Deposit shall be invested by Escrow Agent in an interest bearing account, earning interest at readily available, market rates. Escrow Agent shall only dispose of the Good Faith Deposit in accordance with this Agreement.

**Section 2.08. Disposition of Good Faith Deposit.**

**IF THE TRANSACTION HEREIN PROVIDED DOES NOT CLOSE BY REASON OF SELLER’S DEFAULT UNDER THIS AGREEMENT, OR THE TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH Section 3.03, THEN THE GOOD FAITH DEPOSIT SHALL BE RETURNED TO PURCHASER, TOGETHER WITH ACCRUED INTEREST. HOWEVER, IN THE EVENT THE BANKRUPTCY COURT APPROVES THIS AGREEMENT, AND THE SALE HEREIN DOES NOT CLOSE DUE TO THE DEFAULT OF PURCHASER, THEN SELLER SHALL RETAIN THE GOOD FAITH DEPOSIT TO COMPENSATE SELLER FOR DAMAGES CAUSED BY PURCHASER’S BREACH.**

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**Seller’s Initials**

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**Purchaser’s Initials**

**Section 2.09. Method of Conveyance.** The sale, transfer, conveyance, assignment and delivery by Seller of the Purchased Assets to Purchaser in accordance with Section 2.01 hereof shall be effected on the Closing Date by Seller’s execution and delivery to Purchaser of: (i) a Bill of Sale and Assignment and Assumption Agreement, and assignment to transfer the right, title and interest in and to the Purchased Assets to Purchaser, and (ii) such other duly executed assignments and other conveyance instruments with respect to Seller’s transfer of the Purchased Assets as shall be reasonably necessary to be delivered by Seller to effectuate the purchase and sale of the Purchased Assets as contemplated by the terms, provisions and conditions hereof, in form reasonably acceptable to Purchaser and Seller.



## ARTICLE III

### CLOSING AND TERMINATION

**Section 3.01. Closing Date.** Subject to the satisfaction of each of the conditions set forth in Article VII hereof (or the written waiver thereof by the party entitled to waive that condition), the closing of the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities provided for in Article II hereof (the “Closing”) shall take place virtually or in person on April 4, 2025, at 8:00 a.m. ChST at the offices of Escrow Agent (or at such other place as the Parties may mutually agree in writing) one Business Day following the date on which all of the conditions set forth in Article VII hereof have been satisfied (or waived by the party entitled to waive that condition) or such later date that may be mutually acceptable to Purchaser and Seller. The date on which the Closing shall be held is referred to in this Agreement as the “Closing Date.”

**Section 3.02. Escrow.** Except as otherwise specifically indicated herein, at least one (1) business day prior to the Closing Date, Seller and Purchaser shall deliver to Escrow Agent escrow instructions (“Escrow Instructions”). The conditions to the closing of such escrow shall include the Escrow Agent’s receipt of the Closing Payment and a notice from each of Purchaser and Seller authorizing Escrow Agent to close the transactions as contemplated herein (each of Purchaser and Seller being obligated to deliver such authorization notice on the Closing Date as soon as it is reasonably satisfied that the other party is in a position to deliver the items to be delivered by such other party herein).

**Section 3.03. Termination.** Notwithstanding anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated at any time prior to the Closing Date:

(a) By Purchaser if:

(i) Purchaser is not the winning bidder at the Auction; or

(ii) Seller enters into or consummates a transaction other than that contemplated by this Agreement (an “Alternative Transaction”); or

(iii) Seller breaches any of its representations, warranties or covenants set forth in this Agreement in any material respect or fails to effectuate the Closing when required under this Agreement; or

(iv) ; the Conditions to Obligations of Purchaser set forth in Article VII have not been satisfied or waived by Purchaser prior to the Closing Date or

(b) By Seller if:

(i) Purchaser breaches any of its representations, warranties or covenants set forth in this Agreement in any material respect or fails to effectuate the Closing when required under this Agreement.

**Section 3.04. Procedure upon Termination.** In the event of the termination of this Agreement, written notice thereof shall forthwith be given by the Party so terminating to the other

Party, and this Agreement shall terminate, and the transactions contemplated hereby shall be abandoned, without further action by Seller or Purchaser, except that the provisions of this Article and Section 6.04 hereof shall survive any termination of this Agreement and nothing contained in this Agreement shall relieve any party hereto from liability for any breach or inaccuracy of its representations, warranties, covenants or agreements contained in this Agreement prior to such termination.

## **ARTICLE IV**

### **REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller hereby represents and warrants to Purchaser as follows:

#### **Section 4.01. Organization, Good Standing and Due Authorization.**

(a) Seller is duly organized, validly existing and in good standing under the laws of the Commonwealth of Northern Mariana Islands with full corporate power and authority to conduct the Business as it is now being conducted.

(b) Seller has full corporate power and authority to execute and deliver this Agreement and the Other Agreements to which it is a party, and, subject to Bankruptcy Court approval, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Other Agreements to which Seller is a party and the performance and consummation of the transactions contemplated hereby and thereby by Seller has been duly authorized by all necessary corporate action on the part of Seller.

