

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

	)	Case No. 2:23-bk-52859
	)	
S&G HOSPITALITY, INC., <i>et al.</i>,¹	)	Chapter 11
	)	
Debtors.	)	Judge Nami Khorrami
	)	
	)	(Jointly Administered)
	)	
	)	
Buckeye Lodging, LLC	)	Case No. 2:23-bk-52861
Lancaster Hospitality, LLC	)	Case No. 2:23-bk-52862
S&G Hospitality, LLC	)	Case No. 2:23-bk-52859
Sunburst Hotels, LLC	)	Case No. 2:23-bk-52863

**DISCLOSURE STATEMENT FOR
THIRD AMENDED JOINT PLAN OF REORGANIZATION OF
S&G HOSPITALITY, INC. AND ITS DEBTOR SUBSIDIARIES**

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ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

September 8, 2025

¹ The Debtors and the last four digits of their federal tax identification numbers are as follows:
S&G Hospitality, Inc. (4566), Buckeye Lodging, LLC (6047), Lancaster Hospitality, LLC
(8830), and Sunburst Hotels, LLC (0374).

Table of Contents

I.	Introduction.....	1
II.	Overview of the Plan’s Treatment of Creditors.....	2
A.	General.....	2
B.	Summary of Classes of Claims and Interests.....	2
C.	Administrative Claims.....	7
D.	Priority Tax Claims.....	8
E.	Special Provisions Regarding the Treatment of Allowed Secondary Liability Claims...	8
F.	Distributions.....	8
G.	Objections to Claims.....	9
III.	Background Regarding the Debtors.....	9
A.	Formation and Growth of the Debtors.....	9
B.	COVID Changes the Hospitality Universe.....	12
C.	The Debtors’ Good Faith Attempts to Reach a Workout Agreement are Answered With a Foreclosure.....	13
D.	Itria Litigation.....	15
E.	Other Pending or Recently Settled Litigation Related to the Debtors.....	16
F.	The Debtors’ Debt Structure.....	16
IV.	The Chapter 11 Cases.....	18
V.	The Proposed Reorganization of the Debtors.....	22
A.	General Overview.....	22
B.	Valuation of the Debtors’ Assets.....	23
C.	New Equity Infusion.....	25
D.	Plan Treatment of RSS.....	26
1.	Treatment if the 1111(b) Election Remains in Place.....	26
2.	Treatment if RSS Withdraws the 1111(b) Election.....	27
E.	Plan Treatment of Itria and the SBA.....	28
F.	Settlement with Hilton.....	29
G.	Provisions Regarding Other Executory Contracts.....	29
H.	Administrative Expenses.....	30
I.	Substantive Consolidation.....	31
J.	Avoidable Transfers.....	31
1.	Payments to Insiders.....	32

2.	Why the Debtors Believe It Does Not Make Sense to Pursue Avoidance Actions Against Insiders	33
K.	Tax Consequences	34
L.	Discharge under the Plan and Related Injunction.....	35
M.	Releases.....	37
N.	Exculpation Clause	38
O.	Conditions to Confirmation and the Effective Date of the Plan	39
P.	Effect of Nonoccurrence of Conditions to the Effective Date.....	40
Q.	United States Trustee Fees and Post-Effective Date Reporting.....	40
R.	Procedure and Timing of Final Decree.....	40
VI.	Risk Factors	41
A.	Risk Factors Regarding Bankruptcy Cases.....	41
1.	Treatment of claims	41
2.	Risk of Non-Confirmation of Plan.....	41
B.	Risk Factors Relating to Implementation of the Plan	42
VII.	Voting and Confirmation Under the Plan	43
A.	General.....	43
B.	Voting Procedures and Requirements.....	44
C.	Objections to Confirmation and the Confirmation Hearing	45
D.	Acceptance or Cramdown.....	46
E.	Best Interests Test and the Chapter 7 Liquidation Analysis.....	46
F.	Feasibility and Other Confirmation Requirements	47
G.	Alternatives to Confirmation of the Plan	47
VIII.	Recommendation and Conclusion	48

TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Description</u>
Exhibit I	<i>Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and its Debtor Subsidiaries</i>
Exhibit II	Disclosure Statement Order
Exhibit III	Historical Income Statements
Exhibit IV	Forecasted Financials
Exhibit V	Liquidation Analysis

I. Introduction

S&G Hospitality, Inc., an Ohio corporation, and the other above-captioned debtors and debtors in possession (collectively, the "**Debtors**") are seeking confirmation of the *Third Amended Joint Plan of Reorganization of S&G Hospitality, LLC and its Debtor Subsidiaries* (as it may be amended, the "**Plan**") by the United States Bankruptcy Court for the Southern District of Ohio (the "**Bankruptcy Court**"). A copy of the Plan is attached hereto as Exhibit I. All capitalized terms used in this Disclosure Statement and not otherwise defined herein have the meanings given to them in the Plan.

"Confirmation" is the label applied under title 11 of the United States Code (the "**Bankruptcy Code**") for the approval by a bankruptcy court of a chapter 11 plan. A chapter 11 plan and the associated order of a bankruptcy court confirming it provide for a resolution of all of the various claims against and equity interests in a debtor. When a plan is confirmed and becomes "effective" it becomes binding on a chapter 11 debtor, its creditors, its equity holders, and all other stakeholders. In the Debtors' cases, the Plan is a plan of "reorganization" which provides for the Debtors to continue their existing business operations with a distribution of the value from those among the Debtors' various creditors.

A fundamental principal of chapter 11 of the Bankruptcy Code is that creditors or equity holders whose legal rights are being changed by a proposed plan should have the opportunity to weigh in on the proposal. For creditors whose rights are being diminished by a proposed plan, but they are supposed to receive something, the Bankruptcy Code provides them an opportunity to vote to approve or reject the plan. Under the Bankruptcy Code creditors or holders of equity interest whose rights are being extinguished under the Plan without consideration are normally treated as having rejected the plan.

The purpose of this Disclosure Statement is to provide the Debtors' creditors and other stakeholders information regarding the Debtors' proposed Plan and what it provides for so that they can make an informed decision on whether or not they want to object to the Plan and for creditors who are entitled to vote on the Plan, whether or not they want to accept the Plan.

The Bankruptcy Court entered an order on September 2, 2025 (the "**Disclosure Statement Order**") finding that this Disclosure Statement provides "adequate information" to inform creditors and other interested parties of the contents of the Plan as required by section 1125 of the Bankruptcy Code. A copy of the Disclosure Statement Order is attached hereto as Exhibit II.

PLEASE CONSULT THE TABLE IN SECTION II.B BELOW ON PAGE 2 OF THIS DISCLOSURE STATEMENT FOR INFORMATION REGARDING THE TREATMENT OF CLAIMS AND INTERESTS.

THE DEBTORS BELIEVE THAT THIS PLAN IS IN THE BEST INTERESTS OF CREDITORS AND OTHER STAKEHOLDERS. THE DEBTORS URGE ALL CREDITORS ENTITLED TO VOTE ON THE PLAN TO DO SO BY THE OCTOBER 9, 2025 DEADLINE ESTABLISHED BY THE DISCLOSURE STATEMENT ORDER.

The requirements that must be satisfied for the Plan to be confirmed are described in *Section VII – Voting and Confirmation of the Plan* below.

II. Overview of the Plan’s Treatment of Creditors

A. General

This section of the Disclosure Statement only summarizes the Plan for the convenience of the recipient. ***You should review this Disclosure Statement and the Plan in their entirety before voting to accept or reject the Plan.***

B. Summary of Classes of Claims and Interests

Article III of the Plan provides for the treatment of claims and interested. The classification of Claims and Interests, the estimated aggregate amounts of Claims in each Class, and the amount and nature of distributions to holders of Claims or Interests in each Class are summarized in the table below. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified. For a discussion of matters related to Administrative Claims and Priority Tax Claims see *Sections II.C Administrative Claims* and *II.D Priority Tax Claims* below.

The information set forth in the table below with respect to each Class of Claims is presented on a combined basis for the Debtors based on the proposed substantive consolidation for distribution purposes proposed in this plan. The estimated amounts of Claims and the recovery on those claims is based on the best information available to the Debtors. ***The Debtors have not completed their review of the validity of Claims and believe some Claims are invalid or overstated. Thus, the estimates below are subject to change and do not reflect the Debtors’ agreement to the amount of any individual creditor’s claims or a representation that any claim will be allowed in any particular amount.***

The recoveries below include deferred payments of cash the payment of which may be dependent on the financial results of the Reorganized Debtors and the value of which are dependent on broader economic factors. For a discussion of the “Risk Factors” that could impact these payments, consult *Section VI Risk Factors* of this Disclosure Statement. As shown by the financial projections attached as Exhibit III to this Disclosure Statement, the Debtors believe they will have sufficient liquidity to make each of these proposed payments.

Description of Class and Estimated Amount of Claims or Interests	Treatment and Estimated Recoveries (for classes of Claims only)
Class 1 (Unsecured Priority Claims): Consists of all Allowed Unsecured Claims that are entitled to priority under section 507 of the Bankruptcy Code that are not Administrative Claims or Priority Tax Claims. <u>Estimated Amount of Claims: \$0</u>	Unimpaired. On the Effective Date, each holder of an Allowed Claim in Class 1 will receive cash equal to the amount of such Claim, unless the holder of such Claim and the applicable Debtor or Reorganized Debtor agree to different treatment. <u>Estimated Percentage Recovery: 100%</u>

Class 2 (Other Secured Claims): Consists of all Allowed Secured Claims not otherwise classified under Article II of the Plan. <u>Estimated Amount of Claims:</u> \$0	Unimpaired. On the Effective Date, unless otherwise agreed by a Claim holder and the applicable Debtor or Reorganized Debtor, each holder of an Allowed Claim in Class 2 will receive treatment on account of such Allowed Claim in the manner set forth in Option A, B or C below, at the election of the applicable Debtor. The applicable Debtor will be deemed to have elected Option A except with respect to any Allowed Claim as to which the applicable Debtor elects Option B or Option C in one or more certifications Filed prior to the conclusion of the Confirmation Hearing or as soon thereafter as is practicable. Option A: Allowed Claims in Class 2 with respect to which the applicable Debtor elects or is deemed to have elected Option A will be paid in cash, in full. Option B: Allowed Claims in Class 2 with respect to which the applicable Debtor elects Option B will be Reinstated. Option C: A holder of an Allowed Claim in Class 2 with respect to which the applicable Debtor elects Option C will be entitled to receive (and the applicable Debtor shall release and transfer to such holder) the collateral securing such Allowed Claim. <u>Estimated Percentage Recovery:</u> 100%
Class 3A Claims (RSS Secured Claims): Consists of any Allowed Claims held by RSS COMM2015-PC1-OH BL, LLC (“RSS”) that are Secured Claims. <u>Estimated Amount of Claims:</u> \$10.2 million²	Impaired. The treatment of the RSS Secured Claims depends on whether or not it withdraws the election it made on June 20, 2025 to have its claims treated in accordance with

² As discussed in Section IV below, while RSS filed proofs of claim in the amount of \$16,113,352.75 against Buckeye, Lancaster, and Sunburst, the Debtors have objected to these proofs of claim and believe the Allowed Amount of RSS’s claims will be far lower because Wells Fargo was the first party to breach the loan agreement barring certain claims, certain parts of the claim are otherwise invalid under applicable law, some of the asserted amounts are not supported by adequate documentation, and the Debtors have been unable to validate the accuracy of all of the calculated items in the proofs of claim. The Debtors concerns about reconciling these amounts has only been bolstered by the recent admission by Wells Fargo, after almost a year of questioning by the Debtors, that it had failed to credit the post-

	section 1111(b)(2) of the Bankruptcy Code (the “1111(b) Election”). If RSS does not withdraw the 1111(b) Election, it shall be entitled to receive the 1111(b) Note. This note will be structured to have the face amount of the note plus a prepayment penalty equal the amount of RSS’s Allowed Claim (after taking into account the resolution by the Bankruptcy Court of any objections to RSS’s claims). The 1111(b) Note shall have a term of 18 years. For the first three years the 1111(b) note shall be interest only at an annual interest rate of 5.5%. For the remaining 15 years, the 1111(b) Note shall have an interest rate of 2.00% and will be amortizing as if it was a 15-year loan. If the Bankruptcy Court determines that amortization period and interest rate does not provide sufficient present value to confirm the plan, the Debtors reserve the right to amend the amortization period and interest rate to numbers that provide sufficient value to confirm the Plan. If RSS withdraws the 1111(b) Election, on the Effective Date, RSS shall receive on account of its Secured Claim the New Secured Promissory Note and the Exit Fee. The rights to receive the 1111(b) Note, on the one hand, and the New Secured Promissory Note, on the other hand, are mutually exclusive. The 1111(b) Note or the New Secured Note (depending on which is issued) will be secured by the New Senior Secured Mortgages. Under either treatment, if RSS votes all of its claims in Class 3A and Class 3B in favor of the Plan, does not object to confirmation of the Plan, and agrees to release claims against Mr. Vasani and his other entities related to these Debtors, it shall receive the release provided for in Section IV.D.3.b of the Plan as part of
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bankruptcy filing escrowed amounts it is holding pursuant to certain Bankruptcy Court orders for over \$50,000 in real property tax refunds received after the bankruptcy filing.

