

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

In re:

NJOY, INC.,¹

Debtor.

Chapter 11

Case No. 16-12076 (CSS)

**NOTICE OF SUCCESSFUL BIDS IN CONNECTION WITH
SALE OF SUBSTANTIALLY ALL OF THE DEBTOR'S ASSETS**

PLEASE TAKE NOTICE that on October 11, 2016, the United States Bankruptcy Court for the District of Delaware entered that certain *Order (A) Approving Bid Procedures in Connection with the Sale of Substantially All, or a Subset, of the Debtor's Assets, (B) Approving the Form and Manner of Notice Thereof, (C) Scheduling an Auction and a Sale Hearing, (D) Approving Procedures for the Assumption and Assignment of Contracts and Leases, and (E) Granting Related Relief* (D.I. 138) ("Bid Procedures Order").²

PLEASE TAKE FURTHER NOTICE that the Bid Procedures Order approved, among other things, the implementation of the Bid Procedures in connection with the disposition of substantially all of the Debtor's Assets.

PLEASE TAKE FURTHER NOTICE that the deadline to bid on the Assets was established as October 27, 2016, at 12:00 p.m. (ET), and the Auction was scheduled for November 2, 2016, at 10:00 a.m. (ET).

PLEASE TAKE FURTHER NOTICE that the Debtor conducted the Auction for the Assets on November 2, 2016. At the conclusion thereof, the Debtor, in consultation with the Official

¹ The last four digits of the Debtor's federal tax identification number are 6013. The Debtor's mailing address and principal place of business is 15211 N. Kierland Blvd., Suite 200, Scottsdale, Arizona 85254.

² All capitalized terms used but not otherwise defined herein shall be given the meaning ascribed to them in the Bid Procedures Order.

Committee of Unsecured Creditors and FLFC Lending Co., designated the following Qualified Bids as the Successful Bids and Back-Up Bids (if applicable) for the Assets:

	Successful Bidder	Back-Up Bidder
Name	Homewood Acquisition, LLC	NJOY Acquisition LLC
Proposed Purchase Price	\$29,591,000 (including credit bid(s))	\$2,836,000
Assumed Contracts	<i>See Exhibit 1</i>	<i>See Exhibit 2</i>
Contact Information for Adequate Assurance Purposes	David L. Eaton, Esq. Kirkland & Ellis LLP 300 North LaSalle Chicago, Illinois 60654	Brendan M. Scott, Esq. Klestadt Winters Jureller Southard Stevens, LLP 200 West 41st St., 17th Fl. New York, NY 10036

PLEASE TAKE FURTHER NOTICE that Counterparties to the Assumed Contracts³ may submit objections on or prior to **November 9, 2016, at 10:00 a.m. (ET)** solely on the basis of adequate assurance of future performance by a Successful Bidder or Back-Up Bidder for the Asset.

PLEASE TAKE FURTHER NOTICE that parties who wish to object solely with respect to an objection to the conduct of the Auction, the designation of any Successful Bidder or Bid or Back-Up Bidder or Bid, the terms (including price) of such bids, and the Debtor's inability to satisfy the conditions of section 363(f) of the Bankruptcy Code with respect to a Successful Bid or Back-Up Bid must file such objection on or prior to **November 7, 2016, at 12:00 p.m. (ET)**.

PLEASE TAKE FURTHER NOTICE that the Debtor intends to file the final purchase agreement and submit a proposed form of order approving the sale of the Assets prior to the Sale Hearing.

³ The Debtor reserves the right to challenge whether any agreement listed on Exhibits 1-2 of this Notice is an executory contract or unexpired lease and by listing such agreement on the Exhibits hereto, the Debtor does not concede that any contract or lease remains executory or unexpired.

Dated: November 3, 2016
Wilmington, Delaware

GELLERT SCALI BUSENKELL & BROWN, LLC

/s/ Shannon Dougherty Humiston

Michael Busenkell (No. 3933)

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Counsel for NJOY, Inc., Debtor and Debtor-in- Possession

EXHIBIT 1

[To be provided]⁴

⁴ The Successful Bidder has reserved the right to designate the contracts it intends to assume until the time of closing. The Successful Bidder has agreed to pay any cure costs associated with any assumed contracts.

EXHIBIT 2

[To be provided]⁵

⁵ The Back-Up Bidder has reserved the right to designate the contracts it intends to assume until the time of closing. The Back-Up Bidder has agreed to pay any cure costs associated with any assumed contracts.