(c) This Agreement has been duly executed and delivered by Seller, and the Other Agreements to which Seller is a party have been or will be duly executed and delivered by Seller, and subject to Bankruptcy Court approval and the due authorization, execution and delivery of such agreements by the other parties thereto, this Agreement and the Other Agreements constitute, or will constitute, valid and binding obligations of Seller, enforceable against Seller in accordance with their terms.

**Section 4.02. As Is, Where Is.** Purchaser shall acquire the Purchased Assets at the Closing “as is, where is” and, except as otherwise expressly provided in this Agreement, Seller is making no representations or warranties whatsoever, express or implied, with respect to any matter relating to the Purchased Assets.

**Section 4.03. Knowledge.** Where any representation or warranty of Seller contained in this Agreement is expressly qualified by reference to the knowledge of Seller, it shall mean the actual knowledge of Howyo Chi, Seller’s Manager, or as each such individual would reasonably be expected to have known after making such due and diligent inquiry as a reasonable person would deem necessary and appropriate as to the matters that are the subject of such representations and warranties.

## ARTICLE V

### REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to Seller as follows:

#### **Section 5.01. Good Standing and Due Authorization.**

(a) Purchaser has full power and authority to execute and deliver this Agreement and the Other Agreements to which it is a party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Other Agreements to which Purchaser is a party and the performance and consummation of the transactions contemplated hereby and thereby by Purchaser have been duly authorized by all necessary action on the part of Purchaser.

(b) This Agreement has been duly executed and delivered by Purchaser, and the Other Agreements to which it is a party have been or will be duly executed by Purchaser, and subject to the due authorization, execution and delivery of such agreements by the other parties thereto, this Agreement and the Other Agreements constitute, or will constitute, the valid and binding obligations of Purchaser, enforceable against Purchaser in accordance with their terms.

**Section 5.02. Financing.** Purchaser shall have on the Closing Date sufficient unrestricted immediately available funds on hand to pay the Closing Payment.

**Section 5.03. Brokers.** All negotiations relative to this Agreement and the transactions contemplated hereby have been carried out by Purchaser directly with Sellers without the intervention of any Person on behalf of Purchaser in such manner as to give rise to any valid Claim by any Person against Sellers for a finder's fee, brokerage commission, success fee, or similar payment.

## ARTICLE VI

### COVENANTS OF THE PARTIES

#### **Section 6.01. Bankruptcy Court Approval.**

(a) Seller and the Committee shall file (or shall have filed) the Sale Motion with the Bankruptcy Court and obtain the entry of an order approving the sale of the Purchased Assets to Purchaser pursuant to the terms and conditions of this Agreement, subject to higher and better bids, in connection with the sale of the Purchased Assets (the "Sale Order").

(b) Seller and Purchaser acknowledge that this Agreement and the sale of the Purchased Assets are subject to Bankruptcy Court approval and that the sale is subject to overbid. Seller and Purchaser acknowledge that to obtain such approval, Seller must demonstrate that it has taken reasonable steps to obtain the highest, best or otherwise financially superior offer possible for the Purchased Assets.

#### **Section 6.02. Employees.**

(a) Purchaser shall not be responsible for any wages, salary, severance, termination or any other employee related obligation of Seller. Except for any written employee agreement(s) that may be entered into between Purchaser and any current employee of Seller, any current employee hired by Purchaser shall be considered a new at-will employee of Purchaser and have no rights, benefits, seniority or privileges that carry over from his or her prior employment with Seller.

(b) Following the date of this Agreement Seller shall allow Purchaser reasonable access to meet with and interview those of its employees who Purchaser elects to meet with.

(c) At the Closing, Purchaser may offer employment to those employees of Seller as Purchaser determines in its sole, unfettered and absolute discretion.

**Section 6.03. Cooperation.** From the date hereof until the Closing, Seller and Purchaser agree (a) to cooperate with each other in determining whether any filings are required to be made or consents are required to be obtained in any jurisdiction in connection with the consummation of the transactions contemplated hereby and in making or causing to be made any such filings promptly and in seeking to obtain in a timely manner any such consent; and (b) to use all commercially reasonable efforts to obtain promptly the satisfaction of the conditions to the consummation of the transactions contemplated herein and to fulfill their respective obligations hereunder. Seller and Purchaser shall furnish to each other all such information as may be reasonably required in order to effectuate the foregoing.

**Section 6.04. Confidentiality.** The Parties acknowledge that Seller and Purchaser have previously executed a confidentiality agreement (the “Confidentiality Agreement”), which Confidentiality Agreement will continue in full force and effect in accordance with its terms until the Closing Date; provided, that prior to the Closing, Seller and Purchaser may disclose such information to third parties as is reasonably necessary for the consummation of the transactions contemplated hereby, including communications with secured creditors in the Bankruptcy Case. From and after the Closing Date, the Confidentiality Agreement shall be terminated and of no further force or effect. Notwithstanding the foregoing, upon the entry of the Sale Order approving this Agreement, Purchaser may disclose the transactions contemplated by this Agreement and other information that may be deemed confidential under the terms of the Confidentiality Agreement to employees of Seller in communications regarding Purchaser’s potential hiring of such employees, solely to the extent that such disclosure is reasonably required for such purpose.

