

**NOTICE OF SECURED PARTY'S PUBLIC SALE OF
COLLATERAL UNDER UNIFORM COMMERCIAL CODE OF TEXAS**

STATE OF TEXAS
COUNTY OF BRAZOS

PLEASE TAKE NOTICE that, pursuant to V.T.C.A., Bus. & C. §9-610, et al., Uniform Commercial Code of Texas and that certain Commercial Security Agreement, dated as of October 25, 2016, executed by Kite Southwest, Inc. ("Borrower") in favor of WELLS FARGO BANK, National Association (the "Secured Party") ("First Security Agreement") and that certain Commercial Security Agreement, dated as of October 26, 2016, executed by Borrower in favor of Bank ("Second Security Agreement") (First Security Agreement and Second Security Agreement are collectively referred to as "Agreement"), the Secured Party is hereby selling pursuant to a public auction under the Uniform Commercial Code of Texas (the "Auction") certain property of Borrower (the "Sale") with the best offer controlling the Sale, conducted by Auction Management Corporation (the "Auctioneer") via online only at <https://www.amcbid.com/auctions/detail/bw97674> (the "Website"). Opening bids commence on March 17, 2023 at 2:00 a.m. C.S.T. and close on April 4, 2023 at 2:00 p.m. C.S.T., unless otherwise extended due to active competitive bidding.

The Secured Party was granted a first priority security interest in certain assets to secure the underlying indebtedness and obligations of Borrower to the Secured Party (the "Indebtedness"), as set forth in that certain \$434,000.00 Promissory Note, dated as of October 25, 2016, executed by Borrower, in favor of the Secured Party (the "Note"), as secured by the Agreement and evidenced by certain UCC Financing Statements with Borrower as Debtor and Secured Party as the Secured Party, Filing Nos. 16-0034712791 and 16-0034718494, filed on October 21, 2016 with the Texas Secretary of State, as continued by the UCC Financing Statement Amendments filed on April 28, 2021 (collectively, the "Financing Statement").

The full Indebtedness secured by the Agreement has been and is hereby declared due and payable because of certain events of default that have occurred and are continuing under the terms of the Agreement, including without limitation, nonpayment of the Indebtedness as and when due, and the full Indebtedness as evidenced by the Note and the Agreement is now and remains due and payable in full. As a result of the foregoing, in accordance with the Agreement, and Texas law, the Secured Party has determined to exercise its remedies thereunder, including without limitation the power of sale, for the sole purpose of paying the Indebtedness, including all expenses of the Sale, attorneys' fees, and all other payments provided for under and pursuant to the Agreement.

Written notice of this Auction was given to Borrower, whereby the Secured Party provided notice of its intent to foreclose upon the following property of the Borrower, whether now or hereafter owned, existing, acquired or arising and wherever now or hereafter located (all terms used hereinafter and not otherwise defined shall have the meaning ascribed thereto in the Uniform Commercial Code of Texas), including without limitation, all tangible and intangible property of the Borrower, whether now owned or hereafter acquired, wherever located, including, but not limited to, ALL ASSETS of Borrower, whether now owned or hereafter acquired, wherever located, including but not limited to the assets fully set forth:

INVENTORY: ALL INVENTORY WHEREVER LOCATED WHICH BORROWER OWNS NOW OR MAY OWN IN THE FUTURE, WHICH BORROWER SELLS OR LEASES, OR WHICH HAS BEEN OR WILL BE SUPPLIED UNDER CONTRACTS OF SERVICE, OR WHICH ARE RAW MATERIALS, WORK IN PROGRESS, OR MATERIALS USED OR CONSUMED IN BORROWER'S BUSINESS.

EQUIPMENT: ALL EQUIPMENT WHICH BORROWER OWNS NOW OR MAY OWN IN THE FUTURE, INCLUDING, BUT NOT LIMITED TO, ALL MACHINERY, VEHICLES, FURNITURE, MANUFACTURING EQUIPMENT, SHOP EQUIPMENT, OFFICE AND RECORD KEEPING EQUIPMENT, AND PARTS AND TOOLS. ANY EQUIPMENT OR FIXTURES DESCRIBED IN A LIST OR SCHEDULE WHICH BORROWER GIVES OR HAS GIVEN TO SECURED PARTY WILL ALSO BE INCLUDED IN THE SECURED PROPERTY, BUT SUCH A LIST IS NOT NECESSARY FOR A VALID SECURITY INTEREST IN BORROWER'S EQUIPMENT.