	the settlement offered to RSS by the Debtors, but not yet accepted by RSS (the “RSS Settlement”). <u>Estimated Percentage Recovery: 90-100%</u>
Class 3B Claims (RSS Unsecured Claims): Consists of any Allowed Claims held by RSS that are Unsecured Claims in the event that the 1111(b) Election is withdrawn. <u>Estimated Amount of Claims: \$0-500,000</u>	Impaired. On the Effective Date, RSS shall receive on account of its unsecured claim the right to share pro rata with holders of Class 4B, 5B, and 6 claims in the Deferred General Unsecured Payments. <u>Estimated Percentage Recovery: 0-6%.</u>
Class 4A Claims (Itria Secured Claims): Consists of any Allowed Secured Claims held by Itria Ventures LLC and its affiliates (“Itria”). <u>Estimated Amount of Claims:</u> \$0-100,000	Impaired. On the Effective Date, Itria shall be paid in cash an amount equal to the amount of Allowed Claim in Class 4A <i>minus</i> the amount of any previous payments it has received under the Cash Collateral Orders and not had to disgorge pursuant to an order of the Court. <u>Estimated Percentage Recovery: 100%</u>
Class 4A Claims (Itria Unsecured Claims): <u>Consists of any Allowed Unsecured Claim held by Itria</u> <u>Estimated Amount of Claims: \$1,000,000 to \$1,100,000</u>	Impaired. On account of any Allowed Class 4B Claim, Itria has the right to share Pro Rata in the Deferred General Unsecured Payments with the holders of the Class 3B Claims, the Class 5B Claims, and the Class 6 General Unsecured Claims. <u>Estimated Percentage Recovery: 0-6%</u>
Class 5A Claims (SBA Secured Claim): Consists of any Allowed Secured Claims held by SBA. <u>Estimated Amount of Claims: \$0-\$60,000</u>	Impaired: On the Effective Date, the SBA shall be paid in cash an amount equal to the amount of Allowed Claim in Class 5A <i>minus</i> the amount of any previous payments it has received under the Cash Collateral Orders and not had to disgorge pursuant to an order of the Court. <u>Estimated Percentage Recovery: 100%</u>
Class 5B Claims (SBA Unsecured Claims): Consists of any Allowed Unsecured Claims held by the SBA. Estimated Amount of Claims: \$60,000	On account of any Allowed Class 5B Claim, the SBA has the right to share Pro Rata in the Deferred General Unsecured Payments with the holders of the Class 3B Claims, the Class 4B Claims, and the Class 6 General Unsecured Claims <u>Estimated Percentage Recovery: 0-6%</u>
Class 6 Claims (General Unsecured Claims): Consists of any Allowed Unsecured	Impaired. Each holder of an Allowed Claim in Class 6 shall receive a Pro Rata share of the

Claims not otherwise classified by Article III of the Plan. <u>Estimated Amount of Claims: \$1,000,000-\$2,000,000</u>	Deferred General Unsecured Payments with the holders of the Class 3B Claims, the Class 4B Claims, and the Class 6 General Unsecured Claims. <u>Estimated Percentage Recovery: 0-6%</u>
Class 7 Claims (Convenience Claims): Any Unsecured Claim in an amount less than \$20,000. <u>Estimated Amount of Claims: \$100,000</u>	Impaired. On the Effective Date, each holder of a Convenience Claim in Class 7 shall receive 20% of the Allowed Amount of such claim in cash. <u>Estimated Percentage Recovery: 20%</u>
Class 8 Claims (InnVite Hospitality Claims): Any claims held by InnVite Hospitality, LLC. <u>Estimated Amount of Claims: TBD</u>	Impaired: If the New Equity Investor becomes the new owner of S&G and the Management Agreement is assumed, the InnVite Settlement will be consummated and InnVite Hospitality, LLC (“InnVite”) will receive the release provided for in Section IV.D.3.d of the Plan. Otherwise, InnVite shall receive a 100% interest in the Litigation Trust in satisfaction of its claims for rejection of the Management Agreement. <u>Estimated Recovery: TBD</u>
Class 9 Claims (Intercompany Claims): Any claims among the Debtors. <u>Estimated Amount of Claims: Unknown</u>	Impaired. No property shall be distributed to or retained by the holders of Allowed Claims in Class 9 on account of such Claims. <u>Estimated Percentage Recovery: 0%</u>
Class 10 Claims (Hilton Claims): Any claims held by Hilton against Lancaster. <u>Estimated Amount of Claims: TBD</u>	Impaired. The Hilton Claims shall receive the treatment provided for by Section V.B.2 of the Plan. <u>Estimated Percentage Recovery: 90-95%</u>
Class 11 Interests (Subsidiary Debtor Equity Interests): Subsidiary Debtor Equity Interests held by S&G.	Unimpaired. On the Effective Date Allowed Class 11 Interests will be Reinstated.
Class 12 Interest (Old S&G Common Stock): Interests in respect of the Old S&G Common Stock.	Impaired. No property will be distributed to or retained by the holders of Allowed Interests and Claims in Class 12 on account of such Interests or Claims, such Interests will be canceled on the Effective Date.

C. Administrative Claims

Section 502 of the Bankruptcy Code defines “administrative expenses” generally as obligations owed by the Debtors to a creditor which involve both a transaction between the Debtors and the Creditor *after* they filed for bankruptcy on August 18, 2023 *and* which also provided the Debtors some benefit. The Plan labels these sort of administrative expense obligations “Administrative Claims.”

Section 1123(a)(1) of the Bankruptcy Code provides that Administrative Claims should not be classified. The Plan complies with this by placing administrative claims in their own Category under Section III.A.1 of the Plan. The Plan divides Administrative Claims into four groups:

- “Ordinary Course” Administrative Claims which are administrative expenses incurred by one of the Debtors in the ordinary course of business. These include claims for goods sold to the Debtors after the bankruptcy or most services rendered after the bankruptcy. This would include most claims under contracts entered into after August 18, 2023. This category also includes claims for Taxes related to periods after August 18, 2023.
- Administrative Claims for fees or expenses owed to professionals such as lawyers, accountants, or appraisers. The Plan refers to these type of Administrative Claims as a “Fee Claim.”
- Claims by the Office of the United States Trustee for fees payable pursuant to 28 U.S.C. § 1930.
- All other administrative expense claims.

There are differing rules regarding how to assert each of these categories of Administrative Expenses. Under Section III.A.1.d.i, of the Plan, the general rule is that “unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Reorganized Debtors, pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order, no later than 30 days after the date of service of a notice of such Bar Date.” Unless one of the exceptions to this general rule applies, a request for allowance of an Administrative Claim needs to be filed in accordance with this provision for a payment to be received on this claim. The exceptions to this rule are:

- Professionals or other entities asserting a Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other entities who are designated by the Bankruptcy Rules, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than 60 days after service of a notice of such deadline.
- Holders of Administrative Claims based on liabilities incurred by a Debtor in the ordinary course of business do *not* need to file a request for payment of an administrative expense in such a manner. Instead such payments will be made by the Debtors based on the ordinary trade terms governing such a transaction.

- Claims by the Office of the United States Trustee for fees payable pursuant to 28 U.S.C. § 1930 will be paid pursuant to the provisions of that statute.

If you doubt whether your Administrative Claim falls within one of these expenses, you should file a request for allowance and payment of an Administrative Claim pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order, no later than 30 days after the date of service of a notice of such Bar Date.

D. Priority Tax Claims

Section 507 of the Bankruptcy Code provides for certain tax claims to receive priority status in bankruptcy cases. In accordance with section 1129(a)(9)(C) of the Bankruptcy Code, Section III.A.2 of the Plan provides that each holder of an Allowed Priority Tax Claim will receive, in full satisfaction of its Priority Tax Claim, cash equal to the Allowed Amount of such Priority Tax Claim.

E. Special Provisions Regarding the Treatment of Allowed Secondary Liability Claims

The classification and treatment of Allowed Claims under the Plan take into consideration all Secondary Liability Claims and the merger of all such claims into a single obligation pursuant to the substantive consolidation for purposes of implementing the Plan provided for in Article VIII of the Plan. As such, no distributions will be made in respect of any Secondary Liability Claims, and all such Claims shall be disallowed.

F. Distributions

Article VI of the Plan spells out the procedures for making distributions under the Plan. In general, the Debtors will be responsible for making deliveries of all distributions to Creditors. Distributions of Cash or other property under the Plan to be made on the Effective Date will be made on the Effective Date or as promptly thereafter as practicable, but in any event no later than: (a) 30 days after the Effective Date or (b) such later date when the applicable conditions of Section V.B of the Plan (regarding cure payments for Executory Contracts and Unexpired Leases being assumed), Section VI.B.2 of the Plan (regarding undeliverable distributions) or Section VII.C of the Plan (regarding claims that become allowed after the Effective Date). Section VI.D of the Plan provides that all cash payments will be made by a check in US currency from a domestic bank utilized by the Debtors or by wire transfer from such an account. Section VI.F of the Plan spells out when the Debtors can exercise a right of setoff against an Allowed Claim. Please note that Section VII.B of the Plan provides that no payments or distributions will be made on account of a Disputed Claim until such Claim becomes an Allowed Claim.

Under Section VI.B.1 of the Plan, distributions to holders of Allowed Claims will be made by the Debtors: (a) at the addresses set forth on the respective proofs of Claim Filed by holders of such Claims; (b) at the addresses set forth in any written certification of address change delivered to the Debtors (including pursuant to a letter of transmittal delivered to the Debtors) after the date of Filing of any related proof of Claim; or (c) at the addresses reflected in the applicable Debtor's Schedules if no proof of Claim has been Filed and the Debtors have not received a written notice of a change of address. However, payments on a claim will not be sent to any such address for

which mail in these cases has previously been returned as undeliverable. Under Section VI.B.2 of the Plan, the Debtors will hold any deliveries that are undeliverable. Any holder of an Allowed Claim that does not assert a claim pursuant to the Plan for an undeliverable distribution to be made by the Debtors within two years after the later of (i) the Effective Date and (ii) the last date on which a distribution was deliverable to such holder will have its claim for such undeliverable distribution discharged and will be forever barred from asserting any such claim against the Reorganized Debtors. Nothing contained in the Plan will require any Debtor or Reorganized Debtor to attempt to locate any holder of an Allowed Claim.

In making distributions under the Plan, each Debtor will comply with all Tax withholding and reporting requirements imposed on it by any governmental unit, and all distributions pursuant to the Plan will be subject to applicable withholding and reporting requirements. Each Debtor will be authorized to take any actions that may be necessary or appropriate to comply with those withholding and reporting requirements, including requiring recipients to fund the payment of such withholding as a condition to delivery.

G. Objections to Claims

Under the Plan, all objections to Claims must be Filed by the “Claims Objection Bar Date” which is set at the latest of: (a) 120 days after the Effective Date; (b) 90 days after the Filing of a proof of Claim for such Claim; and (c) such other period of limitation as may be specifically fixed by the Plan, the Confirmation Order, the Bankruptcy Rules or a Final Order for objecting to such Claim. After the Effective Date, only the Debtors or the Reorganized Debtors may file objections to claims and they may settle or compromise any Disputed Claim without approval of the Bankruptcy Court.

III. Background Regarding the Debtors

A. Formation and Growth of the Debtors

The Debtors were formed by Abhijit “Andy” Vasani. Mr. Vasani and his wife have been working in the hospitality industry since the year 2000. They purchased their first hotel property in 2000, the Oak Hill hotel, which was located in Oklahoma using a Small Business Administration loan and loans from family members. Mr. Vasani and his wife did everything from work at the front desk to clean rooms in between guest visits. Mr. Vasani and his wife successfully rehabilitated this hotel, which they later sold in 2022.

Mr. Vasani purchased his first hotel in Ohio in September of 2003. Mr. and Ms. Vasani also moved to central Ohio at that time. Following that purchase, Mr. Vasani set about buying additional hotels and rehabilitating them with the goal of usually holding them for the long term. As part of this practice, he would form separate companies to acquire each hotel. In 2008, Mr. Vasani formed InnVite Hospitality Group LLC (“**InnVite**”) to provide management services and other services to each of the various hotels he owned. The goal of this was to take advantage of the economies of sale that were present for multiple properties.

In 2007, Mr. Vasani formed Debtor Sunburst Hotels, LLC (“**Sunburst**”). Sunburst then acquired a bankrupt Microtel located at 7500 Vantage Drive, Columbus, Ohio 43235. When Sunburst first purchased this hotel, it was a bankrupt Microtel. In connection with this acquisition,

Sunburst obtained a conventional loan and also some SBA financing. After Sunburst purchased this hotel, it rebranded it as a Days Inn with renovations costing over a million dollars. Sunburst subsequently made additional improvements to the property which enabled it to be rebranded as a Quality Inn. This succession of rebrandings steadily made the hotel more profitable. In 2012, Mr. Vasani formed Debtor Buckeye Lodging, LLC (“**Buckeye**”). Shortly afterwards, Buckeye acquired the Red Roof Inn. In connection with this acquisition, Buckeye borrowed funds from First Financial Bank. Buckeye subsequently improved the property and were the first hotel franchisee in the country to have it rebranded by Red Roof as a Red Roof Plus signifying a higher quality hotel than a normal Red Roof hotel. Revenues increased over 30% and profitability increased over 20% after completing a brand required “Property Improvement Plan” renovation.

In January of 2015, Mr. Vasani formed Debtor Lancaster Hospitality, LLC (“**Lancaster**”). Lancaster subsequently acquired the Hampton Inn Lancaster and then, as described in more detail below, Lancaster has made millions of dollars of renovations to the Hampton Inn Lancaster since this purchase closed.

In addition to the Debtors, Mr. Vasani is currently the controlling investor for entities that own hotels and has previously been the controlling investor in entities which owned additional hotels. He currently is the controlling investors in entities that own 8 hotels located in Ohio. Each of these hotels is owned by a separate limited liability company he has formed. Mr. Vasani is also the president of InnVite, which is an Ohio limited liability company that manages each of the Debtors. This structure where an investor in multiple hotels uses a separate management company they own to provide services to the hotels is very common in the hospitality industry.

In February of 2015, Buckeye, Lancaster, and Sunburst entered into an \$11.55 million loan with Jeffries Loancore LLC (“**Jeffries**”). Buckeye and Sunburst used a portion of this loan to pay-off their existing mortgage indebtedness with First Financial. Some of the remaining proceeds were used as part of the purchase price for Lancaster to acquire the Hampton Inn. \$1.7 million of the proceeds were to be used to fund renovations at the Hampton Inn Lancaster. The Debtors used these proceeds for a “Product Improvement Plan” required by Hilton (Hampton is one of Hilton's brands).

The next few years generally proceeded smoothly. Jeffries sold or assigned its mortgage loan to a commercial mortgage-backed loan securitization trust (a “**CMBS**”). The specific CMBS in this case is the COMM 2015 PC1 Mortgage Trust (the “**CMBS Trust**”). The CMBS Trust used Wells Fargo as a servicer. The servicer is the entity responsible for processing payments made by the commercial mortgage borrowers whose loans have been transferred to a CMBS, sending notices to these borrowers, and communicating with these borrowers regarding any issues on their respective loans. This was the first time Mr. Vasani had obtained financing for a hotel from a loan to be held by a CMBS.