**Section 6.05. Certain Tax Matters.**

(a) Seller shall be responsible for and shall pay all Taxes relating to the Purchased Assets or the Business for any period ending prior to the Closing Date, and Purchaser shall be responsible for and shall pay all Taxes relating to the Purchased Assets or the Business for the period from and after the Closing Date. For any period beginning prior to but ending after the Closing Date, Taxes for such period shall be prorated between Seller and Purchaser based on the foregoing, with the amount of all such prorations settled and paid on the Closing Date; provided, that final payments with respect to prorations that are not able to be calculated on the Closing Date shall be calculated and paid as soon as practicable thereafter.

(b) Seller and Purchaser shall cooperate with each other and provide each other with such assistance as reasonably may be requested by either of them in connection with the preparation of any Tax Return or any audit or other examination by any taxing authority, or any judicial or administrative proceedings relating to any liability for Taxes under this Agreement. The party requesting assistance hereunder shall reimburse the party providing assistance for all reasonable third-party out-of-pocket expenses incurred in providing such assistance. Nothing in this Section shall require Purchaser to be liable for any income tax liability of Seller.

**Section 6.06. Communications; Access.** From the date hereof until the Closing, Seller shall permit Purchaser and its representatives to have reasonable access upon reasonable notice, during normal business hours, to the employees of the Business and Purchased Assets, and to such records, contracts and documents relating to the Business and the Purchased Assets as Purchaser or its representatives shall reasonably request in connection with the transactions contemplated hereby.

**Section 6.07. Notifications.** Purchaser and Seller shall give prompt notice to the other of any representation or warranty made by Purchaser or Seller contained in this Agreement becoming materially untrue or inaccurate or any failure of Purchaser or Seller to comply with or satisfy in any material respect any covenant, condition, or agreement to be complied with or satisfied by it under this Agreement.

**Section 6.08. Filings and Authorizations.** Seller and Purchaser, as promptly as practicable, (i) shall make, or cause to be made, all such filings and submissions under Laws, rules and regulations applicable to it or its Affiliates, as may be required to consummate the transactions contemplated herein, in accordance with the terms of this Agreement, (ii) shall use all commercially reasonable best efforts to obtain, or cause to be obtained, all authorizations, approvals, consents and waivers from all governmental and non-governmental Persons necessary to be obtained by it or its Affiliates, in order to consummate the transactions contemplated herein; provided, that neither Purchaser nor Seller shall be obligated to consummate the transactions contemplated by this Agreement absent the prior approval of the Bankruptcy Court, and neither Purchaser nor Seller shall be obligated to modify this Agreement in any material respect to satisfy the Bankruptcy Court, and (iii) shall use all commercially reasonable efforts to take, or cause to be taken, all other actions necessary, proper or advisable in order for it to fulfill its obligations hereunder. Seller and Purchaser shall coordinate and cooperate with one another in exchanging such information and supplying such reasonable assistance as may be reasonably requested by each in connection with the foregoing.

**Section 6.09. Amendment to List of Assigned Contracts.** Notwithstanding anything herein to the contrary, at any time prior to the Closing, (a) Purchaser shall be entitled in its sole discretion to remove or add any executory contracts or unexpired leases from the list of Assigned Contracts by providing written notice thereof to Seller, and any contracts or unexpired leases removed shall not constitute Purchased Assets at Closing, and (b) Purchaser shall be entitled in its sole discretion to request, up to seven (7) days prior to the Sale Hearing, Seller to add to the list of Assigned Contracts any executory contracts or unexpired leases of Seller to the extent solely related to the Business by providing written notice thereof to Seller, and any contracts or unexpired leases so added shall constitute Purchased Assets to the extent that Seller is able to schedule a hearing on the assumption and assignment of these added contracts for the Sale Hearing; provided

that Purchaser shall not be entitled to add to the list of Assigned Contracts any executory contracts or unexpired leases of Seller that Seller has rejected by order of the Bankruptcy Court. The Purchase Price shall be subject to adjustment in the event of any addition or removal of an Assigned Contract pursuant to this Section.

**Section 6.10. Waiver of Compliance.** Purchaser waives compliance by Seller with all applicable bulk sales or bulk transfer laws.

**Section 6.11. Conduct of Business by Seller Pending the Closing Date.** Between the date of execution of this Agreement and the Closing Date, Seller shall not take any action inconsistent with the timely consummation of the transaction contemplated hereby, and Seller covenants and agrees that:

(a) Seller shall preserve the organization of the Business in substantially the same manner conducted subsequent to the Petition Date and prior to the execution of this Agreement;

(b) Seller shall (i) maintain, preserve and protect all of the Purchased Assets in substantially the same condition in which they exist on the date hereof, and (ii) preserve, protect and prosecute all property rights related to the Business; and

(c) Seller shall not take any action which will have or reasonably be expected to have, individually or in the aggregate, a material adverse effect on the transaction contemplated by this Agreement, the Business, or the Purchased Assets.

## ARTICLE VII

### CONDITIONS TO OBLIGATIONS OF PARTIES

**Section 7.01. Conditions to Obligations of Seller.** The obligation of Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment at or prior to the Closing of each of the following conditions (any or all of which may be waived in whole or in part by Seller):

(a) Representations and Warranties. The representations and warranties made by Purchaser in this Agreement shall be true and correct in all material respects as of the date of this Agreement and as of the Closing Date (except for such representations and warranties which are made expressly as of a specified date or period, which shall be true and correct or true and correct in all material respects, as herein above required, as of such specified date or period).