ACCOUNTS, CHATTEL PAPER AND OTHER RIGHTS TO PAYMENT: (A) ALL OF BORROWER'S ACCOUNTS, ACCOUNTS RECEIVABLES, CONTRACT RIGHTS, CHATTEL PAPER, COMMISSIONS, RECEIVABLE, INSTRUMENTS, DRAFTS AND GENERAL INTANGIBLES, WHETHER NOW EXISTING OR HEREAFTER ARISING OR ACQUIRED (HEREIN COLLECTIVELY REFERRED TO AS THE "RECEIVABLES") AND ALL OF BORROWER'S INTEREST IN GOODS WHICH SHALL HAVE GIVEN OR SHALL GIVE RISE TO SUCH RECEIVABLES, WHETHER NOW EXISTING OR HEREAFTER ARISING OR ACQUIRED; AND (B) RIGHTS TO PAYMENT ARISING OUT OF ALL PRESENT AND FUTURE DEBT INSTRUMENTS, CHATTEL PAPER AND LOANS AND OBLIGATIONS RECEIVABLE. THE ABOVE INCLUDE ANY RIGHTS AND INTEREST (INCLUDING ALL LIENS AND SECURITY INTERESTS) WHICH BORROWER MAY HAVE BY LAW OR AGREEMENT AGAINST ANY ACCOUNT BORROWER OR OBLIGOR OF BORROWER.

GENERAL INTANGIBLES: ALL GENERAL INTANGIBLES BORROWER OWNS NOW OR MAY OWN IN THE FUTURE, INCLUDING, BUT NOT LIMITED TO, TAX REFUNDS, APPLICATIONS FOR PATENTS, PATENTS, COPYRIGHTS, TRADEMARKS, TRADE SECRETS, GOOD WILL, TRADE NAMES, CUSTOMER LISTS, PERMITS AND FRANCHISES, AND THE RIGHT TO USE BORROWER'S NAME.

PROCEEDS: ALL ACCESSIONS TO, SUBSTITUTIONS FOR AND ALL REPLACEMENTS, PRODUCTS AND PROCEEDS OF THE FOREGOING, INCLUDING WITHOUT LIMITATION, PROCEEDS OF INSURANCE POLICIES INSURING ANY OF THE FOREGOING COLLATERAL AS USED HEREIN, "PROCEEDS" INCLUDES NOT ONLY WHAT IS RECEIVED UPON SALE, EXCHANGE, COLLECTION OR OTHER DEPOSITION OF COLLATERAL OR LOSS OF OR DAMAGE TO COLLATERAL (INCLUDING WITHOUT LIMITATION ANY EQUIPMENT, AS DEFINED IN THE TEXAS UNIFORM COMMERCIAL CODE, ACQUIRED WITH ANY PROCEEDS OF TILE COLLATERAL), BUT ALSO ALL RENTS, PROFITS, AND OTHER REVENUES (INCLUDING WITHOUT LIMITATION CHATTEL PAPER, INSTRUMENTS, AND MONEY) DERIVED FROM RENTING, LEASING OR OTHERWISE PERMITTING THE USE OF THE COLLATERAL.

ALL OF SUCH PROPERTY (INCLUDING WITHOUT LIMITATION THE INVENTORY AND THE RECEIVABLES) IS HEREAFTER REFERRED TO AS THE "COLLATERAL" AND SHALL ALSO INCLUDE ALL DIRECT AND REMOTE PROCEEDS THEREOF.

SAID ITEMS ARE LOCATED ON THE PROPERTY LOCATED AT 1606 GOOSENECK DRIVE, BRYAN, TEXAS 77808 OR WHEREVER SAME MAY BE LOCATED AND MORE SPECIFICALLY IDENTIFIED IN **EXHIBIT A** (COLLECTIVELY, THE "ASSETS").

