

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

SALT LIFE BEVERAGE, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No. 24-11468 (LSS)

Jointly Administered

**NOTICE OF PROPOSED ASSIGNMENT
OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

**YOU ARE RECEIVING THIS NOTICE BECAUSE YOU OR ONE OF YOUR
AFFILIATES MAY BE COUNTERPARTY TO ONE OR MORE EXECUTORY
CONTRACTS AND/OR UNEXPIRED LEASES WITH THE DEBTORS.²**

**PARTIES RECEIVING THIS NOTICE SHOULD (1) READ THIS NOTICE
CAREFULLY AS YOUR RIGHTS MAY BE AFFECTED BY THE TRANSACTIONS
DESCRIBED HEREIN AND (2) LOCATE THEIR NAME AND CONTRACT AND/OR
LEASE ON SCHEDULE I HERETO**

PLEASE TAKE NOTICE that on June 30, 2024, the above-captioned debtors and debtors in possession (the “**Debtors**”) filed for relief pursuant to chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”), and on July 10, 2024, the Debtors filed an amended motion [Dkt No. 67] (the “**Sale Motion**”)³ to sell their assets associated with the operation of the *Salt Life*® business (the “**Salt Life Assets**”) and all or substantially all of their

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are Salt Life Beverage, LLC, a Delaware limited liability company (8436), Delta Apparel, Inc., a Georgia corporation (8794), Salt Life, LLC, a Georgia limited liability company (6136), M. J. Soffe, LLC, a North Carolina limited liability company (2056), Culver City Clothing Company, a Georgia corporation (4619), DTG2Go, LLC, a Georgia limited liability company (6498), and Salt Life Beverage Management, LLC, a Delaware limited liability company (7886). The location of the Debtors’ headquarters and mailing address is 2750 Premiere Parkway, Suite 100, Duluth, Georgia 30097.

² This Notice is being sent to counterparties to executory contracts and unexpired leases. This Notice is not an admission by the Debtors that such contract or lease is executory or unexpired.

³ *Amended Motion of Debtors for Entry of (I) an Order (A) Approving Bid Procedures in Connection with the Potential Sale of the Debtors’ Assets, (B) Scheduling an Auction and Sale Hearing, (C) Approving the Form and Manner of Notice Thereof, (D) Authorizing the Debtors to Enter Into One or More Stalking Horse Agreements, (E) Approving Bid Protections, (F) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (G) Granting Related Relief; and (II) an Order (A) Approving the Sale of the Debtors’ Assets Free and Clear of All Liens, Claims, Encumbrances, and Interests, (B) Authorizing the Assumption and Assignment of Contracts and Leases, and (C) Granting Related Relief* [Docket No. 67].

assets that are not associated with the operation of the *Salt Life*® business (the “**Non-SL Assets**” and, together with the Salt Life Assets, the “**Assets**”) free and clear of all liens, claims, encumbrances, and other interests (collectively, the “**Sales**”) and assume and assign certain of their executory contracts and unexpired leases (collectively, the “**Contracts**”) to the applicable purchasers of the Salt Life Assets and the Non-SL Assets.⁴

PLEASE TAKE FURTHER NOTICE that the Debtors are soliciting offers for the purchase of the Assets of the Debtors consistent with the bid procedures (the “**Bid Procedures**”) approved by the Court by the entry of an order on July 26, 2024 (the “**Bid Procedures Order**”).⁵ The Bid Procedures include, among other things, procedures for the assumption and assignment of the Contracts in connection with the Sales of the Salt Life Assets and Non-SL Assets (the “**Assumption Procedures**”).

PLEASE TAKE FURTHER NOTICE that, accordingly, pursuant to the Assumption Procedures, and by this written notice, the Debtors hereby notify you that they have determined, in the exercise of their business judgment, the Contracts and any modifications thereto set forth on Schedule 1 attached hereto (collectively, the “**Assigned Contracts**”) may be assumed and assigned to the Successful Bidder, subject to the Successful Bidder’s payment of the cure amount set forth on Schedule 1, or such other cure amounts as are agreed by the parties.

