

AGREEMENT TO TRANSFER LIQUOR LICENSE

This Agreement to Transfer Liquor License (“Agreement”) made this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by and between TST Beverages LLC (the “Debtor”), in a bankruptcy case pending in the United States Bankruptcy Court for the District of New Jersey, Case No. 24-14130 (CMG), and \_\_\_\_\_, or its assignee (“Purchaser”), with an address of \_\_\_\_\_.

WHEREAS, on April 23, 2024 (the “Petition Date”), (the Debtor) filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code; and

WHEREAS, the Debtor is the owner of a plenary retail distribution, liquor license no. 1340-44-028-006 (the “Liquor License”); and

WHEREAS, on May 1, 2024, counsel for the Debtor filed a Motion for (I) an Order (the “Bid Procedures Order”): (a) approving bidding procedures and notice of separate auction sales of Debtor’s (i) plenary retail distribution, liquor license no. 1340-44-028-006 (the “Liquor License”); and (ii) inventory, equipment and trade fixtures (the “Debtor’s Assets”); (b) scheduling a hearing to consider the sale of the Liquor License and Debtor’s Assets; and (c) granting other relief; and (II) an Order (the “Sale Order”): (a) authorizing the sale of the Liquor License and Debtor’s Assets to the highest and best successful bidder(s) at the auction sales, free and clear of liens, claims, interests and encumbrances; (b) waiving the fourteen day stay; and (c) granting other related relief (the “Motion”) [Dkt No. \_\_\_\_]; and

WHEREAS, on May \_\_, 2024, the Court entered an Order granting the Debtor the authority to sell the Liquor License at a public auction to be administered by A.J. Willner Auctions on \_\_\_\_\_, 2024; and

WHEREAS, \_\_\_\_\_ was the highest bidder at the public auction and met all other requirements to qualify as the successful bidder; and

WHEREAS, the Debtor shall hereinafter be referred to in this Agreement as “Debtor” or “Seller” and Debtor/Seller and Purchaser shall be referred to collectively as the “Parties”; and

WHEREAS, Purchaser desires to purchase, and the Debtor desires to sell the Liquor License.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. ASSET TO BE TRANSFERRED. The Debtor agrees to sell, transfer, and assign, and Purchaser agrees to buy and accept the Liquor License, free and clear of any debts, mortgages, security interest, or other liens and encumbrances pursuant to 11 U.S.C. § 363, with any valid liens, if any, to attach to the sale proceeds, including without limitation, and notwithstanding any term herein to the contrary, the fine imposed on the Debtor by the New Jersey Division of Alcoholic Beverage Control..

2. PURCHASE PRICE. The Purchase Price for the Liquor License is \_\_\_\_\_ (\$ \_\_\_\_\_) (the “Purchase Price”). An earnest money deposit in the amount of \_\_\_\_\_ dollars and zero cents (\$\_\_\_\_\_.00) (the “Deposit”), to be applied on account of the Purchase Price, was deposited in escrow by Purchaser with The Kelly Firm, P.C. (“TKF”), as Escrow Agent, upon the end of the public auction. TKF, as Escrow Agent, placed the Deposit in a non-interest bearing account and the Deposit shall be applied to the Purchase Price at the time of closing. The balance of the

Purchase Price, \_\_\_\_\_

\_\_\_\_\_ (\$ \_\_\_\_\_), shall be paid to TKF by certified or bank check on or before 4:00 p.m. on \_\_\_\_\_, 2024.

3. BILL OF SALE; NO WARRANTIES OF TITLE. At the closing, the Debtor will transfer ownership of the Liquor License to the Purchaser, without any warranties as to title other than those expressly stated in Paragraph 1 herein. Subject to the terms of Section 1 above, the Liquor License is being sold “as is”. Seller makes no representations of any nature regarding the Liquor License or the existence of any violations against the Liquor License.

4. FREE AND CLEAR OF LIENS. The Liquor License shall be delivered to the Purchaser free and clear of liens, claims, and encumbrances, with valid liens, claims, and encumbrances to attach only to the proceeds of sale. The Court shall determine the validity of all liens, claims and encumbrances under applicable federal law and/or state law.

5. CLOSING AND LICENSE TRANSFER.

a. Closing will be held by \_\_\_\_\_, \_\_\_\_\_, 2024. On or before that date Purchaser shall pay the balance of the Purchase Price to TKF by certified check or bank check pursuant to Paragraph 2 herein. Thereafter, Purchaser will file an application for the transfer of the Liquor License with the ABC Board (the “Board”), and provide all relevant documents to the Board within twenty (20) days of the closing date, so that a transfer hearing can be scheduled promptly.

b. Purchaser shall pay the Debtor *pro rata* (April 30, 2024 to June 30, 2024) cost for the renewal of the Liquor License for the 2023-2024 term and thereafter, should the Liquor License not be transferred prior to the annual renewal date. Seller shall sign the consent to transfer form and otherwise cooperate with the application of Purchaser for a person to person transfer of

the Liquor License including signing an affidavit of transferor and such other forms required by any governmental authority. Seller shall also cooperate in removing any “notice of delinquency” from said Liquor License resulting from unpaid invoices and which constitute a “lien” on the use of the Liquor License by signing documents prepared by Purchaser. Notwithstanding the foregoing, Seller’s only obligation will be to execute all forms obtained by Purchaser which are reasonably required for a transfer of the Liquor License. More specifically, but subject to Section 1 above, Seller shall not be obligated to obtain said forms, pay any fees related to a transfer, renew the Liquor License, or pay any fees related thereto.

6. DEFAULT BY PURCHASER. If the Purchaser defaults in the payment of the Purchase Price, the Debtor shall retain the deposit and sell the Liquor License to the back-up bidder. If the Purchaser fails to transfer the Liquor License to Purchaser, then the Debtor specifically reserves its rights as to any and all remedies. In the event that transfer of the Liquor License is denied because of Purchaser’s ineligibility and/or inability to comply with all applicable state and municipal statutes, rules, regulations, and ordinances with respect to the transfer of the Liquor License, either person to person or place to place, no portion of the Purchase Price shall be refunded, but Purchaser may transfer the Liquor License to another person or entity.

7. NOTICES. Every notice or other communication which any party hereto is required or desires to give any other party hereto shall be in writing and shall be sent by mailing the same by registered or certified mail postage prepaid, return receipt requested, or by reputable national overnight delivery service, as well as by facsimile or email, as follows:

If to Seller:  
Andrew J. Kelly, Esq.  
The Kelly Firm, PC  
1011 Highway 71, Suite 200  
Spring Lake, N.J. 07762  
(732) 449-0525 (tel)

akelly@kbtlaw.com

If to Purchaser:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. GOVERNING LAW. Except as otherwise specified herein, this Agreement shall be construed and enforced in accordance with the Laws of the State of New Jersey.

9. COUNTERPARTS. This Agreement may be executed simultaneously in one or more counterparts, each one of which shall be an original, but all of which together shall constitute one and the same instrument.

10. JURISDICTION. Purchaser submits to the exclusive jurisdiction of the Bankruptcy Court for enforcement of this agreement and/or resolution of any disputes arising hereunder.

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IN WITNESS WHEREOF, the Parties have signed this Agreement as of the Effective Date.

TST BEVERAGES LLC,  
Seller, Debtor and Debtor-In-Possession

WITNESS: \_\_\_\_\_

By: \_\_\_\_\_  
ROBERT H. SICKLES, Managing Member

\_\_\_\_\_  
Buyer

WITNESS: \_\_\_\_\_

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

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

An Authorized Representative