Vertex RSA Public FAQ 9.24.24 v1

GENERAL

1. What did Vertex announce?

- On September 24, 2024, Vertex initiated prearranged Chapter 11 proceedings in the U.S. Bankruptcy Court for the Southern District of Texas. The Chapter 11 process is specifically designed to allow companies to address financial issues by improving their long-term financial position while operating in the ordinary course.
- Chapter 11 will allow us to continue the momentum of our recently announced sale process, while affording us critical time to create a sustainable capital structure and strengthen the Company for the benefit of our customers, vendors, employees and the broader community.
- Our ultimate goal is to emerge from Chapter 11 in the near term as an even stronger company.
- We are entering this pre-arranged Chapter 11 process with the overwhelming support of 100% of our existing term loan lenders through a Restructuring Support Agreement ("RSA").
- In either a plan of reorganization or sale scenario, our plants will continue to operate in the ordinary course throughout the court-supervised process, and your day-to-day responsibilities will not change. You will continue to be paid according to our existing practices and receive benefits as usual.
- The milestones agreed to between the Company and our lenders provide that the Company will emerge from Chapter 11 by no later than January 2025.

2. What is Chapter 11?

- Chapter 11 refers to the section of the U.S. Bankruptcy Code that allows companies to reorganize their finances while continuing to operate their business in the ordinary course. Importantly, this process is not a liquidation.
- The Company has requested and expects to receive certain "first day" relief from the Bankruptcy Court, to continue the Company's day-to-day operations, including paying employees in the ordinary course and doing business with certain suppliers and vendors.

3. What subsidiary companies, entities or locations are included in the filing?

- The publicly-traded parent company, Vertex Energy, Inc., will be filing, as well as all of its wholly owned subsidiaries and main operating companies.

4. Why did Vertex take this action?

- The Chapter 11 process is the next step in the ongoing consensual discussions with our lenders to create a sustainable business model for Vertex and inject new capital into the business. On this note, the Company entered into an agreement with its existing lenders to provide $80 million of new financing to continue operating in the ordinary course of business.
- Formalizing a restructuring through Chapter 11 ensures the Company and the lenders can quickly finalize a value-maximizing transaction while maintaining operations in the ordinary course.
- We took this action because we believe it is the most efficient and effective way to implement a consensual and comprehensive financial restructuring that will position Vertex for future growth and success.

5. **Is Vertex going out of business?**
   - No, and on the contrary, we expect operations to continue in the ordinary course of business.
   - The Restructuring Support Agreement ("RSA") contemplates a consensual and comprehensive restructuring of the Company's debt obligations and serves to progress the restructuring process on an expedited timeline.

6. **How will the expected court-supervised restructuring process affect day-to-day operations?**
   - We have filed documents with the court, known as first-day motions to ensure the least disruption possible during the Chapter 11 process.
   - Additionally, the Company's leadership and advisory teams have been working together on restructuring efforts in the lead up to the Chapter 11 filings to limit disruption to day-to-day operations.

7. **I heard there is a group involved in the case called the Committee of Unsecured Creditors. What is their role?**
   - The Chapter 11 process allows for the creation of a group of unsecured creditors to participate in the bankruptcy process as advocates on behalf of all unsecured creditors in the case. This committee, also sometimes referred to as the UCC, has its own set of advisors who work to ensure that unsecured creditors, as an entire class of creditors, can participate meaningfully in the Chapter 11 process.

8. **Does Vertex have the cash to continue operating throughout this process?**
   - Yes, the lenders have agreed to provide a new $80 million financing facility to allow the Company to maintain normal business operations for the duration of the Chapter 11 process.
   - In addition, Macquarie will continue to support this process through continuation of our supply and inventory financing agreements.

9. **When do you expect to complete the Chapter 11 process?**
   - We intend to move through this process swiftly and efficiently. The Company and the lenders have worked collaboratively to set case milestones that are reasonable while allowing us to expeditiously emerge from chapter 11. The milestones are memorialized in the RSA to ensure that all parties work together according to the anticipated target timeline for emerging from Chapter 11 in the first quarter of 2025.

CUSTOMERS

10. What does this mean for our customers?

- We expect no changes to our relationships resulting from this process and look forward to moving through the Chapter 11 as quickly as possible.
- We appreciate our long-standing partnership with our customers and remain focused on strengthening the Company to serve all of you through this process and beyond.
- We see the Chapter 11 as a strong sign for future success as we have the partnership of our lenders who are committed to finalizing a transaction to create a stronger balance sheet through a reorganization or sale process in an expedited manner. In addition, they have provided the necessary financing to ensure the Company can operate day to day in the ordinary course to get us to an exit.

11. How can I obtain more information?

- If you have additional questions, you can continue to reach out to your normal Vertex contacts.
- You can also monitor updates of the Chapter 11 process at https://veritaglobal.net/vertex

VENDORS AND SUPPLIERS

12. What does this announcement mean for vendors?

- We expect operations to continue as normal during the court-supervised Chapter 11 process.
- Our lenders have also provided $80 million in additional liquidity to ensure we have enough liquidity to continue to operate our business and pay our day-to-day obligations under current terms, including goods and services provided by our vendors after the chapter 11 filing date. In fact, the U.S. bankruptcy laws require that we do.
- We appreciate your ongoing support as we work through our restructuring to make us a stronger business partner going forward.