PLEASE TAKE FURTHER NOTICE that the Successful Bidder has the right under certain circumstances to designate additional Contracts as Assigned Contracts or remove certain Contracts from the list of Assigned Contracts prior to closing.

PLEASE TAKE FURTHER NOTICE that copies of the Sale Motion, the Bid Procedures, and the Bid Procedures Order, as well as all related exhibits, including the proposed Sale Order, are available: (a) Polsinelli PC, 600 Third Avenue, 42nd Floor, New York, New York 10016, Attn: Jeremy R. Johnson (Jeremy.johnson@polsinelli.com), Polsinelli PC, 150 N. Riverside Plaza, Suite 3000, Chicago, Illinois 60606, Attn: Jerry L. Switzer, Jr. (jswitzer@polsinelli.com) and Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Christopher A. Ward (cward@polsinelli.com), (b) for free by accessing the website of the Debtors’ noticing agent, Epiq, <https://dm.epiq11.com/Delta-SaltLife>, or (c) for a fee via PACER at <http://www.deb.uscourts.gov>.

PLEASE TAKE FURTHER NOTICE that, except as otherwise provided by the Bid Procedures Order, the time for filing objections to (a) the cure amounts related to the Assigned Contracts, (b) the Debtors’ ability to assume and assign the Assigned Contracts, and (c) adequate assurance of future performance of the Assigned Contract by the applicable Successful Bidder has passed and no further notice or action is necessary with respect to such matters.

⁴ Capitalized terms used as defined terms but not defined herein shall have all the meanings ascribed to them in the Sale Motion.

⁵ *Order (I) Approving Bid Procedures in Connection with the Potential Sale of the Debtors’ Assets, (II) Scheduling an Auction and Sale Hearing, (III) Approving the Form and Manner of Notice Thereof, (IV) Authorizing the Debtors to Enter One or More Stalking Horse Agreements, (V) Approving Bid Protections, (VI) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (VII) Granting Related Relief* [Docket No. 145].

Dated: August 28, 2024
Wilmington, Delaware

POLSINELLI PC

/s/ Christopher A. Ward

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Debtors in Possession*

SCHEDULE 1

#	Debtor	Counterparty Name	Type	Schedule or Lease Number	Description	Cure Amount (\$)	Proposed Potential Assignee (if any)
1	Salt Life, LLC	Magnussen Home Furnishings, Inc.	License Agreement - Trademark		Licensed articles include home furnishings and home articles.	\$0.00	Iconix/Hilco
2	Salt Life, LLC	Southern Graphic Systems, LLC / Tervis Tumbler Company	License Agreement - IP		High resolution printed decorative wraps for use.	\$0.00	Iconix/Hilco
3	Salt Life, LLC	Tervis Tumbler Company	License Agreement - IP		Extension	\$13,104.37	Iconix/Hilco
4	Salt Life, LLC	Salt Life Restaurant Group, LLC	License Agreement - Trademark		Salt Life Food Shack Trademark	\$0.00	Iconix/Hilco
5	Delta Apparel, Inc.	Regions Commercial Equipment Finance	Capital Lease Agreement	EFA 13	Kornit Atlas System	\$39,222.34	Renfro, LLC
6	Salt Life, LLC	Catlin Family, LLC	Lease Agreement - Real Estate		157 & 159 Avenida Del Mar (Lease Extension)	\$0.00	L&L Wings, LLC
7	Salt Life, LLC	Catlin Family, LLC	Lease Agreement - Real Estate		157 & 159 Avenida Del Mar (Lease Extension)	\$0.00	L&L Wings, LLC
8	Salt Life, LLC	Catlin Family, LLC	Lease Agreement - Real Estate		157 & 159 Avenida Del Mar (Original lease agreement - retail suite).	\$0.00	L&L Wings, LLC
9	Delta Apparel, Inc.	Jeffery Fischer (Trustee of the J&H Fischer Trust)	Lease Agreement - Real Estate		207 Main Street (Lease Agreement- Shopping Center)	\$0.00	L&L Wings, LLC
10	Delta Apparel, Inc.	Jeffery Fischer (Trustee of the J&H Fischer Trust)	Lease Agreement - Real Estate		207 Main Street (Lease Extension)	\$0.00	L&L Wings, LLC