(b) Performance. Purchaser shall have performed and complied, in all material respects, with all agreements, obligations and covenants required by this Agreement to be so performed or complied with by Purchaser at or prior to the Closing Date.

(c) Duly Authorized Action. All action necessary to authorize the execution, delivery and performance by Purchaser of this Agreement and any Other Agreements or instruments contemplated hereby to which Purchaser is a party and the consummation of the transactions contemplated hereby and thereby shall have been duly and validly taken by Purchaser.



(d) Closing Documents. Subject to the terms, conditions and provisions hereof, and contemporaneously with the performance by Seller of its obligations set forth in Section 7.02 hereof, Purchaser shall have executed and delivered to Seller each of the following at the Closing:

(i) the Bill of Sale and Assignment and Assumption Agreement in the form attached as Exhibit A hereto (the “Bill of Sale and Assignment and Assumption Agreement”), executed by Purchaser; and

(ii) such other documents as may be reasonably requested by Seller’s counsel as necessary to consummate the transactions contemplated by this Agreement.

(e) Judgments, Decrees and Litigation. There shall not be in effect or exist any judgment, order, injunction or decree issued by a Governmental Entity restraining, prohibiting the consummation of or imposing material modifications on the transactions contemplated by this Agreement or any pending litigation by a Governmental Entity or other third party seeking to restrain, prohibit or impose material modifications on the consummation of the transactions contemplated hereby.

(f) Sale Order. The Bankruptcy Court shall have entered the Sale Order approving the transactions contemplated hereby, in substantially the form annexed to the Sale Motion as an exhibit thereto and reasonably acceptable to Purchaser and Seller, which shall be a Final Order. Notwithstanding the foregoing, nothing in this Agreement shall preclude Purchaser from consummating the transactions contemplated herein if Purchaser, in its sole and absolute discretion, waives the requirement that the Sale Order shall have become a Final Order.

**Section 7.02. Conditions to Obligations of Purchaser.** The obligation of Purchaser to consummate the transactions contemplated by this Agreement are subject to the fulfillment at or prior to the Closing Date of each of the following conditions (any or all of which may be waived in whole or in part by Purchaser).

(a) Real Property Lease. Purchaser or Seller shall have obtained the agreement, in writing, by lessor under the Real Property Lease that (1) any construction related obligations are tolled during the negotiation period for the Casino License; and (2) if the Casino License is not assigned to Purchaser, then the Purchaser will not be in default under the Real Property Lease for any casino related obligations, including but not limited to, constructing and operating a casino.

(b) Representations and Warranties. The representations and warranties made by Seller in this Agreement shall be true and correct as of the date of this Agreement and as of the Closing Date (except for such representations and warranties which are made expressly as of a specified date or period, which shall be true and correct or true and correct in all material respects, as herein above required, as of such specified date or period), except where the failure of such representations and warranties to be true and correct would not result in a material adverse effect on the Business, taken as a whole.

(c) Performance. Seller shall have performed and complied, in all material respects, with all agreements, obligations and covenants required by this Agreement to be so performed and complied with by Seller at or prior to the Closing.

(d) Corporate Action. All corporate action necessary to authorize the execution, delivery and performance by Seller of this Agreement and any Other Agreements or instruments contemplated hereby to which Seller is a party and the consummation of the transactions contemplated hereby and thereby, shall have been duly and validly taken by Seller, and Purchaser shall have been furnished with a certified copy of all applicable resolutions adopted by Seller.

(e) Delivery of Certificates and Documents to Purchaser. Seller shall have delivered, or caused to be delivered, to Purchaser certificates as to the legal existence and corporate good standing of Seller issued or certified by the appropriate governmental official of the jurisdiction of its incorporation.

(f) Closing Documents. Subject to the terms, conditions and provisions hereof and contemporaneously with the performance by Purchaser of its obligations set forth in Section 7.01 hereto, Seller shall have executed and delivered to Purchaser the following, in a form mutually acceptable to Seller and Purchaser, at the Closing:

(i) The Bill of Sale and Assignment and Assumption Agreement executed by Sellers; and

(ii) such other documents as may be requested by Purchaser's counsel as necessary to consummate the transactions contemplated by this Agreement.

## ARTICLE VIII

### MISCELLANEOUS

**Section 8.01. Breakup Fee.** Seller shall pay to Purchaser the amount of \$200,000 (the "Breakup Fee") in the event this Agreement is terminated as a result of either (i) an Event of Default by a Debtor, or (ii) a breach by a Debtor of a material term of, or failure to timely satisfy a condition to closing that is a Debtor's obligation under this Agreement. The Breakup Fee shall constitute an administrative expense claim. If this Agreement is terminated because of a superior bid, then the Breakup Fee shall be payable at the time of Closing from the proceeds of an alternative transaction.

**Section 8.02. Fees and Expenses.** Except as expressly otherwise provided in this Agreement, Seller and Purchaser shall each respectively pay all fees and expenses incurred by them (including any fees or expenses of any brokers or advisors), or on behalf of them, in connection with, or in anticipation of, this Agreement and the Other Agreements and the transactions contemplated hereby and thereby. Notwithstanding the foregoing, the prevailing party in any suit or action brought against any other party to enforce the terms of this Agreement or any rights or obligations hereunder shall be entitled to receive reimbursement of its reasonable costs, expenses and attorneys' fees (internal and external) and disbursements, including the reasonable costs and expenses of experts and internal resources expended, actually incurred in connection with such suit or action.