The Debtors subsequently prospered for several years. The first hiccup with the CMBS Trust occurred in the spring of 2019. The payments on the loan were historically made by Wells Fargo directly debiting the Debtors’ bank accounts, which were then held at Chase. In the spring of 2019, the Debtors decided that U.S. Bank’s business banking services were better for the Debtors’ businesses than the services they were then receiving from Chase. Accordingly, they started the process to move the bank accounts to U.S. Bank. Despite the Debtors having notified

Wells Fargo well in advance of this move, Wells Fargo ignored that notice and tried to withdraw the March 2019 payment from the old accounts at Chase. Wells ultimately waived some of the initial late fee, but never corrected its debiting error and failed to debit from the correct account, which resulted in Wells improperly assessing additional fees and charges. Over the course of the remainder of 2019 the Debtors transferred many thousands of dollars over and above the required regular payments to Wells try and resolve the situation, but Wells kept wrongfully tacking on additional fees and charges in excess of the additional payments. In engaging in this conduct, Wells Fargo repeatedly breached the relevant contracts for the loan and caused harm to the Debtors.

Despite Wells Fargo and not the Debtors having been the one to breach the loan agreement and the Debtors having paid more than the scheduled payment amounts, in December of 2019 the CMBS Trust wrongfully moved the servicing of the Debtors' mortgage loan from Wells Fargo as the normal servicer to a "special servicer" named Rialto Capital Management ("**Rialto**"). A special servicer is usually employed by a CMBS to deal with the borrowers who are in the most serious trouble and have committed major breaches of a loan agreement. Both Rialto in communications to the Debtors and the CMBS Trust's public reporting stated that the loan was transferred to Rialto because of a fear of an unspecified "imminent non-monetary default" rather than an actual default. Based on the timing of the notice, the Debtors' best guess at what the alleged imminent non-monetary default was an upcoming "QA" inspection by Hilton of the Hampton Inn Lancaster. Despite the Hampton Inn passing this inspection and informing Rialto of this, the CMBS Trust did not move the Debtors back into normal servicing despite repeated requests to do so. No definitive reason was ever provided about what the "imminent non-monetary default" was. Nor were questions about what the Debtors would have to do to be moved back to regular servicing answered.

This refusal to restore the Debtors to normal servicing was improper and irreparably harmed the Debtors in several ways. First, the move to special servicing was publicly reported by the CMBS Trust. This caused reputational harm to the Debtors, Mr. Vasani, and the other entities he controlled. It severely limited their ability to seek additional capital, including to try and refinance the loan with CMBS lenders or other financing sources. Second, the move to special servicing meant the Debtors were no longer able to access the online portal that had been set up by Wells with respect to their loan. Among the services lost when access to the portal was cutoff was the ability to access information on how payments were being applied and what was due on the loan. Third, the monthly statements regarding what was owed on the loan were no longer sent to the Debtors. Fourth, default interest, special servicing, workout and other fees were added on to the loan, which meant that the asserted monthly payments which needed to be made increased dramatically. Fifth, monthly payments that were made would go into a "suspense account" rather than immediately being credited as a payment of principal and interest. Thus, there was seemingly no benefit to the Debtors in making payments.

Also in early 2019, Mr. Vasani reached an agreement with UBS AG to provide a CMBS loan to a group of five other companies he owned – Welcome Group 2, LLC, which owned a Super 8 hotel located in Zanesville Ohio, Hilliard Hotels, LLC, which was going to use some of the proceeds to help purchase and renovate the Hampton Inn located in Sidney, Ohio., Dayton Hotels, LLC which owned a Best Western located in Dayton, Ohio, Dayton Hotels 2, LLC, which owns a Best Western located in Engelwood, Ohio, and Elite Hospitality, LLC, which owned a Choice

Hotel located in Obetz, Ohio. None of these entities, or the associated hotels, has ever been owned by the Debtors in these cases. Nor have any of those entities ever owned the Debtors in these cases or any of the hotels currently owned by the Debtors. Nor did either group of borrowers provide any guaranties in connection with the CMBS loan to the other group of borrowers. The only commonality on the two groups of borrowers was that Mr. Vasani was the controlling investor in the entities that own both groups of hotels and both groups of hotels are managed by InnVite. Following the closing of this loan in April 2019, UBS transferred it to a different CMBS than the CMBS Trust with a different trustee and servicer.

B. COVID Changes the Hospitality Universe

Unfortunately, the world in 2020 and subsequent years turned out nothing like what the Debtors had anticipated. In January of 2020 the United States reported its first Covid-19 cases. The pandemic rapidly accelerated both around the world and in the United States. People rapidly stopped traveling, at first voluntarily and soon as a result of various lock-down orders.

Because of plummeting travel, the Debtors were not able to make their scheduled payment on the mortgage loan in March of 2020. Initially the Debtors believed the national consensus that the effect of the pandemic would be short lived and that the shut-down isolations would be for a mere few weeks. But as time went on, it was clear that the industry we operated in would be subject to a massive shift in consumer demand. The effect on the Debtors' operations was nothing short of catastrophic.

The Debtors' hotels met with an immediate drop in revenue when the government-mandated shutdowns were put into effect, requiring substantial efforts by the Debtors' management staff to re-tool their operations. The Debtors focused on maintaining the baseline operations and fixed expenses of their hotel portfolio, trying best to continue with payroll obligations and to pay their critical vendors on a timely basis. Despite this, the Debtors had to shut-down the Quality Inn for a period of time. With the assistance of programs like the Payroll Protection Program, the Debtors were able to keep staff as a basis to later try and recover. At the start of the pandemic, the Debtors were unsure whether they would survive until the end of the year, but due to the government assistance, forbearance by creditors, and the work of their employees, the Debtors managed to survive.

In the spring of 2021, when the narrative and reality of the pandemic began to shift in favor of fewer restrictions, the Debtors believed that the worst was behind them. The Debtors did what most businesses in the hospitality industry did during this time period: they focused on the safety of staff and customers; increased efforts to clean and sanitize; and put attention to those areas of operation that could still yield revenue.

There are two categories of travelers for the Debtors' hotels - personal travel, and business and corporate travel. Personal travel all but ended in 2020 and did not really start to recover until 2022. Similarly, most business and corporate travel revenue disappeared overnight in 2020 due to the pandemic. Companies cancelled business travel; workers met by Zoom instead of travelling for in-person meetings; and corporate gathering functions, such as conventions and getaways, were cancelled. The only revenue area that remained steady was the ongoing use of the Debtors' hotels for logistics travelers, such as truck drivers.

Unfortunately for everyone, the summer of 2021 brought the delta variant of the coronavirus, and with it more business disruptions. The business uptick that began in the spring of 2021 was suffocated and the pathway for recovery looked much more extended. In addition to revenue problems, the middle of 2021 also brought to bear substantial staffing issues. As was widely reported at the time, many businesses began to experience difficulties finding and retaining employees. The Debtors tried every way they could to attract workers, but ultimately had to turn to staffing agencies to provide staffing. Even then, due to substantial demand for employees, the cost to meet payroll obligations was ever increasing and continues to increase.

Because of the need to maintain their good standing with the hotel brands, it was a high priority for the Debtors in the later part of 2021 to use any increased revenue from the hotels to begin acceptable payment plans with the flags rather than pay other deferred obligations. The Debtors were able to work with most of the brands to establish repayment plans for licensing and other fees that had been deferred during the beginning of the pandemic. However, to keep the flag on the Hampton Inn the Debtors had to complete a major exterior renovation project, including the installation of a new roof. In total this cost more than \$750,000. Because of the COVID-19 pandemic's disruption to supply chains this exterior work took far longer than predicted and was substantially more expensive. This project was funded internally without any new borrowing from an external lender as the renovation monies from Jeffries in the 2015 loan had already been exhausted by the interior renovations made pre-pandemic to those properties.

Adding to that, certain flags have requirements for improvements to the image of the hotels that we will either need to complete or obtain agreements to defer for the time being. Oftentimes, these required actions can be costly. Many of the brand-required renovations were late in being completed and needed to be started when the Debtors filed for bankruptcy.

To help facilitate the operations and recovery of the Debtors' hotel portfolio, Mr. Vasani and Ms. Vasani only took compensation from their businesses for their personal use only when needed, and they committed other personal and financial assets — in addition to nearly all their waking hours — to the recovery of these assets since the pandemic began. Similarly, InnVite would often agree to defer management fees during the pandemic to help preserve cash for the hotels to pay expenses when they were experiencing depressed cash flow.

During this period, Mr. Vasani also tried to reach agreements with all of the various mortgage lenders for the hotels he owned (including the Debtors) to restructure their loans and return them to performing status. He was eventually able to reach such agreements with all of the conventional bank lenders for his hotels and all of these restructured loans are now current without any litigation having been filed.

C. The Debtors' Good Faith Attempts to Reach a Workout Agreement are Answered With a Foreclosure

Unfortunately, Mr. Vasani's efforts to restructure loans for both the Debtors and his other hotels whose loans had been assigned to CMBS were not as successful. Rialto was appointed not only as the special servicer by the CMBS Trust for the loans to the Debtors, but also as special servicer on the CMBS loan to Welcome Group 2, LLC, Hilliard Hotels, LLC, Elite Hospitality,

LLC, Dayton Hotels, LLC, and Dayton Hotels, LLC (the “**Welcome Group**”). The same personnel at Rialto were responsible for both loans.

Mr. Vasani repeatedly answered Rialto’s requests and provided information to it concerning both the loan held by the CMBS Trust and the other loan to the Welcome Group of hotels. This information was asked for under the pretenses that it was to be used to help formulate a forbearance and a workout proposal. Unfortunately, no such proposal was ever forthcoming. Instead, despite the loan for the Debtors and the loan for the Welcome Group of hotels having come from different lenders and having been transferred into different CMBS, Rialto consistently tried to link the two loans together. This complicated workout negotiations, particularly since the Welcome Group had a major dispute with its lender about its refusal to release loan proceeds that were supposed to have been used to complete a renovation of the Hampton Inn-Sidney which was being required by Hilton.

To compound the problems, when Mr. Vasani asked for pay-off statements to try and get an idea of what would need to be done to catch the loan up or pay it off if the Debtors could find other financing, Rialto would take 45 to 90 days or more to provide a payoff-quote, but the quotes that were received were always caveated that they were subject to a later pay off letter which never came) The quotes that were received would be missing necessary information and lack per-diem information so that figuring out what Rialto thought was needed to pay-off the loan was a continually moving target. Compounding the problem, the payoff amounts would at times jump inexplicably by more than \$500,000 from month-to-month when historical monthly payments were \$100,000 or less without any clear explanation and with the description of the categories of included charges being inconsistent from one statement to the month. When combined with the depressed state of the hotel market and conventional outside financing having dried up for hotels, it was impossible to figure out a way to pay-off the loan during the heart of the pandemic or to find capital to try to bring the loan current.

As 2021 progressed, the hospitality market started to recover from the unprecedented shock of the Covid pandemic and the prognosis of the Debtors’ businesses were improving. However, the Debtors were still unable to reach a workout agreement with Rialto similar to what was done with the Hotel flags for the Debtors. In early December of 2021 the CMBS Trust assigned its interest in the loan and the related mortgage and security interests to RSS. On December 10, 2021, RSS then filed a foreclosure complaint in the Franklin County Court of Common Pleas against Sunburst, Buckeye, Lancaster, and other parties identified as having liens in the Debtors’ assets. The complaint also included a claim against Mr. Vasani that he had breached obligations under his limited guaranty in favor of the CMBS Trust so as to make Mr. Vasani personally liable for all of the Debtors’ debt, but provided no specifics about what this breach was. This case is captioned *RSS COMM 2015-PCI-OHBL, LLC, v. Sunburst Hotels, LLC, et al.* under Case No. 21 CV 007694 (the “**Franklin County Foreclosure**”). The Debtors contested many of the allegations in the complaint and timely answered the complaint. On August 11, 2022, the Debtors and Mr. Vasani filed an amended answer and counterclaim in the Franklin County Foreclosure. In the Counterclaim, the Debtors asserted counterclaims based on Wells Fargo having been the first party to breach the loan agreement by virtue of its improper conduct in 2019 in charging late fees based on its own failure to properly ACH the Debtors’ accounts and subsequent misconduct by Wells and RSS. RSS disputed the counterclaim and filed a motion to dismiss it, but that was never ruled on in the Franklin County Foreclosure.

Later in December of 2021, another entity controlled by Rialto filed a foreclosure action against the Welcome Group. This action is pending in a foreclosure case in the Common Pleas Court in Montgomery County, Ohio, captioned *RSS WFCM2019-C50 – OH WG2, LLC v. Welcome Group 2, LLC*, Case No. 2021 CV 05237. That action remains pending.

Meanwhile, the Debtors' case in Franklin County proceeded. On December 13, 2021 RSS moved to appoint Tom Moore of Janus Hotel Management Services, LLC as Receiver to take over the Quality Inn, the Red Roof Plus, and the Hampton Inn Lancaster. The basis for appointment was that the relevant loan agreement permitted the Plaintiff to ask for appointment of a receiver upon an event of default. The Debtors' counsel subsequently filed both an opposition to the receiver motion and a motion seeking an evidentiary hearing regarding the same. The Debtors argued, *inter alia*, that there was no allegation that the Debtors had mismanaged or failed to maintain the properties. RSS and Rialto did not seek to push the Court to expedite the appointment of a receiver or to reach the merits of the foreclosure claim on these three properties.

In March of 2022 the Franklin County Common Pleas Court entered an order to hold the receiver motion in abeyance to permit settlement discussions to proceed. Under this order, the Debtors agreed to deposit all receipts into a cash management account and to only pay approved expenses on a budget out of that account. The Debtors also agreed to make interest only payments of at least \$40,504.00 per month to RSS plus \$7,500 towards the cost of an outside accountant to examine their books and records. The Debtors assert that Rialto refused to release funds for expenses for more than a month, which caused severe operational problems as it assumed working capital was available to fund this which was no longer present. The Debtors further assert that, while this Order was in place, the Debtors paid RSS over \$120,000 and RSS swept additional large sums of money from the Debtors' lock box account.

During the period in which the receiver motion was in abeyance, the parties participated in a failed mediation. Following that, they resumed briefing on the receiver motion. On August 11, 2022, the three hotels filed an amended answer and counterclaim against RSS. In addition, the three hotels moved for judgment on the pleadings dismissing the claims of RSS, RSS in turn has moved to dismiss the three hotel's counterclaim. None of these motions have been ruled on. After a series of discovery fights in the Franklin County Foreclosure, on May 16, 2023 Judge Brown signed an order of reference referring the receivership matter to Magistrate Pamela B. Browning to conduct an evidentiary hearing on August 21, 2023 starting at 9:00 am. The Debtors filed for bankruptcy on August 18, 2023 to avoid having a receiver be appointed over their properties. The Franklin County Foreclosure remains pending. This case is subject to the automatic stay with respect to the Debtors. While it has otherwise been inactive since the Debtors' bankruptcy filing, the Franklin County Court of Common Pleas held a status conference in the Franklin County Foreclosure on February 25, 2025 at 2:30 pm to inquire about the status of these bankruptcy proceedings. After receiving that report, the Court left the matter on inactive status for the time being.