The Assets shall be sold to the highest and best bidder pursuant to the Uniform Commercial Code of Texas on an "AS IS, WHERE IS" basis, with all faults, without recourse, and without any express or implied representations or warranties whatsoever, including, without limitation, condition of title, value or quality of the Assets, or with regard to assets, liabilities, financial condition or earnings of the Borrower or any of its affiliates. THE SALE WILL BE FINAL AND WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL WARRANTIES OF WHATEVER NATURE, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, POSSESSION, QUALITY, QUIET ENJOYMENT OR THE LIKE IN THIS DISPOSITION ARE EXPRESSLY DISCLAIMED. All potential purchasers are responsible for their own due diligence. The Secured Party reserves its right, on or prior to the closing of the Sale, to withdraw all or a portion of the Assets from the Sale for any reason whatsoever, modify, waive or amend any terms or conditions of the Sale or impose any other terms or conditions on the Sale, including without limitation the right to establish other bidding procedures, and, if the Secured Party deems appropriate, to have potential bidders demonstrate their ability to perform and close on the acquisition of the Assets to the satisfaction of the Secured Party. Secured Party reserves the right to reject any or all bids or to continue the Sale to such time and place as the Secured Party, in its sole and absolute discretion, may deem fit, or to cancel such Sale without further notice. Additional or amended terms and conditions of the Sale may be announced on the Sale Date, or any continued Sale. The Secured Party reserves its right to credit or otherwise bid at the Sale and to apply the expenses of the Sale and all or any part of the total amount of the Indebtedness owed to the Secured Party under the Note and Agreement, in satisfaction of the purchase price. The Secured Party reserves all of the rights accruing to it under the Agreement, including the right to seek a judgment for any deficiency remaining on account of its Indebtedness after the conclusion of the Sale. Borrower is entitled to an accounting of the unpaid Indebtedness secured by the Assets that Secured Party intends to sell upon its calling Secured Party's Counsel at 404-835-2729, at its own expense. The highest bidder, other than the Secured Party, will be required to pay the successful purchase price of the Assets, plus a buyer's premium on the full bid amount representing the Auctioneer's fees and costs, (i) at the time of the Sale, or at a time otherwise provided in the terms and conditions of the Sale disclosed to all "qualified bidders," and (ii) in cash, wire transfer, by cashier's check, or in other immediately available funds. All bidding parties shall be responsible for their own transaction costs, property removal expenses, if any, and professional fees. The successful bidder may be required to sign a hold harmless agreement prior to the removal of any Assets to indemnify Secured Party, Auctioneer and the landlord for any damage to the building resulting from the removal of any Assets, unless such damage is resulting directly from the removal of any Assets anchored to the wall or floor of the building which Secured Party will be responsible for such damage to the landlord. The successful bidder will take the Assets subject to all sales, use, excise, stamp, documentary, filing, recording, transfer, unpaid ad valorem, assessments or similar fees or taxes or governmental charges, as levied by any taxing





authority or governmental in connection with the transfer of the Assets or which area lien not yet due and payable and resulting.

The Assets may be inspected at **1606 Gooseneck Drive, Bryan, Texas 77808** on April 3, 2023, between the hours of 10:00 a.m. C.S.T. to 4:00 p.m. C.S.T.

All qualified bidders shall receive this notice as it is incorporated by this reference into the Online Terms and Conditions of Sale and by this reference each bidder acknowledges this notice prior to submission of any bid at the Auction during the Sale.

EXHIBIT A

Individual Items





| Inventory Number | Title | Description | | | Thumbnail |
|------------------|----------------------------------|--|--|--|---|
| 1 | 7 Work Benches | (7 Work Benches) 5'-6' X 34" (5 with vices) | | |  <p>Image 1 of 7</p> |
| 2 | Parts Washer /Cleaner | Parts Cleaner | | |  <p>Image 1 of 1</p> |
| 3 | 18 Jack Stands | (18 Jacks) 4-10 Ton Manual Jack Stands | | |  <p>Image 1 of 6</p> |
| 4 | Nissan Forklift | Nissan 6000 lb Forklift w/2 Stage Mast 40" Forks. Will crank, but not start. | | |  <p>Image 1 of 4</p> |
| 5 | Branick Strut Spring Compressor | Branick Model #7600 Strut & Spring Compressor | | |  <p>Image 1 of 1</p> |
| 6 | Jet Drill Press | Jet Drill Press Model # JDP-17MF | | |  <p>Image 1 of 2</p> |
| 7 | Blackhawk 12 Ton Hydraulic Press | Blackhawk 12 Ton Hydraulic Press Model # 6705 | | |  <p>Image 1 of 2</p> |

| | | | | | |
|----|--|---|--|--|---|
| 8 | Jet Bench Grinder on Custom Crankshaft Stand | Jet Grinder on a Custom Crankshaft Stand | | |  <p>Image 1 of 1</p> |
| 9 | DeWalt Chop Saw | DeWalt Chop Saw | | |  <p>Image 1 of 1</p> |
| 10 | 2008 Western Star Semi Tractor | 2008 Western Star Equipped w/Detroit Diesel Series 60 Engine, 11R 22.5 Tires, 10 Speed Eaton Fuller Transmission and Day Cab. | | |  <p>Image 1 of 15</p> |
| 11 | Polar 2007 Tanker Trailer | 2007 Polar Petroleum Trailer 65,000 lb GVWR | | |  <p>Image 1 of 6</p> |
| 12 | Transcraft Eagle Flatbed Trailer | Transcraft Eagle Flatbed Trailer 48' X 8', 275/80 22.5 Tires | | |  <p>Image 1 of 8</p> |
| 13 | 16' Dual Axle Utility Trailer | Trailer 16' 6" X 6' 6" Dual Axle. No Floor | | |  <p>Image 1 of 4</p> |
| 14 | Waste Tanks for Chemicals | (5 Tanks) Waste Oil Tanks | | |  <p>Image 1 of 3</p> |