**Section 8.03. Further Assurances.** From time to time after the Closing, at the request of one of the Parties hereto, Seller and Purchaser agree to execute and deliver to such requesting Party such other documents and take such other action as such requesting Party may reasonably request



in order to consummate more effectively the transactions contemplated hereby. Seller and Purchaser shall cooperate with each other and provide each other with such assistance as reasonably may be requested by either of them, including with respect to the prosecution and defense of Claims.

**Section 8.04. Notices.** Any notice or other communication required or permitted to be given to any Party hereunder shall be in writing and shall be given to such Party at such Party's address set forth below or such other address as such Party may hereafter specify by notice in writing to the other Party. Any such notice or other communication shall be addressed as aforesaid and given by (1) certified mail, return receipt requested, with first class postage prepaid, (2) hand delivery, (3) reputable overnight courier or (4) electronic mail provided receipt of such transmission is confirmed by the receiving Party. Any notice or other communication will be deemed to have been duly given (1) on the third Business Day after mailing, provided receipt of delivery is confirmed, if mailed by certified mail, return receipt requested, with first class postage prepaid, (2) on the date of service if served personally, (3) on the Business Day after delivery to an overnight courier service, provided receipt of delivery has been confirmed or (4) on the date of confirmation of receipt if sent via electronic mail.

To Seller: Imperial Pacific International (CNMI), LLC  
PMB 895 Box 10001  
Saipan, MP 96950  
Attn: David Mickelson  
[ddmickelson@gmail.com](mailto:ddmickelson@gmail.com)

With a copy to: Chuck C Choi, Esq.  
Allison Akiko Ito, Esq.  
Choi & Ito  
700 Bishop Street, Suite 1107  
Honolulu, HI 96813  
[cchoi@hibklaw.com](mailto:cchoi@hibklaw.com)  
[aito@hibklaw.com](mailto:aito@hibklaw.com)

To Purchaser: Loi Lam Sit  
5/F, No. 23, Ming Lun Street To Kwa Wan  
Kowloon, Hong Kong

With a copy to: Joey P. San Nicolas, Esq.  
SAN NICOLAS LAW OFFICE, LLC  
3813 Mestisa Ave. Dandan Village, Saipan  
P.O. Box 505335  
Saipan, MP 96950  
[jpsn@sannicolaslaw.net](mailto:jpsn@sannicolaslaw.net)

[Christopher J. Muzzi, Esq.](#)  
[TSUGAWA LAU & MUZZI LLLC](#)  
[55 Merchant Street, Suite 3000](#)  
[Honolulu, Hawaii 96813](#)

To Escrow Agent: Pacific American Title Insurance & Escrow Company  
Attn: [insert]  
Marianas Business Plaza Suite 605  
Saipan, Northern Mariana Islands, 96950

**Section 8.05. Entire Agreement.** This Agreement, the Other Agreements, the Schedule, the Exhibit and Annexes hereto and thereto, contain the entire understanding of the Parties hereto with respect to the subject matter hereof and thereof and supersede any and all prior agreements and understandings, oral and written, between the Parties with respect to the subject matter hereof and thereof.

**Section 8.06. Survival.** All representations and warranties contained in Article IV and Article V herein, and all agreements and covenants contained anywhere else in this Agreement shall be deemed to have been relied upon by the other Party and shall terminate upon Closing.

**Section 8.07. Benefit; Risk of Loss.** Upon consummation of the Closing, Purchaser will receive the benefits of the Purchased Assets and accrue the obligations of the Assumed Liabilities from and after 12:01 a.m. ChST on the Closing Date. Seller shall retain the benefits of Purchased Assets up to and through the Closing Date. The risk of loss of the Purchased Assets shall be deemed transferred from Seller to Purchaser on the Closing Date, and Seller shall bear all risk of loss or damage with regard to the Purchased Assets until the Closing Date.

**Section 8.08. Severability.** Should any provision of this Agreement for any reason be declared invalid or unenforceable by a court of competent jurisdiction, such decision shall not affect the validity or enforceability of any of the other provisions of this Agreement, which other provisions shall remain in full force and effect and be enforced to the fullest extent permitted by law.

**Section 8.09. Binding Effect; Assignment.** This Agreement and all of the provisions hereof shall be binding upon, inure to the benefit and be enforceable by, the Parties hereto and their respective legal representatives, successors and permitted assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, directly or indirectly, whether voluntarily, involuntarily, by operation of Law or otherwise, by any Party hereto without the prior written consent of the other Party hereto, which consent shall not be unreasonably withheld, delayed or conditioned.

**Section 8.10. No Third-Party Beneficiaries.** This Agreement is not intended, and shall not be deemed, to confer upon or give any Person (including any past or current employee of Seller) except the Parties hereto and their respective legal representatives, successors and permitted assigns any remedy, Claim, liability, reimbursement, cause of action or other right under or by reason of this Agreement.

**Section 8.11. Counterparts; Delivery.** This Agreement may be executed simultaneously in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this

Agreement by facsimile or electronic mail transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

**Section 8.12. Construction of Agreement; Interpretation.** This Agreement has been negotiated by the respective Parties hereto and their legal counsel and the language hereof will not be construed for or against any Party. The article and section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the Parties and shall not in any way affect the meaning or interpretation of this Agreement.