D. Itria Litigation

In addition to mortgage financing, one of the ways that Mr. Vasani has historically obtained additional financing for his hotels besides mortgage financing is through obtaining "merchant cash advances." Immediately prior to and early during the pandemic a number of Mr. Vasani's hotels

obtained financing from a merchant cash advance lender known as Itria. Not only were all of the Debtors obligors on these documents, so were a number of Mr. Vasani's other businesses. Mr. and Ms. Vasani personally guaranteed performance on these obligations.

The relationship with Itria rapidly deteriorated. While Itria had agreed to not file UCC financing statements as long as the Debtors were current, they proceeded to start doing so. In addition, Itria refused to provide account statements or reconciliations so it was difficult to determine how much was still owed to Itria. RSS has asserted that its earlier filed UCC financing statements are entitled to priority over the statements filed by Itria.

On January 26, 2023, Itria sued all four Debtors, Mr. Vasani, Ms. Vasani, and a number of other entities which Mr. Vasani owned in the Supreme Court for the State of New York, in New York County.³ That case is captioned *Itria Ventures LLC v. Welcome Group LLC et al.*, and has been assigned Index No. 650527/2023.⁴ While the case remains pending, it is stayed with respect to the Debtors and no activity has occurred in it with respect to the nondebtor defendants since the Debtors filed notice of their bankruptcy filings in it.

E. Other Pending or Recently Settled Litigation Related to the Debtors

The only other major pending litigation at the time the Debtors filed for bankruptcy involved litigation with Westfield Insurance for failing to pay damage claims. After Westfield Insurance Company failed to pay claims for wind damage to the Red Roof Inn that occurred in 2019, Buckeye sued it in February of 2021 in the Franklin County Court of Common Pleas. This case was captioned *Buckeye Lodging, LLC v. Westfield Insurance Company*, Case No. 21-CV-001075. That case remains pending, but the Franklin County Court of Common Pleas has placed it on hold because of the Debtors' bankruptcy filings. The Debtors intend to pursue that litigation when the Franklin County Court of Common Pleas returns it to active status if they are unable to otherwise reach a resolution of that case.

After Westfield's subsidiary American Select Insurance Company failed to pay claims for wind damage the Quality Inn suffered in 2019, Sunburst sued it in February of 2021 in the Franklin County Court of Common Pleas. That case is captioned *Sunburst Hotels LLC v. American Select Ins. Co.*, Case No. 21-CV-1052. Sunburst and Westfield entered into a settlement agreement for this litigation in 2023 prior to the Debtors' filing for bankruptcy and that case has been settled. However, because the settlement check needs to be signed by both Sunburst and Wells Fargo (as loan servicer), to date Sunburst has been unable to access those funds. RSS and the Debtors are discussing a possible resolution regarding this check.

F. The Debtors' Debt Structure

The largest asserted claims against the Debtors relate to the Mortgage Loan note which, as discussed above, was originally held by Jeffries and which has since passed through the CMBS Trust to RSS. This promissory note was in the original principal amount of \$11,550,000, had a

³ In New York the trial court of general jurisdiction is called the Supreme Court, the 1st level of appeals courts are called the Supreme Court Appellate Division, and the highest court is the Court of Appeals.

⁴ The Supreme Court for New York, County of New York numbers cases using an index number rather than a case number.

fixed interest rate and was supposed to mature in March of 2025. While that loan had a 10-year maturity schedule, it had a 25-year amortization schedule with the remainder of the principal to be a balloon payment on maturity. Debtors Buckeye, Lancaster, and Sunburst are jointly and severally liable under this note. Debtor S&G is not a party to this lending agreement and has not guaranteed its performance. RSS and Rialto have asserted that this indebtedness is secured by mortgages filed against each of the three hotel properties and has also filed UCC financing statements against the personal property, accounts, and fixtures of these three Debtors.

RSS has filed proofs of claim against Buckeye, Lancaster, and Sunburst based on the promissory note.⁵ Each of these proofs of claim asserts a claim against the applicable Debtor for \$16,113,352.75. Only \$10,286,963.29 of each claim is on account of unpaid principal. The difference between that total and the total amount of each claim is \$5,876,122.89 in allegedly unpaid interest and other fees and charges minus \$49,733.43 in suspense or unapplied balances RSS that offset the claimed amount. The \$5,876,122.89 in alleged interest and other fees are labeled in RSS's proofs of claim as consisting of: (a) "Interest" in the amount of \$1,706,808.16; (b) "Default Interest" in the amount of \$2,246,523.81; (c) "Prior Default Interest" in the amount of \$285,846.24; (d) "LATE FEES" of \$276,838.37; (e) "Special Servicing Fee" in the amount of \$91,968.44; (f) "Est. Interest on Advances" of \$306,922.30; (g) "Liquidation Fee" of \$132,216.61; (h) "Tax and Interest Advances" of \$332,210.73; (i) "Property Protective Advances" of \$182,979.33; (j) "Yield/Maint/Prepay" of \$308,608.90; (k) "BWR Paid SS" of \$3,000.00; (l) "Payoff Fee" of \$2,200.00. The Debtors have not been able to reconcile all of these amounts (or even understand what some of them relate to) and served written discovery on RSS seeking additional information to reconcile these amounts. RSS's discovery responses have not allowed the Debtors to reconcile all of these amounts. The Debtors' concerns about the validity of these numbers has only been heightened by the recent admission by Wells Fargo after almost a year of the Debtors pointing out a discrepancy in the amounts it was holding in escrow for postpetition property taxes and insurance payments under the Cash Collateral Orders had not reflected over \$50,000 in property tax refunds it received. In addition, the Debtors believe that the claims are also overstated because Wells Fargo was the first party to breach the loan agreement, which should bar certain of these claims are barred and other parts of the claim may be invalid under applicable law. The Debtors' investigation of these issues is ongoing.

Where the claims differ is based in the value of the real estate which they assert secures each claim. For Buckeye, RSS asserts that \$5,300,000.00 of its claim is secured and \$10,813,352.75 is unsecured. For Lancaster, RSS asserts that \$10,500,000.00 of its claim is secured and \$5,613,352.75 is unsecured. For Sunburst, RSS asserts that \$3,400,000.00 of its claim is secured and \$12,713,352.75 is unsecured. The Debtors believe that each of the secured amounts here are overstated. Second, all four Debtors are parties to multiple merchant cash advance agreements with Itria. In the state court litigation in New York mentioned earlier, Itria asserted that it is owed over \$1.35 million in principal, plus collection costs and interest. The Debtors are coliable for these obligations with several non-debtor hotels which Mr. Vasani owes along with him and his wife. Itria has filed proofs of claim against Buckeye, Lancaster, and Sunburst, each of which is in the amount of \$1,224,665.23. Each of these claims also asserts it is fully secured based on filed UCC financing statements. The Debtors believe that Itria's proofs of claim are overstated

⁵ RSS initially submitted a fourth claim by also submitting a duplicate copy of the Buckeye Proof of Claim in the Lancaster case, but that claim has been withdrawn.

as they fail to take into account all payments by the Debtors. The Debtors also believe that the value of Itria's asserted security interests is overstated. RSS has asserted that its liens are entitled to priority over those of Itria.

Debtor Sunburst is party to a May 13, 2020 loan agreement with the Small Business Administration under which it borrowed \$69,000. This loan is to be repaid over 30 years with payments of \$337 monthly having commenced in May of 2021. The loan agreement for this loan also granted the SBA liens in substantially all of Sunburst's personal assets. The SBA filed a financing statement with the Ohio Secretary of State on account of this indebtedness on May 21, 2020. While Sunburst has never missed a payment on this loan, the Small Business Administration claims it accelerated this loan pre-bankruptcy. The Debtors do not have a record of receiving such an acceleration notice and the Small Business Administration took no steps to exercise remedies against Sunburst prior to its filing for bankruptcy. RSS has asserted that its liens in the Debtors assets are entitled to priority over those of the SBA.

The next major category of debt is the obligations the three hotel Debtors owe to their respective flags under the franchise agreements with these brands. These agreements not only require monthly payments to the flags based on revenues, but also impose a variety of other fees on the Debtors and require them to meet certain quality standards. The Debtors also have some natural trade debt based on the lag between when they purchase goods or services and the time for which payment for these goods or services are due.

IV. The Chapter 11 Cases

On August 18, 2023, the Debtors each filed chapter 11 petitions in the United States Bankruptcy Court for the Southern District of Ohio. The Debtors filed with their petitions a motion asking for their four chapter 11 cases to be jointly administered. The Debtors also filed a motion asking for authority to use the cash collateral of their purported secured lenders and a number of "soft-landing" motions seeking relief related to employees, taxes, insurance, and utilities to ease their transition into chapter 11 and minimize the disruption to the Debtors' business operations from the Debtors' bankruptcy filing. The Bankruptcy Court subsequently entered orders jointly administering the Debtors' chapter 11 cases and granting each of the Debtors' soft landing motions.

The Debtors initially focused their efforts on trying to make a smooth transition into chapter 11. On September 8, 2023, the Office of the United States Trustee held the initial meeting of creditors and Mr. Vasani testified under oath regarding the Debtors' operations and assets. Another early priority for the Debtors was the preparation of the required schedules of assets and liabilities and statement of financial affairs for each of the Debtors. These were filed with the Bankruptcy Court on September 13, 2023. The Debtors also filed, and the Court subsequently approved, an application to retain Carpenter Lipps LLP as general bankruptcy counsel.

Meanwhile, on August 20, 2023, RSS filed both a motion and then an amended motion pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure seeking certain information from the Debtors. The Debtors filed a limited objection to the amended motion and subsequently the Debtors and RSS reached agreement on categories of information for the Debtors to produce

to RSS. This agreement was memorialized in an agreed order entered on October 26, 2023 and the Debtors produced the agreed upon information during November of 2023.

The Debtors also were able during the rest of 2023 to obtain the agreement of RSS to budgets providing for the consensual usage of cash collateral through first November 30, 2023 and then through March 31, 2024. During this period, the Debtors focused on their business operations and tried to keep legal activities during the cases at a minimum as the first quarter of the year is historically the slowest for the Debtors' business operations.

As spring of 2024 approached, the Debtors on a business level were focusing on trying to catch up with deferred maintenance and capital expenditures that had accumulated since the start of the COVID-19 pandemic. The Debtors also were hoping to focus on formulating a chapter 11 plan. An unexpected threat to the value of Lancaster's franchise agreement with Hilton erupted in this period which slowed progress.

As mentioned above, Mr. Vasani also owned a separate five-hotel portfolio of hotels whose loan was transferred to a separate CMBS trust for which Rialto had also been appointed as special servicer. Back on September 1, 2023, three of these five hotels — Welcome Group 2, LLC, Dayton Hotels LLC, and Hilliard Hotels LLC (collectively, the **"Welcome Group Debtors"**), filed chapter 11 petitions in the Southern District of Ohio. Those cases are being jointly administered as *In re Welcome Group 2, LLC, et. al.*, Case No. 2:23-bk-53043 and are pending in front of the same judge as these cases. The Welcome Group Debtors were subsequently able to reobtain operation of the hotels from the receiver which the Montgomery County Court of Common Pleas in Ohio had appointed at the behest of Rialto to operate these hotels.

Like Lancaster, Hilliard Hotels also operates a Hampton Inn franchise under a franchise agreement with Hilton. On February 28, 2024, Hilton filed a motion in the bankruptcy cases for the Welcome Group Debtors which sought relief from the automatic stay in that case to terminate Hilliard Hotels' franchise agreement with the Debtors. While one of Hilton's arguments for that relief was the failure of Hilliard Hotels to complete an agreed-upon renovation after its mortgage-lender refused to release borrowed funds for construction costs, Hilton also asserted that the franchise agreement was governed by the "hypothetical test" under section 365 of the Bankruptcy Code and could not under *any* circumstances be assumed without Hilton's affirmative consent.

This directly threatened the value of Lancaster's Hampton Inn franchise agreement (the **"Hampton Franchise Agreement"**) as this franchise agreement was essentially identical to Hilliard's. A ruling that Hilliard's franchise agreement was subject to the "hypothetical test" would almost certainly by principles of collateral estoppel bind Lancaster. In order to protect the value of its franchise agreement, and to determine this fundamental issue for the structuring of a plan of reorganization, on March 25, 2024, the Debtors filed an adversary judgment against Hilton seeking a declaratory judgment that the Hampton Franchise Agreement was not governed by the "hypothetical test" and instead that an "actual test" applied where Lancaster only needed the affirmative consent of Hilton for the assumption of the Hampton Franchise Agreement to be effective if it was seeking to assign the franchise agreement to a third-party. This adversary proceeding was captioned *Lancaster Hospitality, LLC v. Hilton Franchise, LLC*, Adv. Proc. 24-02024. On May 9, 2024, Hilton filed a motion to dismiss the declaratory judgment action on the grounds that it was premature. On May 17, 2024, Lancaster filed a motion for partial summary

judgment on the declaratory judgment count in the adversary complaint. The parties subsequently engaged in settlement discussions. As part of these discussions, Hilton agreed that Lancaster could assume the Hampton Franchise Agreement if Lancaster paid certain cure costs to Hilton. As a result, on August 5, 2024, the Court entered a consent order dismissing the adversary proceeding. In the meantime, on July 10, 2024, the Court entered an order in the Welcome Group 2 bankruptcy cases finding that the assumption of their franchise agreement Hilton was governed by the actual test and thus Hilton's consent was only needed if the franchise agreement was going to be assigned.

An additional complication for the Debtors in formulating a plan of reorganization was that the Debtors' ultimate equity owner, Mr. Vasani, is being sued in his personal capacity by RSS under a "springing guarantee" he had provided for the indebtedness the Welcome Group Debtors (and the two associated nondebtor hotels) had provided in a case in Montgomery County Ohio. Absent any settlement with RSS, this made it unattractive for Mr. Vasani to invest any additional funds in the Debtors in return for equity in the reorganized Debtors because of the risk that such an investment would be seized by RSS if it prevailed in such litigation. As a result, the Debtors embarked on a search for parties who were willing to contribute capital to help fund a plan of reorganization for the Debtors.