| | | | | | |
|----|-----------------------------|---|--|--|---|
| 15 | Hydraulic and Fuel Tank | (2 Tanks) (1) Hydraulic Oil and (1) Fuel Tank equipped with Reel and a Reel-Rite Pump | | |  Image 1 of 2 |
| 16 | Horizontal Air Compressor | Air Compressor w/Hose | | |  Image 1 of 1 |
| 17 | Hotsy Pressure Washer | Hotsy Pressure Washer | | |  Image 1 of 1 |
| 18 | Miller Welder | Miller TB 300/200 AC DC Welder | | |  Image 1 of 1 |
| 19 | 2003 Chevrolet Pickup Truck | 2003 Chevrolet Silverado Truck LS Model w/Automatic Transmission and Bed-liner. | | |  Image 1 of 8 |
| 20 | A Frame Hoist | A-Frame Hoist | | |  Image 1 of 2 |
| 21 | 2 Floor Service Jacks | (2 Floor Jacks) Gray FSJ-200 20,00 lb Air/Hydraulic Floor Jack's. | | |  Image 1 of 3 |

| | | | | | |
|----|---|--|--|--|---|
| 22 | 3 Industrial Fans | (3 Fans) Industrial Shop Cooling Fans | | |  <p>Image 1 of 3</p> |
| 23 | Transmission Jack | Low Lift 2,200 lb Transmission Jack | | |  <p>Image 1 of 1</p> |
| 24 | Snap On Air Conditioning Service Center | Snap On ECO plus Air Conditioning Service Center | | |  <p>Image 1 of 1</p> |
| 25 | 3 Oxygen /Acetylene Welding Tanks | (3 Tanks) Oxygen and Acetylene Tank w/Gauges | | |  <p>Image 1 of 1</p> |
| 26 | Kerosene Space Heater | Master MH-140T-KFA Space Heater | | |  <p>Image 1 of 1</p> |
| 27 | 8 Hydraulic Jacks | (8 Jacks) Hydraulic Jacks | | |  <p>Image 1 of 2</p> |
| 28 | Misc. Hand Tools | Miscellaneous Tools to Include Wrenches, Pullers, Drivers and Casings. | | |  <p>Image 1 of 6</p> |

| | | | | | |
|----|---|---|--|--|---|
| 29 | 3 Jacks | (3 Jacks) Miscellaneous Air/Pneumatics Jack's and Manual Drum Handler | | |  <p>Image 1 of 4</p> |
| 30 | Pneumatic Jack | Pneumatic Jack | | |  <p>Image 1 of 2</p> |
| 31 | 3 Adapter Boxes | (3 Boxes) Adapter Boxes | | |  <p>Image 1 of 1</p> |
| 32 | Filtration Cart | Unused Pall Corporation Kwik-Flush Cart | | |  <p>Image 1 of 1</p> |
| 33 | Standard Engine Puller | Hydraulic 2 Ton Engine Puller | | |  <p>Image 1 of 1</p> |
| 34 | Snap On 134A Freon Recovery Recharge Unit | Snap on ECO 143A Recovery, Recycle and Recharge Unit. | | |  <p>Image 1 of 1</p> |
| 35 | 7 Bins w/Bolts and Nuts | (7 Bins) Bolts and Nuts Bins, Brass Fittings w/Miscellaneous Sizes | | |  <p>Image 1 of 6</p> |

| | | | | | |
|----|---|--|--|--|--|
| 36 | Approximately 200 New Oil & Air Filters | Approximately 200 Oil and Air Filters of Various Sizes Unused. | | |  <p>Image 1 of 6</p> |
| 37 | Misc. Lubricants, Etc. | Miscellaneous Oil to include Gear Oil, 5W-40, 90 Weight, Hydraulic, and Power Steering Fluid. | | |  <p>Image 1 of 3</p> |
| 38 | Assorted New & Used Parts | Parts to include both Used and Unused. | | |  <p>Image 1 of 20</p> |
| 39 | Office Furniture & Office Fixtures | Office Furniture to include Desks, Chairs, File Cabinets, Printers, Copiers, Computer Screens and Keyboards. | | |  <p>Image 1 of 6</p> |