**Section 8.13. Governing Law; Venue.** This Agreement shall be construed in accordance with federal bankruptcy law, to the extent applicable, and where state law is implicated, the laws of the Commonwealth of Northern Mariana Islands shall govern (without regard to conflicts of law). Any action, Claim, suit or proceeding arising out of, based upon or relating to this Agreement or the transactions contemplated hereby shall be brought solely in the Bankruptcy Court. Each Party hereby irrevocably submits to the exclusive jurisdiction of the Bankruptcy Court in respect of any action, Claim, suit or legal proceeding arising out of, based upon or relating to this Agreement or any of the rights and obligations arising hereunder, and agrees that it will not bring any action arising out of, based upon or related thereto in any other court; provided, that if the Bankruptcy Case is dismissed, any action, Claim, suit or legal proceeding arising out of, based upon or relating to this Agreement or the transactions contemplated hereby shall be heard and determined solely in the appropriate courts located in the Commonwealth of Northern Mariana Islands. Each Party hereby irrevocably waives any Claim that it is not subject to the jurisdiction of the above-named courts for any reason or that the suit, action or legal proceeding in such court is brought in an inconvenient forum. Each Party agrees that the service of process in any action, Claim, suit or legal proceeding arising out of, based upon or relating to this Agreement shall be properly served or delivered if delivered in the manner contemplated by Section 8.04 hereof. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY AND ALL RIGHT SUCH PARTY MAY HAVE TO TRIAL BY JURY IN ANY ACTION, CLAIM, SUIT OR LEGAL PROCEEDING BETWEEN THE PARTIES HERETO ARISING OUT OF, BASED UPON OR RELATING TO THIS AGREEMENT.

**Section 8.14. Amendments and Waivers.** This Agreement may not be amended, modified or supplemented except pursuant to an instrument in writing signed by each of the Parties hereto. Any failure of Seller to comply with any term or provision of this Agreement may be waived by Purchaser at any time by an instrument in writing signed on behalf of Purchaser and any failure of Purchaser to comply with any term or provision of this Agreement may be waived by Seller at any time by an instrument in writing signed on behalf of Seller, but any such waiver or failure to insist upon strict compliance with such term or provision shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure to comply.

**Section 8.15. Schedule, Exhibit and Annexes.** The Schedule, Exhibit and Annexes referred to herein are attached hereto and incorporated herein by this reference.

**Section 8.16. Litigation Support.** In the event and for so long as any party hereto is actively contesting or defending any action, suit, grievance, arbitration, proceeding, hearing, investigation, charge, complaint, Claim or demand with respect to any third party in connection

with (i) any transaction contemplated under this Agreement or (ii) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act or transaction on or prior to Closing relating to or involving the Business, the Purchased Assets or the Assumed Liabilities, the other Party will reasonably cooperate with such contest or defense and make reasonably available its personnel, records and information applicable to such matter as may be necessary in connection with prudent handling of such contest or defense, at the contesting or defending Party's expense.

**Section 8.17. Terms Generally.** As used in this Agreement (a) words in the singular shall be held to include the plural and vice versa, (b) words of one gender shall be held to include the other genders as the context requires, (c) the terms "hereof", "herein" and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement and not to any particular provision of this Agreement, (d) references to Article, Section, paragraph, Annex, Exhibit and Schedule are references to the Articles, Sections, paragraphs, Annexes, Exhibit and Schedule to this Agreement, unless otherwise specified, (e) the word "including" and words of similar import when used in this Agreement, shall mean "including, without limitation", unless otherwise specified, and (f) the word "or" shall not be exclusive.

**Section 8.18. No Successor Liability.** The Parties intend that, except where expressly prohibited under applicable law, in no event shall Purchaser be deemed to: (i) be the successor of Sellers; (ii) have, de facto or otherwise, merged with or into Sellers; (iii) be a mere continuation or substantial continuation of Sellers or the enterprises of Sellers; or (iv) be liable for any acts or omissions of Sellers in the conduct of the Business or arising under or related to the Purchased Assets other than as set forth in this Agreement. Without limiting the generality of the foregoing, and except as otherwise expressly provided in this Agreement, the Parties intend that Purchaser shall not be liable for any bankruptcy claims, other claims, written notices, causes of action, complaints, investigations or other proceedings against Sellers or any of their predecessors or Affiliates, and Purchaser shall have no successor or vicarious liability of any kind or nature whether known or unknown as of the Closing Date, whether now existing or hereafter arising, or whether fixed or contingent, with respect to the Business, the Purchased Assets or any obligations of Sellers arising prior to the Closing Date. The Parties agree that provisions substantially in the form of this Section shall be reflected in the Sale Order.

**Section 8.19. Appeal of Sale Order.** If the Bankruptcy Court's entry of the Sale Order is appealed by a third party, Seller shall use their best efforts to defend such appeal in accordance with applicable law.

**[SIGNATURE PAGE FOLLOWS]**

**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement as of the date first above written.

**LOI LAM SIT**, as Purchaser

A handwritten signature in black ink, appearing to be 'Loi Lam Sit', written over a horizontal line.