On July 19, 2024, RSS objected to the Debtors' request to extend the exclusive periods to propose a plan because of concern that the cases were not moving fast enough. RSS followed this up by filing on July 24, 2024 a motion seeking to dismiss or convert the Debtors' chapter 11 cases. A hearing was initially scheduled for August 22, 2024 at 10:00 am on these motions. In the lead-up to this hearing, the parties reached agreement to adjourn the hearing until September 12, 2024 if the Debtors would commit to filing a plan of reorganization by August 30, 2024. On August 20, 2024, the Debtors and RSS filed a proposed stipulation and agreed order reflecting this agreement. On August 23, 2024, the Bankruptcy Court entered the Stipulation and Agreed Order regarding this adjournment.

In accordance with the stipulation, on August 30, 2024, the Debtors filed a proposed plan of reorganization. The Plan reflected discussions the Debtors had with two investors about providing capital for a new equity investment. Because RSS did not indicate it was abandoning its attempt to get the Debtors' cases dismissed, the Debtors filed their opposition to RSS's Motion to Dismiss on the deadline set by the stipulation of August 23, 2024. After that filing was made, RSS asserted it needed to take discovery prior to any hearing on the motion to dismiss based on the Debtors' arguments in their opposition. The hearing on the motion to dismiss was adjourned until January 28, 2025 so as to allow RSS to take discovery.

RSS proceeded to serve discovery on the Debtors. The Debtors contend that the discovery was extensive and constituted a substantial distraction to the Debtors for much of the fall and consumed much of the budgeted amount for professional fees in these cases during that period. Ultimately, the Debtors produced over 4,700 pages of documents in response to RSS's discovery requests and Mr. Vasani sat for a deposition as the corporate designee of the Debtors on the issues covered in RSS's motion to dismiss. On December 20, 2024, RSS filed its reply in support of the motion to dismiss.

In the meantime, the Debtors contend that they were diligent in continuing to pursue getting a written agreement for new equity investment to be made in the Debtors. On January 1, 2025,

the Debtors executed a letter of intent with SDGD, LLC (“SDGD”) to provide new equity financing, while allowing the Debtors to solicit higher and better offers for this financing. SDGD is controlled by a relative of Mr. Vasani who is not an owner, officer, or employee of the Debtors. Mr. Vasani is not an owner, officer, or employee of SDGD. The Debtors subsequently filed on January 15, 2025 a motion seeking approval of this letter of intent and the related bid procedures. The Debtors and RSS subsequently reached an agreement to again adjourn the hearing on the motion to dismiss and to set it for hearing together with a hearing on the Debtors’ proposed Plan. On January 27, 2025, the Debtors filed an amended plan of reorganization with the bankruptcy court. On January 29, 2025, the Bankruptcy Court issued a scheduling order which included both a hearing to approve this Disclosure Statement and a hearing for confirmation of the Plan and, if the Plan is not confirmed, RSS’s motion to dismiss or convert the Debtors’ bankruptcy cases.

On February 3, 2025, the Debtors filed corrected versions of the Plan and the Disclosure Statement which made non-material corrections to the documents. On February 4, 2025, the Debtors filed a motion seeking approval of the amended Disclosure Statement and associated solicitation procedures for the Plan. The approval of the amended disclosure statement was originally scheduled for March 13, 2025.

Subsequently, RSS and the Office of the United States Trustee objected to the proposed motion for approval of the letter of intent with RSS and the related bidding procedures. Both of the objectors also took the position that the objection to the bidding procedures needed to be decided before the Court could move forward on the Disclosure Statement. After a status conference was held on February 26, 2025, the Bankruptcy Court converted the hearing on March 13, 2025 to a hearing on approval of the LOI with SDGD and the proposed bidding procedures.

The Court then held a hearing was held on March 13, 2025 regarding approval of the LOI with SDGD and the bidding procedures. Following this hearing, the Court entered an order on March 27, 2025 approving the letter of intent with SDGD and the associated bidding procedures. The Debtors proceeded to implement this order, but received no bids from parties seeking to submit higher and better offers for the Debtors’ equity by the bid deadline of May 2, 2025.

The Court also entered an order on March 13, 2025 continuing the hearing on approval of the disclosure statement until May 12, 2025. In the run up to the hearing scheduled for May 12, 2025, and as the Debtors were working on crafting an amended Disclosure Statement to respond to informal comments and concerns they had received, the Office of the United States Trustee and RSS requested that hearing be adjourned to provide them time to review and respond to the amended form of documents. That led to that hearing on the approval of the disclosure statement being adjourned yet again.

On May 16, 2025, the Debtors filed a second amended plan and a second amended disclosure statement. On May 19, 2025, the Court entered a stipulation and agreed order rescheduling the hearing on approval of the disclosure statement for June 27, 2025. That order set a deadline of June 20, 2025 at 4:00 p.m. for parties to object to the disclosure statement. Less than an hour before that deadline, and without having provided any prior notice to the Debtors that they intended to do so, RSS filed an election under section 1111(b)(2) of the Bankruptcy Code to have its claims treated as fully secured. RSS also filed an objection to the Disclosure Statement.

Because the existing version of the Plan did not contemplate RSS making that election, the Debtors agreed to convert the June 27, 2025 hearing to a status conference to discuss scheduling on the disclosure statement and the Plan.

At the status conference, the Court and parties in interest discussed a schedule for filing of an amended plan and disclosure statement and plan confirmation. On July 8, 2025, the Court entered a stipulation and agreed order approving the schedule that had been agreed upon at the June 27, 2025 status conference. Under this schedule, the Debtors were required to file an amended plan and disclosure statement by no later than July 18, 2025, and the Debtors timely filed that amended plan and this disclosure statement.

On July 30, 2025, the Debtors filed a notice of objection and objection to proofs of Claim filed by RSS. In that objection, the Debtors requested that the Court disallow part of the RSS Claims for multiple reasons, including but not limited to, the following. First the objection argued that RSS failed to provide adequate supporting documentation for several elements of their claim (including Interest, Default Interest, Prior Default Interest, Special Servicing Fee, Est. Interest on Advances, Liquidation Fee, and Yield Maint. / Prepay), and that the evidence demonstrated that each of those elements should be \$0. Second, the objection argued that RSS's claims for late fees and default interest should be barred to the extent they arise from an initial breach of the Loan Agreement by Wells Fargo when it failed to update the Debtors' account information for purpose of automatically drawing monthly payments and then continued to fail to correct that error. Third, the objection argues that RSS's claims for special servicing fees and subsequent default interest should be barred because they arose from a breach of the Loan Agreement by Wells Fargo and Rialto in their handling of the servicing of the loan. RSS disagrees with the positions set forth in the Debtors' objection, and filed a response on August 29, 2025 articulating that it believes its claims should be allowed in the reduced amount of \$15,549,145.72.

After a hearing on August 29, 2025 at 10:00 am, the Bankruptcy Court approved this disclosure statement. If the disclosure statement is approved, a hearing on October 23, 2025 and October 24, 2025 will be held on the confirmation of the Plan and RSS's pending motion to dismiss.

V. The Proposed Reorganization of the Debtors

A. General Overview

The Plan centers on Buckeye, Lancaster, and Sunburst reorganizing and continuing their business operations. This would involve the assumption of their franchise agreements with Red Roof, Hilton, and Quality Inn respectively. The Debtors' three hotels would continue to operate as a Red Roof, Hampton Inn, and Quality Inn. From the perspective of the hotel's current and future guests, things would remain unchanged and the hotels would continue to provide the award-winning service which has seen them as some of the higher ranked hotels in their respective business chains. For instance, the most recent ranking report provided by Red Roof to Buckeye says the Red Roof it operates is ranked 43rd out of 604 Red Roof properties in the entire country and is ranked 2nd overall in the entire Midwestern region. Nor would the changes impact the Debtors' employees, who would keep their jobs without any impact from the Plan becoming

effective. What the reorganization would change is the Debtors' ownership and capital structure. Those changes are discussed below.

Attached as Exhibit III to this Disclosure Statement are copies of the Debtors' unaudited income statements for 2023 and 2024. The Debtors report financial results on a cash basis and not all items in the financial statements are reported in accordance with Generally Accepted Accounting Principles. The financial statements should be considered in conjunction with the notes present on those statements. The Debtors in recent years have not paid the expense to obtain audited financials and no such financials are available for these periods.

Attached as Exhibit IV are the financial projections for the Reorganized Debtors. The financial projections cover both remainder of 2025 and the remaining time through 2030. These projections were prepared by Mr. Vasani based on his 25 years of experience in the hospitality industry generally and his over a decade of experience in operating each of the Debtors. In considering these financial projections, you should take into account the accompanying notes to the financial projections.

B. Valuation of the Debtors' Assets

As mentioned above, the Debtors' primary assets are the three operating hotels they own – the Red Roof Inn Dublin owned by Buckeye, the Hampton Inn-Lancaster owned by Lancaster, and the Quality Inn Columbus North owned by Sunburst. The Debtors own not only the physical buildings for each of these hotels, but also the underlying land, and the personal property used in operation of each of these hotels. The Debtors believe that these assets are worth substantially more if the hotels continue to be operated as hotels than if the hotels are shut down, the personal property used in the hotel operation is sold off, and an attempt is made to use the real estate for other purposes or to sell them off.

As part of the restructuring process in these cases, the Debtors sought court approval to retain Integra Realty Resources as appraiser and expert valuation witness. On March 7, 2024, the Bankruptcy Court entered an order approving the retention of Integra. Michael Hunter, who is both a Director in Integra's national Hotels Specialty Practice Group and part of Integra's Columbus Hotel performed appraisals of each of the hotels as a going concern. Mr. Hunter reviewed the financial results for the hotels, other performance data for the hotels, industry data on the performance of similar hotel properties, sales of comparable properties, and visited each of the hotel locations. In addition, for the Hampton Inn Lancaster he took into account the need for that hotel to perform a "FRCM" renovation under an agreement with Hilton regarding the assumption of the Hampton Inn Franchise Agreement.

Mr. Hunter appraised the Red Roof Plus Dublin as having a market value of \$4,100,000 as of April 26, 2024. This valuation covered not only the land and building, but also the personal property usually used in the operation of the hotel. This market value was based on Mr. Hunter's assessment of what the property could earn after a reasonable marketing period in a cash sale to a third-party buyer. Mr. Hunter also opined that if the Red Roof had to be sold quickly in a 60–90-day period as an operating hotel, which he referred to as a "liquidation value," would be \$3,080,000.

Mr. Hunter appraised the Hampton Inn Lancaster as having a market value of \$7,190,000 as of September 28, 2024, under the same assumptions about a sale after a reasonable marketing period as used for the Red Roof Dublin. This valuation also took into account the planned FRCM and its impact on valuation. This included both estimates from contractors that it would cost the Debtors \$1,750,000 to perform the renovation. The market valuation also took into account the greater revenues that the Hampton Inn Lancaster would potentially earn once the renovations were completed. Mr. Hunter also opined that the “liquidation value” if the Hampton Inn had to be sold as a going concern in a 60–90-day period would be \$5,750,000.

Mr. Hunter appraised the Quality Inn North Columbus as having a market value of \$2,900,000, as of April 26, 2024, under the same assumptions about a sale after as 60–90-day marketing period as the Red Roof Dublin. Mr. Hunter determined that the liquidation value of the Quality Inn was \$2,180,000 if it was sold as an operating hotel in a 60–90-day time period.

Because Mr. Hunter’s appraisal values also include the personal property used to operate each of the three hotels, the Debtors believe that they have relatively little in the way of personal property which is not already included in his valuation. Thus, the only material assets of the Debtors which were excluded from Mr. Hunter’s evaluation were the cash they have on hand and the value of any litigation claims they might hold. The amount of cash the Debtors hold on hand is reported in their monthly operating reports with the Court. This amount fluctuates from month-to-month based both on the seasonal nature of the business for the Debtors’ three hotels and what capital expenditures or repairs are necessary and when they occur for the three hotels.

For purposes of confirming the Plan, the Debtors believe it is appropriate to value RSS’s collateral position at a lower amount than Mr. Hunter’s valuation of \$14,190,000 for purposes of plan confirmation. Mr. Hunter’s valuation was for a sales price outside of bankruptcy with a normal marketing period. Any valuation for plan purposes should take into account the associated sales expenses, which could total a half-million or more. Mr. Hunter’s valuation assumes the franchise agreements will remain in place, but does not deduct the associated cure payments for the hotels. As shown in the financial projections, the Debtors expect that cure payments for the franchise agreements will total as much as \$150,000. Additional deductions may be appropriate for other reasons. The idea that the bankruptcy value of the hotels is lower than \$14,190,000 is supported by the fact (discussed in more detail below) that no outsiders submitted a higher and better bid for the equity of reorganized S&G in the marketing process for the Debtors’ assets.

The Debtors’ final asset would be any litigation claims they might have. As noted earlier, prior to filing bankruptcy, Buckeye sued Westfield insurance for failure to pay wind damage claims pre-bankruptcy, which was in principle settled prior to the Petition Date, but for which the settlement check is currently uncashed because the Debtors and Wells Fargo have yet to reach a deal regarding the usage of the proceeds from that settlement (because the check is made out to both it and Wells Fargo). The face amount of that settlement check is \$165,412.42. Before filing for bankruptcy, Sunburst also sued American Specialty Insurance for failure to pay wind damage claims. That case has not yet settled, and it is unclear what that claim is worth. The final group of claims the Debtors are investigating are their potential counterclaims against Itria and RSS, both of which filed proofs of claim against the Debtors. Because these counterclaims will most likely serve to diminish the size of the allowed claims for Itria and RSS in the bankruptcy, the Debtors have not attempted to value them for purposes of formulating the Plan.

C. New Equity Infusion

A key component of the Plan is that it provides for all of the equity in S&G to be cancelled and for all of the ownership in Reorganized S&G to be received by an investor in return for its making an investment of at least \$500,000 in new equity to help provide fund working capital for the Debtors on a going forward basis, the expenses of the FRCM renovation of the Hampton Inn Lancaster (discussed in more detail below) and to pay administrative expenses of these cases.