13. Will I be paid for the goods and services I provide to Vertex on or after the Chapter 11 filing date?

- Yes, invoices for goods and services provided after the filing date should be submitted through the typical accounts payable channels and payments will be processed in accordance with contract terms, if applicable.
- We have sufficient liquidity to continue to operate our business and pay our day-to-day obligations under current terms, including goods and services provided by our vendors after the Chapter 11 filing date.
- We appreciate your ongoing support as we work through our restructuring to make us a stronger business partner going forward.

14. What about goods or services that were received before the filing and have not been paid by the Company?

- U.S. bankruptcy law provides that unpaid debts for goods and services provided to Vertex prior to the filing date, also known as “prepetition claims,” cannot be paid without specific Bankruptcy Court approval and will be addressed at a later date through the Company’s bankruptcy claims process.
- At the appropriate time, information regarding the claims process will be made available on the court appointed claims’ agent website at https://veritaglobal.net/vertex. If you prefer not to wait for official notice and information, currently there are instructions for filing a claim on the website.

15. Why should I continue doing business with the Company?

- Vertex expects our operations to continue as normal during this period and throughout the court-supervised process.
- We have sufficient liquidity to run our business.
- We have been loyal partners and our business is operating as usual. We appreciate your continued partnership which will enable us to meet our commitments to our customers and give us the strongest chance to exit the Chapter 11 as a healthier company and long-term business partner.
- This is expected to be an expedited process where post-petition goods and services are entitled to administrative priority payments. For your benefit and the benefit of all stakeholders we believe your ongoing partnership during this interim period will result in the best possible outcome for our collective success.

16. Will the Company continue to order goods and services from its vendors?

- Yes. We expect operations to continue as normal throughout this time period and during the court-supervised process.

- We are relying on you to continue providing the products and services we need.
- We appreciate your continued partnership which will enable us to meet our commitments to our customers.

17. We have a contract with the Company. Is the Company going to be able to satisfy it?

- Currently, we do not anticipate changing the terms of our relationships with our vendors.
- If you're a vendor with a contract and have specific questions about the agreement, please discuss with your primary Vertex contact.

18. Given the uncertainties of the situation, what if I want to renegotiate our terms with the Company? Can I require upfront payment moving forward?

- It is important to understand that Vertex expects our operations to continue as normal now and throughout the court-supervised process, including meeting our ordinary obligations.
- The Chapter 11 process mandates that counterparties are obligated to perform under the terms of their contracts and the Company is obligated to pay for all goods and services received after the filing and related to that contract.
- We have received $80 million in new funding from our lenders, and we are confident in our future and believe that we will emerge as a stronger company.

19. Can I take back my goods?

- It is against the law to take back goods from a company that has filed for bankruptcy under Chapter 11, absent express court approval.
- We will rely upon our strong relationships with our vendors to ensure we can meet our customer obligations.

20. How do I file a proof of claim?

- Should you be required to file a claim you will be provided written notice of the process to do so.
- You may also access the court-appointed claims agent website at https://www.veritaglobal.net/vertex for more information regarding the claims process.

21. Will my contacts remain the same?

- Yes. You can continue to reach out to your normal Vertex contacts.

22. How can I obtain more information?

- If you have additional questions, you can continue to reach out to your normal Vertex contacts.
- We will also continue to provide information regarding this process at https://www.veritaglobal.net/vertex.

INVESTORS/EQUITY HOLDERS

23. Can I or should I sell my stock in the Company? Who should I speak to about my investment?

- Neither the Company, nor any of its employees, advisors or representatives may provide financial advice with respect to an investment in the Company.
- All investors are encouraged to consult their personal financial advisor(s) after careful consideration of all the facts.
- Please note that the Company's policies, including the Company's Insider Trading Policy, continue to apply.

24. Can a shareholder file a claim?

- We cannot provide legal or financial advice as to whether you should file a proof of claim; therefore you may wish to consult with your attorney or professional investment advisor.
- At the conclusion of the bankruptcy process, all claims filed against the Company will be assessed and adjudicated, and if there is no basis for the claim, it will be disallowed by the bankruptcy court.

25. What will happen to the Company's stock during this process? Will Vertex remain public?

- It is too early to definitively say what will ultimately happen to the Company's common stock.
- Any recovery to existing shareholders will ultimately be determined in connection with the court-supervised process.
- Additionally, we have received notice that Nasdaq will suspend the listing of the Company's common stock. Given the announcement of the Chapter 11 filing, we anticipate the suspension could be effective as early as same day or the following business day, at the opening of business.
- The Company expects that the trading of our common stock will recommence on the over-the counter market (commonly referred to as the "pink sheets").
- All investors are encouraged to consult their personal financial advisor(s) after careful consideration of all the facts.