Loi Lam Sit

**IMPERIAL PACIFIC INTERNATIONAL (CNMI),  
LLC**, as Seller

By: \_\_\_\_\_  
Name: Howyo Chi  
Title: Manager

## ANNEX I

### Definitions

“Accounts Receivable” shall have the meaning ascribed to it in Section 2.01(f) hereof.

“Action” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

“Affiliate” shall mean, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such Person.

“Assigned Contracts” shall have the meaning ascribed to it in Section 2.01(a) hereof.

“Assumed Liabilities” shall have the meaning ascribed to in in Section 2.04 hereof.

“Bankruptcy Case” shall have the meaning ascribed to it in the recitals.

“Bankruptcy Code” shall have the meaning ascribed to it in the recitals.

“Bankruptcy Court” shall have the meaning ascribed to it in the recitals.

“Bidding Procedures Order” shall have the meaning ascribed to it in the recitals.

“Bill of Sale and Assignment and Assumption Agreement” shall have the meaning ascribed to it in Section 7.01 hereof.

“Books and Records” shall have the meaning ascribed to it in Section 2.01 hereof.

“Business Day” shall mean any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in the City of Saipan.

“Claims” shall mean any claim, liability, obligation or right to payment whatsoever, whether or not such right is reduced to judgment, liquidated, fixed, contingent, matured, disputed, legal, equitable, secured or unsecured.

“Closing” shall have the meaning ascribed to it in Section 3.01 hereof.

“Closing Date” shall have the meaning ascribed to it in Section 3.01 hereof.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Encumbrance” shall mean (except for any Lien for Taxes not yet due) any Claim, charge, lease, covenant, encumbrance, security interest, Lien, interest, option, pledge, covenants, license, right of others, mortgage, hypothecation, conditional sale, or restriction (whether on voting, sale, transfer, defenses, set-off or recoupment rights, disposition, or otherwise) against or with respect to tangible or intangible property or rights, whether imposed by agreement, understanding, law,

equity, or otherwise, including any outstanding unfair labor practice charges or complaints, Liens under ERISA or Section 412 of the Code and successor liability with respect to any multiemployer plan to which Seller or any ERISA Affiliate has contributed or been required to contribute, except for any restrictions on transfer generally arising under any applicable federal or state securities law, only to the extent such encumbrances may be released, discharged or otherwise eliminated under Section 363(f) of the Bankruptcy Code.

“ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” shall mean Seller and any trade or business (whether or not incorporated) which are or have ever been under common control, or which are or have ever been treated as a single employer, with Seller under Section 414(b), (c), (m) or (o) of the Code.

“Excluded Assets” shall have the meaning ascribed to it in Section 2.02 hereof.

“Final Order” shall mean an order, writ, injunction judgment or decree of a court of competent jurisdiction, the operation or effect of which has not been reversed, stayed, modified or amended and any and all appeal periods with respect to such order, judgment or other decree have expired, or as to which all appeals have been determined, withdrawn or dismissed with prejudice.

“Governmental Entity” shall mean any court, administrative or regulatory agency or commission or other foreign, federal, state or local governmental authority or instrumentality.

“Inventory” shall have the meaning ascribed to it in Section 2.01(e) hereof.

“Lien” shall mean any lien, mortgage, deed of trust, Claim, charge, pledge, security interest, hypothecation, levy, lease, easement, other real estate declaration or encumbrance of any kind.

“Other Agreements” shall mean the Bill of Sale and Assignment and Assumption Agreement, and any other agreement to be executed, delivered or provided under this Agreement.

“Person” shall mean an individual, corporation, partnership, association, limited liability company, trust, joint venture, unincorporated organization, other entity or group (as defined in Section 13(d)(3) of the Securities and Exchange Act of 1934, as amended).

“Petition Date” shall have the meaning ascribed to it in the recitals.

“Purchased Assets” shall have the meaning ascribed to it in Section 2.01 hereof.

“Purchase Price” shall have the meaning ascribed to it in Section 2.05 hereof.

“Good Faith Deposit” shall have the meaning ascribed to it in Section 2.07 hereof.

“Purchaser” shall have the meaning ascribed to it in the preamble.

“Sale Hearing” shall have the meaning ascribed to it in the Bidding Procedures Order.

“Sale Motion” shall have the meaning ascribed to it in the recitals.

“Sale Order” shall have the meaning ascribed to it in Section 7.01(g) hereof.

“Seller” shall have the meaning ascribed to it in the preamble.

“Taxes” shall mean all taxes, charges, fees, levies, penalties or other assessments imposed by any United States federal, state, local or foreign taxing authority, including income, gross receipts, license, stamp, occupation, premium, windfall profits, environmental (including taxes under Code Sec. 59A), custom duty, capital stock, excise, real property, personal property, water and sewer charges, municipal utility district, ad valorem, sales, use, transfer, franchise, payroll, employment, withholding, severance, social security or other tax of any kind whatsoever, including any interest, penalties or additions attributable thereto, whether disputed or not.

“Tax Return” shall mean any return, declaration, report, claim for refund, information return or other document (including any related or supporting information) required to be filed with respect to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Transfer Taxes” shall have the meaning ascribed to it in Section 6.05(b) hereof.