As mentioned above, on January 1, 2025, the Debtors executed a letter of intent with SDGD to make an infusion of \$500,000 in equity under the Plan in return for 100% of the ownership of Reorganized S&G. On January 15, 2025, the Debtors filed a motion to approve the letter of intent with SDGD, along with bidding procedures for other parties to submit higher and better bids for the equity in S&G by offering to submit more for that equity. On March 27, 2025, the Bankruptcy Court entered an order approving the LOI and bidding procedures for other parties to submit higher and better bids. No party submitted a bid by the May 2, 2025 deadline established in the bidding procedures.

If SDGD ends up being approved as the new equity investor under the Plan, it has committed to keeping InnVite as the manager of each of three hotel debtors under the Debtors' current management agreements with InnVite, which make it responsible for running the ordinary business operations of the Debtors. InnVite's president is Mr. Vasani who has 25 years of experience in hotel operations and is currently an acceptable operator for Red Roof, Hilton (as the Hampton Inn), and Quality Inn. InnVite would in return be receiving a management fee of 3% of hotel revenues plus the other fees laid out in the management agreements for other services. SDGD will have the ability to select the board of directors and officers of S&G and the managers of each of the subsidiary debtors. Neither Mr. Vasani, nor any of the other initial officers and directors of the Debtors shall be receiving any salary or other compensation from the Debtors.

If SDGD ends up becoming the sole owner of Reorganized S&G on the Effective Date and the Management Agreement with InnVite is assumed, InnVite and the Debtors will enter into the InnVite Settlement. Under this settlement, InnVite shall (a) provide the Reorganized Debtors a line of credit of up to \$400,000 with such repayment terms are specified by InnVite to help fund working capital needs and the costs of the Fixed Revenue Cycle Management renovations with Hilton for the Hampton Inn Lancaster and (b) a release of all claims InnVite has arising before the Effective Date under the Management Agreement. In return, InnVite will receive the release provided in Section IV.D.3.d of the Plan of:

If the New Equity Investors become the sole owner of S&G on the Effective Date and the Management Agreement with Innvite Hospitality is assumed the Debtors shall release Innvite Hospitality of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce Innvite Hospitality's obligations under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then

existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (the “**Settlement Release of Innvite**”).

Plan Section IV.D.3.d.

The Debtors believe that the proposed settlement with InnVite is reasonable. It would allow them to continue to enjoy the benefits of InnVite’s deep experience in managing hotels in general and the Debtors in particular. It would also resolve any claims that might be held by InnVite against the Debtors, including claims for periods before the Debtors filed for bankruptcy when InnVite deferred management fees and paid various costs on behalf of the Debtors to help the Debtors conserve cash. Since the Petition Date, InnVite has only received as payments the amounts budgeted for in the Cash Collateral Orders, which are less than InnVite was contractually owed under the Management Agreement, let alone the higher figures which would have been charged by an independent manager to perform the same services. The Debtors believe that this constitutes more than adequate consideration for the proposed Settlement Release of InnVite and that the proposed settlement amply satisfies the standards of Bankruptcy Rule 9019.

The Plan also provides that if the InnVite settlement is not consummated and the Management Agreements are rejected that InnVite will receive in satisfaction of its claims 100% of the interest in the Litigation Trust. This trust would have contributed to it the Retained Actions listed on Exhibit IV.D.1 of the Plan, which include any claims the Debtors might have against RSS (if the RSS Settlement is not consummated) or against Itria (if the Itria Settlement is not consummated). The Litigation Trust will also receive \$25,000 in funding in cash on the Effective Date in such a scenario.

D. Plan Treatment of RSS

Section 506(a) of the Bankruptcy Code provides that secured creditors usually have their claims bifurcated into secured and unsecured portions based on the value of their interest in the debtor’s collateral. The Debtors’ first and second plans provided for RSS’s claim to be divided into secured and unsecured claims based on this provision. Section 1111(b)(2) of the Bankruptcy Code provides a limited exception to this by permitting a secured creditor in chapter 11 cases in certain circumstances to elect to have the entire amount of its claim as secured for purposes of confirming a chapter 11 plan rather than having the claim bifurcated into secured and unsecured portions. The Plan’s treatment of RSS depends on whether RSS maintains the 1111(b) Election to take advantage of this provision or timely withdraws it.

1. Treatment if the 1111(b) Election Remains in Place

If RSS does not withdraw the 1111(b) Election, the Plan provides for RSS to only have a claim in Class 3A. That claim would be satisfied by having RSS receive the 1111(b) Note, whose face amount would equal the amount of Allowed Claim (including any reductions to the proofs of claim filed by RSS made by the Bankruptcy Court based on any objections by the Debtors to RSS’s asserted claims). The 1111(b) Note is structured to have a present value of at least what the

Debtors believe is the amount at which the Debtors believe the Bankruptcy Court will likely value RSS's collateral or its claims. The 1111(b) Note shall permit the sale individually or in combination of the three hotels so long as RSS is provided the ability to timely purchase the properties under the Rights of First Offer (including the exercise of its right to credit bid).

2. Treatment if RSS Withdraws the 1111(b) Election

If RSS withdraws the 1111(b) Election, its claims would be divided into secured and unsecured portions based on a valuation of RSS's interest in the collateral by the Bankruptcy Court. The Debtors are proposing to satisfy the remainder of the Allowed Secured Claim in two ways. The first is to replace the existing promissory note with the New Secured Promissory Note. This New Secured Promissory Note will be in the principal amount of \$11 million (which is more than the outstanding principal on the RSS note, but less than the additional amounts asserted for fees and interest in the proofs of claim filed by RSS). The note will have a five year term, but be amortizing as if is a 30 year loan and will also bear interest at the rate of 5.5%. The New Secured Promissory Note will be secured by amended and restated versions of the existing mortgages so that RSS will have the same security as it had before the Debtors' bankruptcy filing. The New Secured Promissory Note shall have no prepayment penalty and shall permit the sale individually or in combination of the three hotels so long as RSS is provided the ability to timely purchase the properties under the Rights of First Offer (including the exercise of its right to credit bid).

RSS will also receive on account of its Allowed Secured Claim (if it withdraws the 1111(b) Election) the "Exit Fee." This is a preset payment for each hotel if it is sold in accordance with the provisions of the New Secured Promissory Note. The Exit Fee is based on the following schedule:

Months After the Effective Date	Hampton Inn Lancaster	Red Roof Dublin	Quality Inn North	Total (if all hotels paid off at the same time)
0 to 12 months	\$50,000	\$30,000	\$20,000	\$100,000
12 to 24 months	\$100,000	\$60,000	\$40,000	\$200,000
25 to 36 months	\$150,000	\$90,000	\$60,000	\$300,000
37 to 48 months	\$200,000	\$120,000	\$80,000	\$400,000
49 to 60 months	\$250,000	\$150,000	\$100,000	\$500,000

For example, if the Quality Inn North was sold in month 16, the Reorganized Debtors would make a payment to RSS of \$40,000. If the Debtors then proceeded to sell the other two hotels in month 40, they would owe a payment to RSS of \$200,000 on account of the Hampton Inn Lancaster and \$120,000 on account of the Red Roof Dublin. No additional payment on the Quality Inn North would be owed because it has already had the fee paid for it. The structure of the Exit Fee provides the Reorganized Debtors an incentive to payoff the New Secured Promissory Note as quickly as possible. RSS's Allowed Unsecured Claim will be satisfied by allowing it to share on a pro rata basis with the holders of the Class 4B Claims, the Class 5B Claims, and the Class 6 General Unsecured Claims the Deferred General Unsecured Payments.

The Plan also contains the proposed RSS Settlement. If RSS votes in favor of the Plan, does not object to the confirmation of the Plan, and agrees to release Mr. Vasani and his other

entities of all claims related to the Debtors, the Debtors will provide the release in Section IV.D.3.b of the Plan, which states:

If RSS votes in favor of the Plan, does not object to confirmation of the Plan, and releases Abhijit Vasani and his other non-debtor entities of claims related to the Debtors, on the Effective Date the Debtors shall release the RSS Related Parties of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce RSS's obligations under the New Secured Promissory Note or under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (the "**Settlement Release of RSS**").

Section III.C.1 of the Plan provides that if the RSS Settlement is agreed to, Mr. Vasani and the nondebtor entities he controls will provide a release in the form attached as Exhibit III.C.1 of the Plan.

The Debtors believe that providing RSS this release if agrees to vote in favor of the Plan and not object to confirmation of the Plan would be reasonable. RSS's claims are the largest claims asserted against each of Buckeye, Lancaster, and Sunburst. As mentioned before, RSS was engaged in litigation with the Debtors prior to the Petition Date and has filed more objections in this case than any other party. The Debtors anticipate that the most difficult issues to litigate at the hearing to confirm the Plan relate to RSS and it is not certain that the Debtors will be able to prevail if they are litigating with RSS at the confirmation hearing. Nor is it certain that the Debtors will prevail in asserting a counterclaim against RSS or claims against the RSS Related Parties relating to their misconduct in connection with the servicing of the Debtors' loan. Providing RSS a release if it agrees to support the Plan would allow the expenses related to this potential litigation to be avoided and the Debtors believe it amply exceeds the requirements for approval of a settlement under Bankruptcy Rule 9019.

E. Plan Treatment of Itria and the SBA

The Plan provides for the bifurcation of the claims of Itria and the SBA into secured and unsecured claims. The secured claims of each will be satisfied by Itria or the SBA receiving cash on the Effective Date in an amount equal to the amount of their secured claim minus any amounts they have been paid as adequate protection payments, but not had to disgorge, under the Cash Collateral Orders. The unsecured portion of their claims will be satisfied by having each share on a pro rata basis with RSS (if it retracts the 1111(b) Election for its Class 3B Claim and the holders of Class 6 Claims in the Deferred General Unsecured Payments to be provided under the Plan.

F. Settlement with Hilton

As described above, Lancaster previously commenced an adversary proceeding seeking a declaratory judgment against Hilton related to whether it could assume the Hampton Franchise Agreement without Hilton's consent. Under section 365 of the Bankruptcy Code, Lancaster would have to cure all defaults under the Hampton Franchise Agreement to assume it. It is undisputed that certain franchise fees were unpaid as the timing of the Debtors' bankruptcy filing because they had accrued, but were not paid. In addition, Hilton has asserted that the attorneys' fee provision in the Hampton Franchise Agreement allows it to collect all attorney fees it has incurred related to the Debtors' bankruptcy cases if the agreement is assumed. The Hilton Settlement also requires the Debtors to complete a Fixed Renovation Cycle Management renovation. This is a renovation which Hilton requires all Hampton Inn franchisees to perform in the middle of their original franchise term. The proposed settlement resolves both the disputes about the attorney fees and any disputes regarding whether and when Lancaster must complete a Fixed Renovation Cycle Management renovation to remain operational as a Hampton Inn. The settlement also resolves any arguments Hilton might make that its affirmative consent is required for the franchise agreements to be assumed. Resolving all of these issues consensually removes the need for further litigation regarding the parties' respective rights under the Hampton Franchise Agreement and the question of when the agreement can be assumed under applicable law. The proposed settlement also provides an additional substantial benefit to the Debtors in the form of an agreement by Hilton to extend the expiry of the Hampton Franchise Agreement from its current expiry in February of 2030 until February of 2037. Section 365 of the Bankruptcy Code does not provide the Debtors to the ability to force Hilton to extend the Hampton Franchise Agreement in this manner. Thus, the only way this extension can be obtained is Hilton's voluntary consent. This extension is valuable to the Debtors as it increases the time period during which they can continue to operate the Hampton Inn. The Debtors submit that this extension and the avoidance of additional attorney fees related to the Hampton Franchise Agreement amply exceed the burdens they are undertaking under this settlement agreement and that the settlement more than exceeds the standards for approval under Bankruptcy Rule 9019.

G. Provisions Regarding Other Executory Contracts

The Plan provides for the following in connection with executory contracts other than the Hampton Franchise Agreement and the InnVite Management Agreement whose assumption is described earlier:

- Assume or assume and assign each of the Executory Contracts and Unexpired Leases listed on Exhibit V.A of the Plan; and
- Reject all other prepetition Executory Contracts and Unexpired Leases that have not been previously assumed or rejected or are otherwise assumed under the Plan (including those identified on Exhibit V.A of the Plan). The Debtors' best efforts to identify the executory contracts which will be rejected is the list of contracts identified on Exhibit V.C to the Plan.

The Debtors reserve the right to amend Exhibits V.A and V.C to the Plan at any time until the Effective Date to either add or remove executory contracts and unexpired leases to either Exhibit (including moving contracts from one Exhibit to the other).

Either the Confirmation Order or a separate order of the Court will spell out the provisions for providing notice to counterparties of such proposed assumptions and the associated proposed Cure Amount Claim and the proposed rejections. That Order will also spell out the procedures for parties to file proofs of claim for rejection damages. Under the Plan, any Claim arising from the rejection of an executory Contract or Unexpired Lease will be treated as a Class 6 Claim.

H. Administrative Expenses

The administrative expense claims in these cases generally break down into two broad categories. The first is for the ordinary-course expenses of operating their businesses, such as employee wages, utilities, and supplies for operating each of their three hotels and the various payments required under the cash collateral orders in these cases. The Debtors have generally been paying their employees and vendors for goods delivered or services rendered after the Petition Date according to the ordinary payment terms of those obligations. The exact amount of these administrative claims fluctuates depending on the requirements of hotel operations but should usually reflect no more than a pay-period worth of employee compensation and a month worth of other goods and services. The one ordinary course expense which has not always been paid in this manner is for the management fees of InnVite under its management agreement with the Debtors. The cash collateral budgets in this case have imposed limits on the amount of these fees that are sometimes less than what would be owed under the management agreements. In addition, InnVite has sometimes deferred portions of its management fees when the Debtors are having more constrained cash flow. The Debtors believe they have now paid InnVite almost all of the fees permitted to be paid currently under the cash collateral budgets in these cases.

The second broad category is for claims related to the allowed fees and expenses of the Debtors' lawyers, accountants, and appraiser. The amount of these claims also fluctuates because of the volume of services rendered by these professionals and how quickly the requests for these fees navigate the Bankruptcy Court approval process. As a result, there is usually at least one month and very often two months of professional fees which have not been paid at any one time.

It is possible that administrative expense claims could be asserted for other obligations in these cases, such as if someone alleges harm caused by the Debtors' post-bankruptcy or if a secured creditor asserts an adequate protection claim for the diminution of the value of their collateral during the Debtors' bankruptcy cases. The Debtors are not currently aware of any such claims.

