

**NOTICE OF DISPOSITION OF COLLATERAL BY PUBLIC SALE
UNDER ILLINOIS UNIFORM COMMERCIAL CODE**

PLEASE TAKE NOTICE that pursuant to Section 9-610 of the Illinois Uniform Commercial Code and that certain Loan and Security Agreement dated as of June 27, 2017 (as amended, restated, supplemented, or otherwise modified from time to time, the "Loan and Security Agreement") provided by Tella Tool & Mfg. Co. ("Borrower") in favor of Beverly Bank & Trust Company, N.A. ("Lender") provided by Borrower in favor of Lender, Lender will sell some or all of Borrower's following assets that are subject to Lender's lien thereon: (1) Accounts; (2) Goods for sale, lease or other disposition by Borrower which have given rise to Accounts and have been returned to or repossessed or stopped in transit by Borrower; (3) contract rights and documents, instruments, contracts or other writings executed in connection therewith, including, but not limited to, all real and personal property lease rights; (4) Chattel Paper, Electronic Chattel Paper, Tangible Chattel Paper, Documents of Title, Instruments, Documents, General Intangibles, Payment Intangibles, Letter of Credit Rights, letters of credit and Supporting Obligations; (5) patents, trademarks, trade names, trademark registrations and copyrights, all applications therefor, service marks, trade secrets, goodwill, inventions, processes, designs, formulas, and other intellectual or proprietary rights or interests, of any kind, nature or description whatsoever, and all registrations, licenses, franchises, customer lists, tax refund claims, claims against carrier and shippers, insurance claims, guaranty claims, all other claims, proof of claims filed in any bankruptcy, insolvency or other proceeding, contract rights, choses in action, security interests, security deposits and rights to indemnification; (6) Goods, including, without limitation, Inventory, Equipment, Fixtures, trade fixtures and vehicles; (7) Investment Property; (8) deposits, cash and cash equivalents and any other property of Borrower now or hereafter in the possession, custody or control of Lender, whether for safekeeping, deposit, collection, custody, pledge, transmission or otherwise; (9) Commercial Tort Claims listed on Schedule 4.1 of the Loan and Security Agreement, as amended from time to time; (10) deposit accounts held with Lender or any other depository institution; (11) all other personal property of Borrower of any kind or nature; and (12) additions and accessions to, substitutions for and replacements, products and cash and non-cash Proceeds of all of the foregoing property, including, but not limited to, Proceeds of all insurance policies insuring the foregoing and all of Borrower's books and records relating to any of the foregoing and to Borrower's business (all as further defined and described in the Loan and Security Agreement as Collateral and hereinafter referred to as the "Assets"). The Assets secure the repayment of the indebtedness of Borrower to Lender under the Loan and Security Agreement.

Subject to all the terms of this Notice, the Assets will be sold pursuant to public auction (the "Sale") to the highest Qualified Bidder at the offices of Lender's Counsel, Blank Rome LLP, 444 West Lake Street, Suite 1650, Chicago, Illinois 60606 on December 13, 2022 at 1:00 p.m. CST. In order for a prospective bidder to be a "Qualified Bidder" and eligible to bid at the Sale, each such prospective bidder is required:

- a) be physically present at the Sale;
- b) register with Lender's counsel before no later than December 13, 2022 at 9 a.m.;
- c) deposit with Lender's counsel (the "Escrow Agent") the sum of not less than 10% of the initial bid (the "Required Deposit") of immediately available funds no later than December 13, 2022 at 9 a.m. (the Required Deposit shall be refunded by Lender in the event that such bidder is not the successful bidder, subject to the right of Lender to designate one or more back-up bidders and to retain their respective Required Deposits until the closing of the Sale). The initial bid amount for any qualifying bid for the Assets at the Sale shall not be less than the sum of (i) \$7,125,000.00, the stalking horse bid price, and (ii) \$200,000.00; and
- d) execute an Asset Purchase Agreement substantially in the form of the asset purchase agreement between the stalking horse buyer, Larsen Tella LLC, Lender and Borrower, which constitutes a higher and better offer.

The Assets will be sold to the highest qualified bidder pursuant to the following terms and conditions: the Assets will be offered for sale, piecemeal or in bulk and sold to the highest bidder at the conclusion of the Sale, as determined by Lender in its sole and absolute discretion, 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 Borrower or any of its affiliates. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, POSSESSION, QUIET ENJOYMENT, OR THE LIKE IN THIS DISPOSITION ARE EXPRESSLY DISCLAIMED. Upon acceptance of a bid (the "Accepted Bid"), the successful bidder (other than Lender) shall pay Lender the full amount of the Accepted Bid, no later than the next business day after the Sale. If the successful bidder fails to pay the Accepted Bid within such time, Lender may (but shall not be obligated to) offer the Assets to the next highest bidder. Lender reserves its right, on or prior to 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 and, if Lender deems appropriate, to reject any or all bids or to continue the Sale to such time and place as Lender, in its sole and absolute discretion, may deem fit, or to cancel such Sale.

Additional or amended terms and conditions of the Sale may be announced at the Sale. Lender 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 Lender under the Loan and Security Agreement, in satisfaction of the purchase price. Lender reserves all of the rights accruing to it under the Loan and Security Agreement, including the right to seek a judgment for any deficiency remaining on account of its indebtedness after the conclusion of the Sale.

Persons interested in bidding on the Assets at the Sale shall contact counsel for Lender, Paige Tinkham (paige.tinkham@blankrome.com or 312.776.2514), during normal business hours, no later than December 12, 2022 to obtain the necessary information to participate in the auction.