**Exhibit and Schedule**

Exhibit A: Form of Bill of Sale and Assignment and Assumption Agreement  
Schedule 2.01(a): Assigned Contracts

**Exhibit A**

**Form of Bill of Sale and Assignment and Assumption Agreement**

**BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT**

This BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT is made and entered into as of March \_\_, 2025 (this “Bill of Sale”) by and **between IMPERIAL PACIFIC INTERNATIONAL (CNMI), LLC**, a Commonwealth of Northern Mariana Islands limited liability company, as seller (“Seller”), and **LOI LAM SIT**, an individual, as purchaser (“Purchaser”). Any capitalized but undefined terms herein shall have the meaning ascribed to such terms in that certain Asset Purchase Agreement, dated January \_\_, 2025 (the “APA”).

**WHEREAS**, subject to the terms and conditions of the APA, Seller has agreed to sell, convey, transfer, assign, grant and deliver to Purchaser, and Purchaser has agreed to purchase from Seller, all right, title and interest of Seller in the assets set forth in Section 2.01 of the APA (the “Purchased Assets”); and

**WHEREAS**, pursuant to the terms of the APA, Seller has agreed to assign to Purchaser, and Purchaser has agreed to assume, the Assumed Liabilities (as defined in the Section 2.04 of the APA).

**W I T N E S S E T H:**

**NOW, THEREFORE**, in consideration of the promises and other valuable consideration to Seller paid by Purchaser, at or before the execution and delivery hereof, the receipt and sufficiency of which are hereby acknowledged by Seller, the Parties hereto hereby agree as follows:

1. Conveyance. Seller hereby conveys, grants, bargains, sells, transfers, sets over, assigns and delivers to Purchaser, its successors and assigns forever, all right, title, interest equities and privileges of Seller, in and to the Purchased Assets, free and clear of all liens, restrictions, encumbrances and other claims of any kinds or nature whatsoever, except as set forth in the APA.

2. Assumption of Assumed Liabilities. In accordance with, and subject to, the terms and conditions set forth in the APA, Purchaser hereby assumes all of the Assumed Liabilities.

3. Purchaser’s Benefit. Nothing in this instrument, express or implied, is intended or shall be construed to confer upon, or give to, any Person, firm or corporation other than Purchaser, its successors and assigns, any remedy or claim under or by reason of this instrument or any terms, covenants or conditions hereof, and all the terms, covenants and conditions, promises and agreements in this instrument shall be for the sole and exclusive benefit of Purchaser, and its successors and assigns.

4. Further Assurances. Each Party shall use their respective commercially reasonable efforts to take, or cause to be taken, all appropriate action, do or cause to be done all things reasonably necessary under applicable law, and execute and deliver, or cause to be executed and delivered, such instruments and documents and to take such other actions, as may be required to consummate the transactions contemplated by this Bill of Sale at or after the Closing; provided that nothing in this Section 4 shall prohibit Seller from ceasing operations or winding up Seller’s affairs following the Closing.

5. Effectiveness; Effect of Agreement. This instrument is executed by and shall be binding upon Seller, for the uses and purposes set forth and referred to, effective immediately upon its delivery to Purchaser. Nothing in this Bill of Sale shall, or shall be deemed to, modify or otherwise affect any provisions of the APA or affect or modify any of the rights, obligations, covenants or agreements of the Parties under the APA. In the event of any conflict between the provisions hereof and the provisions of the APA, the provisions of the APA shall govern and control.

6. Governing Law. This Bill of Sale is to be governed by and construed in accordance with federal bankruptcy law, to the extent applicable, and where state law is implicated, the laws of the Commonwealth of Northern Mariana Islands shall govern (without regard to conflicts of law).

7. Parties in Interest; Assignment. This Bill of Sale and all of the provisions hereof shall be binding upon, shall inure to the benefit of, and shall be enforceable by the Parties hereto and their respective successors and permitted assigns, but neither this Bill of Sale or any of the rights, interests or obligations hereunder shall be assigned by either of the Parties hereto without the prior written consent of the other Party; provided, however, that Purchaser shall be permitted, upon prior notice to Seller, to assign without Seller's consent all or part of Purchaser's rights or obligations hereunder to an Affiliate.

8. Severability. If any term or provision of this Bill of Sale is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Bill of Sale or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the Parties hereto shall negotiate in good faith to modify this Bill of Sale so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

9. Counterparts. This Bill of Sale may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Bill of Sale delivered by facsimile, e-mail or other means of electronic transmission (including Docusign or pdf) shall be deemed to have the same legal effect as delivery of an original signed copy of this Bill of Sale.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Sellers and Purchaser have caused this Bill of Sale to be signed by their duly authorized officers, all on the date and year first above written.

**LOI LAM SIT**, as Purchaser

By: 

Name: Loi Lam Sit

**IMPERIAL PACIFIC INTERNATIONAL (CNMI),  
LLC**, as Seller

By: \_\_\_\_\_

Name: Howyo Chi

Title: Manager

**Schedule 2.01(a)**

**Assigned Contracts**

<b>Debtor Party</b>	<b>Counterparty</b>	<b>Description of Contract</b>
Imperial Pacific International (CNMI), LLC	the Department of Public Lands for the Commonwealth of Northern Mariana Islands	Lease Agreement LA 15-002S for real property located at CPL Derence Jack Road, Orchid Street, Garapan, Saipan, MP 9695