The financial projections included as Exhibit IV to this Disclosure Statement include the Debtors' current best estimate of what administrative expense claims total in these bankruptcy cases. Because of the fluctuations in the amounts of ordinary course and professional fees described above and the potential for other administrative claims to be asserted, it is possible that allowed administrative expense claims in these cases may ultimately be lower or higher than what is projected.

I. Substantive Consolidation

As mentioned above, the largest creditor of each of the three operating Debtors is RSS and its asserted liens cover the vast majority of the Debtors' assets. As a result, there is a substantial commonality in terms of liabilities across these three Debtors. The remaining Debtor, S&G, was a holding company and does not own any real property or had its own bank account on the Petition Date. When the Debtors filed for bankruptcy, they scheduled their intercompany balances between them as unliquidated because more work would need be done to verify those balances. Both prior to and during the bankruptcy, the Debtors have not thought that the substantial expenses associated with such an exercise would provide any value to their ongoing business operations. Nor, given the nature of RSS's claims, would such an effort likely to result in any meaningful difference to creditor recoveries against any particular debtor while reducing recoveries as a whole from the associated expenses. As a result, the Debtors are proposing a "deemed" substantive consolidation of the Debtors for the purpose of implementing the Plan.

Under this proposed substantive consolidation for Plan purposes, the Debtors are requesting that:

Pursuant to the Confirmation Order, the Bankruptcy Court shall approve the substantive consolidation of the Debtors for the purpose of implementing the Plan, including for purposes of voting, Confirmation and distributions to be made under the Plan. Pursuant to such order: (1) all assets and liabilities of the Debtors will be deemed merged; (2) all guarantees by one Debtor of the obligations of any other Debtor will be deemed eliminated so that any Claim against any Debtor and any guarantee thereof executed by any other Debtor and any joint or several liability of any of the Debtors will be deemed to be one obligation of the consolidated Debtors; and (3) each and every Claim Filed or deemed Filed by or on behalf of a single creditor in a single Class of Claims against any of the Debtors will be deemed a single Claim Filed against the Debtors. Such substantive consolidation (other than for the purpose of implementing the Plan) will not affect the legal and corporate structures of the Debtors.

See Plan Section XII.A. The Debtors believe this is appropriate and satisfies the standards required under applicable law.

J. Avoidable Transfers

The Bankruptcy Code provides a debtor the ability in certain cases to bring adversary proceedings to "avoid" transfers made prior to the bankruptcy case. Essentially, this provides the ability to unwind the transaction and return things to the situation before the transaction was made. Section 548 of the Bankruptcy Code allows the Debtor to avoid transfers made in the two years prior to filing of bankruptcy that were made with the actual intent to hinder, delay, or defraud a creditor that existed at the time of the transfer. These types of transfers are called "actual fraudulent conveyances." Section 548 of the Bankruptcy Code also allows the avoidance of

“constructive fraudulent conveyances” made in the two years prior to filing for bankruptcy which are transactions where a Debtor did not receive reasonably equivalent value in return for whatever asset it transfer. Section 547 of the Bankruptcy Code allows for the avoidance of “preferential transfers.” These are transfers made on account of a pre-existing debt which allows the other party to receive more than it would in a chapter 7 liquidation of the debtor. Section 547 of the Bankruptcy Code also provides for certain defenses to these claims. For most transfers this reachback only extends to payments received in the 90 days before the bankruptcy filing, but for transfers to insiders a preference action can be filed for transfers made up to a year before the bankruptcy filing. Finally, section 544 of the Bankruptcy Code allows a debtor to avoid transfers that a creditor of the debtor could cause to be avoided under applicable nonbankruptcy law.

To date, the Debtors have not yet brought any claims under any of these sections of the Bankruptcy Code but still may bring such claims in the future. At several points during these cases, RSS has claimed that it believes that there are potentially significant amounts the Debtors paid in the years prior to bankruptcy to insiders that may be avoided under section 544, 547, or 550 of the Bankruptcy Code. More details regarding the payments made by the Debtors in the leadup in the year prior to bankruptcy are provided below. That is followed by an explanation of why the Debtors believe that it does not make economic sense for them to bring avoidance actions in the future against insiders.

1. Payments to Insiders

Like most 100% owned companies, prior to filing for bankruptcy the Debtors from time to time engaged in transactions between themselves, or other entities owned by Mr. Vasani. As part of the Statements of Financial Affairs (the “SOFAs”) each Debtor was required to file early in these cases, the Debtors had to disclose on Part 2 Question 4 of the SOFA the transfers they made to anyone who is considered an “insider” in the year prior to filing for bankruptcy. Debtor S&G Hospitality, Inc. made no such transfers, but the other Debtors did. Information on those transfers is set forth below.

Buckeye Lodging in the attachment to Part 2 Question 4 of the SOFA details \$286,683.40 in transfers it made to insiders in the year before bankruptcy. All of these transfers were to InnVite, which is the management company for Buckeye and which Mr. Vasani also owns an interest in. Slightly more than half of the total amount of transfers, \$146,083.40 relates to reimbursements Buckeye paid to InnVite for making payroll payments on behalf of Buckeye. \$53,600 of the total amount relates to Buckeye reimbursing InnVite for other payments it made on behalf of Buckeye. The remainder of the transfers are payments to InnVite for management fees and accounting fees that were payable under the management agreement between the two entities. It should be noted that Buckeye paid no salary to Mr. Vasani or any other officer or director in the year prior to bankruptcy or has drawn a salary during the bankruptcy.

Lancaster Hospitality in the attachment to Part 2 Question 4 of the SOFA details in the attachment to Section made \$711,638.75 in transfers to insiders in the year before bankruptcy. \$546,853.80 of these were transfers to InnVite. \$403,408.75 of these transfers were reimbursements for expenses other than payroll that InnVite paid on behalf of Lancaster Hospitality. These were primarily reimbursements for ongoing renovations being made to the exterior of the Hampton Inn Lancaster. InnVite was contractually responsible for managing this

renovation project and would often directly contract with vendors to perform the work and pay the vendor. Lancaster Hospitality would then reimburse InnVite for these expenses. The remaining payments were almost all payments of management fees and accounting fees that were payable under the management agreement between the two entities.

Lancaster Hospitality also paid \$118,000.00 to the other Debtors in the year prior to filing for bankruptcy. For \$106,100 of these transfers it was booked as a loan to the other debtor. There were also \$58,700.00 in payments that Lancaster made to hotels in the Welcome Group, all of which appears to relate payments for supplies that were purchased on a shared basis. Out of the Welcome Group, Welcome Group 2, LLC, Hilliard Hotels LLC, and Elite Hospitality LLC each have pending bankruptcy cases. The two remaining members of the Welcome Group, Dayton Hotels, LLC and Dayton Hotels II, LLC are defendants in a pending foreclosure action in the Montgomery County Court of Pleas. It should be noted that Lancaster paid no direct compensation to Mr. Vasani in the year prior to bankruptcy. Similar as it was with Buckeye, neither Mr. Vasani nor any other or director of officer of Lancaster drew a salary from it in the year before bankruptcy or has drawn a salary during the bankruptcy.

Sunburst Hotels in the attachment to Part 2 Question 4 of the SOFA details \$223,508.66 in transfers to insiders in the year before bankruptcy. \$154,508.66 of these transfers were reimbursements of payments InnVite made to employees on behalf of Sunburst Hotels. The remainder of the payments were to InnVite for management fees or accounting fees for the management services it provided to Sunburst under the management agreement between the two. It should be noted that Buckeye paid no direct compensation to Mr. Vasani in the year prior to bankruptcy. Like with Buckeye and Lancaster, neither Mr. Vasani nor any other officer or director of Sunburst drawn a salary from Sunburst in the year before bankruptcy or has drawn a salary during the bankruptcy.

2. Why the Debtors Believe It Does Not Make Sense to Pursue Avoidance Actions Against Insiders

The Debtors believe that the potential avoidance actions against insiders have relatively little value and are not worth the expense of further investigation, let alone the costs involved with pursuing them. The vast majority of the insider transfers in the year prior to bankruptcy were by the Debtors to InnVite. Many of these transfers were for the contractual management fees. Others were exact reimbursements of InnVite for amounts that it paid to third parties on behalf of one of the Debtors. These transfers were not made with the intent to hinder or defraud creditors and thus did not constitute an actual fraudulent transfer under either section 548 of the Bankruptcy Code or applicable nonbankruptcy law that the Debtor could raise under section 544 of the Bankruptcy Code. Nor is there any reason to believe payment of contractually specified management fees or reimbursement of expenses InnVite paid on a Debtor's behalf to a third party were for less than reasonably equivalent value. Thus, there would be no reason to believe that any of the transfers to InnVite could be avoided as a constructive fraudulent conveyance under section 544 of the Bankruptcy Code. As for preference liability, many of the reimbursements paid to InnVite Hospitality involved transfers that were substantially contemporaneous with the underlying payment being made by InnVite. Section 547 of the Bankruptcy Code provides a defense to preference liability for transfers that are substantially contemporaneous. The Debtors also believe any payments of contractually specified management fees would qualify for the ordinary course

of business defense to preference liability. The Debtors also believe that the reimbursements of InnVite for payments it made on the Debtors' behalf would also qualify for the ordinary course of business defense based on the historical course of dealing between them.

In addition, InnVite would also have a defense to preference claims or fraudulent avoidance claims because it would have a right to recoup against any such judgment the significant amounts that it has spent on behalf of the Debtors over the years, but has never been reimbursed for. In addition, InnVite also has a defense against preference claims based on the fact that it has not been paid all of the contractual management fees to which it was entitled either before or after the bankruptcy. Thus, InnVite has provided significant subsequent new value to the Debtors for which it has not been paid. This also constitutes a defense to any preference claims under section 547 of the Bankruptcy Code. Finally, under the Debtors' proposed plan the Debtors will be assuming the management contract with InnVite. As part of such assumption, the Debtors are required to cure any defaults with InnVite under the management agreement. Because avoiding payments to InnVite would just increase the cure payment that would have to be paid, it does not make sense to pursue any avoidance actions against InnVite.

The remaining transfers to insiders involved either transfers between the Debtors in these cases or transfers to other hotels that were indirectly owned by Mr. Vasani. An avoidance claim by one Debtor against another in these cases would only constitute an unsecured claim in the other Debtor's case. Given the relatively low recovery likely for general unsecured claims in these cases, it does not make sense for one Debtor to pursue an avoidance claim against another Debtor. During the year prior to bankruptcy, the Debtors here only transferred \$58,700.00 to other hotels owned by Mr. Vasani. Because these amounts are spread across four different other hotel entities, the recovery for any individual claim would be relatively low. \$45,300.00 of these transfers were to hotels that are part of the Welcome Group II group of bankruptcy cases, which are also pending in this District. Given the likely recovery for general unsecured claims in those cases, the Debtors do not believe pursuing avoidance of those recoveries would yield a meaningful recovery for them. The remaining \$13,400.00 transfer was to Dayton Hotels 2, LLC. That entity's principal asset is a hotel which is currently subject to a pending foreclosure case in the Montgomery County Court of Common Pleas. Given the relatively low amount of that claim and the likely recovery for unsecured creditors of that entity if the foreclosure is completed, the Debtors do not believe that it is worthwhile to pursue an avoidance action for that transfer.

K. Tax Consequences

For purposes of satisfying their obligations to provide necessary information under section 1125(a) of the Bankruptcy Code, the Debtors are providing this generalized discussion of the potential federal income tax consequences of the Plan on holders of Allowed Claims. The Debtors have never historically provided tax advice to others. Nor are the Debtors promising or warranting that the tax consequences discussed below will be the ones that any particular holder of an Allowed Claim will experience in the future. Those consequences may be impacted by your own individual tax situation.

That being said, for federal income tax purposes, the general rule is that a holder of an Allowed Claim should recognize a gain or loss for federal income tax purposes based on the difference between what the Creditor receives in return for the Allowed Claim and its underlying basis on the

claim. Whether that amount should be treated as ordinary income or a capital gain will depend on the particular nature of the transaction giving rise to the claim and how it was acquired. If the particular transaction giving rise to the claim means it is treated as a capital loss, you may be limited in your ability to deduct the transaction as a loss.

If you receive less in return for the Allowed Claim than the amount of your tax basis in the claim, you may be entitled to a “bad debt deduction” under section 166(a) of the Internal Revenue Code and the associated regulations. Because this provision and the associated regulations depend greatly on your own individual facts and circumstances, including what kind of taxpayer you are, the nature of the instrument giving rise to the deduction, and how it was acquired, it is impossible for the Debtors to provide any generalized advice to holders of Allowed Claims about whether they should expect to be able to take a bad debt deduction if the Plan is confirmed.

If you have questions or concerns about the tax impact of the Plan, you are strongly encouraged to consult your tax advisors. The Debtors and their professionals cannot provide tax advice to you regarding your own personal situation and how it is impacted by the Plan.

L. Discharge under the Plan and Related Injunction

In accordance with sections 524 and 1141 of the Bankruptcy Code, the Plan provides for a “discharge” on the Effective Date which extinguishes both claims against the Debtors and claims or interests being asserted in the Debtors’ assets except for the exceptions specifically provided for in the Plan. Specifically, the Plan provides that:

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims and termination of all Interests arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date and immediately after cancellation of the Old S&G Common Stock: (a) discharge the Debtors from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (iii) the holder of a Claim based on such debt has accepted the Plan; and (b) terminate all Interests and other rights of equity security holders in the Debtors.

See Plan Section XI.A.1. The Plan then goes on to provide that:

In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order will be a judicial

determination, as of the Effective Date and immediately after the cancellation of the Old S&G Common Stock, but prior to the issuance of the New S&G Common Stock, of a discharge of all Claims and other debts and liabilities against the Debtors and a termination of all Interests and other rights of the holders of Interests in the Debtors, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge will void any judgment obtained against the Debtor at any time, to the extent that such judgment relates to a discharged Claim or terminated Interest; provided, however, that, notwithstanding the extinguishment of any such judgment, the existence of a validly entered judgment may be treated as evidence of the entitlement to a Claim in the Chapter 11 Cases, which Claim, subject to other applicable requirements (including the timely filing of a proof of Claim, if necessary), will be satisfied by the distribution, if any, provided under the Plan.

See Plan Section XI.A.2. The Plan goes on to provide for a permanent injunction which prohibits any party from pursuing these discharged claims or interests. The specifics of this injunction are laid out in Section XI.B of the Plan, which states as follows:

1. Claims Enjoined

Except as provided in the Plan or the Confirmation Order or agreed to by the Debtors or the Reorganized Debtors, as of the Effective Date all entities and persons that have held, currently hold or may hold a Claim or other debt or liability that is discharged or an Interest or other right of a holder of an Interest that is terminated pursuant to the terms of the Plan will be permanently enjoined from taking any of the following enforcement actions on account of any such discharged Claims, debts or liabilities or terminated Interests or rights: (a) commencing or continuing in any manner any action or other proceeding against any Debtor, any Reorganized Debtor or its respective property, other than to enforce any right pursuant to the Plan to a distribution; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against any Debtor, any Reorganized Debtor or its respective property, other than as permitted pursuant to (a) above; (c) creating, perfecting or enforcing any lien or encumbrance against any Debtor, any Reorganized Debtor or its respective property; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any Debtor or any Reorganized Debtor; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

2. Enforcement Enjoined

As of the Effective Date, all entities and persons that have held, currently hold or may hold any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities that are released pursuant to the Plan will be permanently enjoined from taking any of the following actions against any released entity or its property on account of such released claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities: (a) commencing or continuing in any manner any action or other proceeding; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (c) creating, perfecting or enforcing any lien or encumbrance; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any released entity; and (e) commencing or continuing any action, in any manner, in any place or is inconsistent with the provisions of the Plan.

3. Consent to Injunction

By accepting distributions pursuant to the Plan, each holder of an Allowed Claim receiving distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth in Section XI.B.1 and Section XI.B.2 of this Plan.

The Debtors submit that the language in the Disclosure Statement satisfies both the requirements of section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016.

M. Releases

In addition to the specific releases by the Debtors of RSS (if it accepts the RSS Settlement), Itria (if it accepts the Itria Settlement), and InnVite (if the InnVite Settlement is approved) the Plan also provides for a release by creditors who vote to accept the plan and do not elect to opt-out of the release. That release will be included on the ballots mailed to creditors entitled to vote on the Plan. Creditors who vote against the Plan will be not bound by the release unless they opt-into it. Creditors or who do not vote on the Plan will ***not be*** bound by that Release. That release is the following:

As of the Effective Date, in consideration for the obligations of the Debtors and the Reorganized Debtors under the Plan and the cash, New Secured Promissory Note and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each holder of a Claim or Interest that votes in favor of the Plan will be deemed to forever release, waive and discharge all claims (including Derivative Claims), obligations,

suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce the Debtors' and the Reorganized Debtors' obligations under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (collectively, the "**Released Claims**") that such entity has, had or may have against any of the Debtors (which release will be in addition to the discharge of Claims and termination of Interests provided herein and under the Confirmation Order and the Bankruptcy Code).

See Plan Section IV.D.3.a. Section IV.D.3.e of the Plan then provides that:

e. Injunction Related to Releases

As further provided in Section XI.B, the Confirmation Order will permanently enjoin the commencement or prosecution by any entity or person, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released pursuant to the Plan, including pursuant to the releases in this Section IV.D.3.

See Plan Section IV.D.3.e. This would include an injunction with respect to not only the general release by creditors who vote in favor of the Plan described in this Section, but also, if they occur, the Settlement Release of RSS, the Settlement Release of Itria, and the Settlement Release of InnVite discussed earlier.

N. Exculpation Clause

The Plan also contains an “exculpation” clause. This clause regulates when claims can be asserted against the Debtors’ directors, officers, and professionals (the “**Exculpated Parties**”) for an “Exculpated Claim.” Section I.A.33 of the Plan defines “Exculpated Claim” with the following:

“Exculpated Claim” means any Claim or Causes of Action whatsoever related to any act taken or omitted after the Commencement Date and on or before the Effective Date arising out of the Chapter 11 Cases related to the Debtors, including, without limitation, (i) the negotiation of any settlements entered into, with, or by the Debtors or any Estate representative, (ii) the formulation, preparation, dissemination, negotiation, filing, prosecution, approval or administration of the Plan and/or any financing,

investment, or sale agreement with respect to the Debtors, and/or (iii) any contract, instrument, release, assignment, or other agreement or document created or entered into in connection with any such negotiations or settlements of the Chapter 11 Cases, or any financing agreement or settlement agreement in connection therewith, the filing of the Chapter 11 Cases, the pursuit of Confirmation, and the administration implementation of the Plan.

Section XIII.A of the Plan then provides that:

None of the Debtors, their officers, their directors, and the Debtors' Professionals (collectively, the "**Exculpated Parties**") shall have or incur any liability to any Holder of a Claim or Equity Interest, or other party in interest, or any of their respective members, officers, directors, employees, advisors, professionals, attorneys or agents or any of their successors and assigns, with respect to any Exculpated Claim, including, without limitation, any act or omission in connection with, related to, or arising out of, in whole or in part, the Debtors Chapter 11 Cases, except for willful misconduct, gross negligence, fraud or criminal misconduct as determined by a Final Order of a court of competent jurisdiction, and, in all respects, the Exculpated Parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

O. Conditions to Confirmation and the Effective Date of the Plan

Article IX of the Plan provides a set of conditions for both the confirmation of the Plan and for the Plan to become "effective" which is what happens when the critical transactions in terms of the cancellation of S&G's Old Common Stock, the New Equity Infusion, the assumption of executory contracts and the discharge of the Debtors is to occur. Subject to any restrictions in applicable law, the Debtors may waive any of these conditions.

The conditions to confirmation are:

1. The Confirmation Order will be reasonably acceptable in form and substance to the Debtors.
2. The Debtors shall have received a binding, unconditional commitment from the New Equity Investors for the New Equity Infusion.
3. All Exhibits to the Plan are in form and substance reasonably satisfactory to the Debtors.

The Conditions to the Effective Date are:

1. The Confirmation Order has been entered; has not been reversed; stayed, modified or amended; and has become a Final Order.

2. The Bankruptcy Court shall have entered an order (contemplated to be part of the Confirmation Order) approving and authorizing the Debtors and the Reorganized Debtors to take all actions necessary or appropriate to implement the Plan in form and substance acceptable to the Debtors.

P. Effect of Nonoccurrence of Conditions to the Effective Date

If each of the conditions to the Effective Date is not satisfied or duly waived in accordance with Section IX.C of the Plan, then upon motion by the Debtors or any party in interest made before the time that each of such conditions has been satisfied and upon notice to such parties in interest as the Bankruptcy Court may direct, the Confirmation Order will be vacated by the Bankruptcy Court. If the Confirmation Order is vacated pursuant to Section IX.D of the Plan, (1) the Plan will be null and void in all respects, including with respect to: (a) the discharge of Claims and termination of Interests pursuant to section 1141 of the Bankruptcy Code; (b) the assumptions of Executory Contracts and Unexpired Leases pursuant to Section V.A.1 of the Plan; and (c) the releases described in Section IV.D of the Plan; and (2) nothing contained in the Plan will: (a) constitute a waiver or release of any claims by or against, or any Interest in, any Debtor; or (b) prejudice in any manner the rights of the Debtors or any other party in interest.

Q. United States Trustee Fees and Post-Effective Date Reporting

Under 28 U.S.C. 1930(a)(6), the Debtors have to pay a statutory fee to the Office of the United States Trustee based on disbursements until their cases are converted, dismissed, or closed. The confirmation and effectiveness of the Plan will not terminate these obligations. Instead, they continue until a final decree is obtained. The Debtors intend to comply with this obligation.

Following the Effective Date, the Debtors will no longer need to file monthly operating reports on form 11-MOR with the Bankruptcy Court. Instead, no later than the 21st day after the end of each calendar quarter they must file an operating report using UST Form 11-PCR. This obligation continues until one of the following occurs (1) a final decree is entered in the applicable Debtor's chapter 11 case; (2) the Debtor's chapter 11 case is converted into a chapter 7 case; or (3) the Debtor's chapter 11 case is dismissed. It should be noted that the amount of information required under UST Form 11-PCR is less than that which is contained in the monthly operating reports. The Debtors intend to comply with their obligation to file UST Form 11-PCR on a quarterly basis. The Debtors have no obligation under the Plan and do not promise to make any additional information available as part of their quarterly reports beyond that required in UST Form 11-PCR as may be in effect on the date of a particular report.

R. Procedure and Timing of Final Decree

Section 350 of the Bankruptcy Code provides in part that "[a]fter an estate is fully administered ... the court shall close the case." Bankruptcy Rule 3022 allows not only any party in interest to move to enter a final decree and close a bankruptcy case, but also permits a bankruptcy court to do so on its own motion. While neither section 350 of the Bankruptcy Code nor Bankruptcy Rule 3022 spells out what means for a case to be fully administered, courts have taken guidance from

the Advisory Committee notes for the 1991 amendment to Bankruptcy Rule 3022. These notes state that:

Factors that the court should consider in determining whether the estate has been fully administered include (1) whether the order confirming the plan has become final, (2) whether deposits required by the plan have been distributed, (3) whether the property proposed by the plan to be transferred has been transferred, (4) whether the debtor or the successor of the debtor under the plan has assumed the business or the management of the property dealt with by the plan, (5) whether payments under the plan have commenced, and (6) whether all motions, contested matters, and adversary proceedings have been finally resolved.

It should be noted that these factors do not require that all payments provided for under a chapter 11 plan be completed before a final decree can be entered. As a result, a debtor can request for the case to be closed prior to the completion of all distributions if these factors have been satisfied, particularly since cases can be reopened if necessary. The Debtors reserve the right to seek the closing of the case in this manner and a final decree be entered before the completion of all payments under the Plan have been made. For example, the Debtors could seek entry of a final decree closing the estate before all payments to RSS under the New Secured Promissory Note are completed or the distribution of the Deferred General Unsecured Payments are completed.

VI. Risk Factors

Before voting on the Plan, you need to consider the risks described below.

A. Risk Factors Regarding Bankruptcy Cases

1. Treatment of claims

The claim amounts above are not fixed. The Debtors anticipate that there may be substantial disagreement about the size of a number of claims and the value and priority of the various secured creditors' alleged security interests in the Debtors' collateral. As a result, the amount of allowed claims at the end of the day could vary materially from the amounts identified in the table earlier in this Disclosure Statement, which would impact the projected recoveries of each claim. The Debtors' review of claims is ongoing and creditors should not assume that the absence from this Disclosure Statement of a discussion of issues with any particular claim means that the Debtors have agreed to the claim.

2. Risk of Non-Confirmation of Plan

As discussed in Section VII.A below, section 1129 of the Bankruptcy Code sets forth a number of requirements for the confirmation of chapter 11 plan. These include that (a) the Confirmation of the Plan not be followed by a need for further liquidation or reorganization and (b) that each holder of a claim in an impaired class either accepts the Plan or that the projected

value of the distributions they receive exceeds what they would receive if the Debtors were to liquidation under chapter 7 of the Bankruptcy Code.

In addition to those requirements, section 1129 of the Bankruptcy Code requires at least one impaired class of creditors (not counting insiders) to accept a plan for it to be confirmed. However, if one or more classes of creditors do not vote to accept a plan it can only be confirmed if the “cramdown” requirements under section 1129(b) of the Bankruptcy Code. This subsection requires that the plans “not discriminate unfairly” and that the plan be “fair and equitable” with respect to each class of claims or interests that is impaired under the Plan. Section 1129(b) of the Bankruptcy Code then has specific additional requirements spelled out for what is required for a plan to be considered “fair and equitable” for classes of secured claims, unsecured claims, and interests. Under Article X of the Plan, the Debtors have reserved the right to seek cramdown if an impaired class of claims does not accept the Plan.

The Debtors anticipate that RSS will vote against the Plan and anticipate that other creditors may do so. If RSS votes against the Plan, the Debtors expect that it will vigorously contest whether the cram-down requirements are satisfied and it is possible that the Debtors may not prevail if these requirements are litigated at the confirmation hearing. If the Debtors do not prevail, the Bankruptcy Court will have pending RSS’s request to convert or dismiss these chapter 7 cases. The Debtors believe if either of these forms of relief is granted by the Bankruptcy Court it is likely that unsecured creditors will receive no recovery either in a chapter 7 case or if the Franklin County Foreclosure is restarted.

B. Risk Factors Relating to Implementation of the Plan

Even if the Plan is confirmed and goes forward, Creditors who are not paid in cash on the Effective Date under the Plan will be exposed to risks related to the profitability of the operations of the Reorganized Debtors after the Effective Date. These include, but are not limited to, the following risks:

- General fluctuations in Hotel Demand in Central Ohio. All three of the Debtors’ hotels are in the greater Columbus, Ohio area. Changes in the general demand for hotel services in this market can have dramatic impact on the Debtors’ businesses.
- Reduced Business Travel. Like all hotels outside of vacation hotspots, a substantial part of the Debtors’ business relates to business travelers. During the Covid-19 pandemic, video conference services such as Zoom and Microsoft Teams experienced dramatically increased usage. Since the pandemic has passed, this has resulted in business travel not recovering to the levels that were expected pre-pandemic.
- Construction or Renovation of Competing Hotels. Both business and leisure travelers generally look for hotels close to their destination or that are conveniently placed along their route of travel. One of the strongest impacts on hotel demand is what competing brands are available nearby and the condition of those hotels. Construction of new hotels, or renovations of existing competitors, could decrease

demand for the Debtors' rooms, force them to cut prices, or engage in more expensive on-line advertising to fill rooms.

- Operating Costs May Continue to Increase. In the wake of the COVID-19 pandemic, many of the Debtors' costs have increased. Even with the expiry of the various pandemic aid programs, the labor market in the greater Columbus area has been very tight, which has led to increased costs. Costs for furniture, mechanical items, and many other items have also escalated, which has meant that both normal maintenance and the period renovation work which must be completed periodically in the hospitality industry for hotels to stay competitive have become more expensive even before you take into account the increased labor expenses associated for these activities. Property insurance costs have also escalated significantly in recent years. If any of these trends continue, it could put pressure on the Debtors' operating margins.
- The Hampton Inn FRCM renovation may not go smoothly. As mentioned above, the Debtors need to complete the required FRCM renovation for the Hampton Inn Lancaster. If the costs to complete this renovation are greater than anticipated, it will negatively impact the Debtors' business operations. In addition, it is possible that the renovation may result in greater disruption to the Hampton Inn Lancaster's ongoing operations during the renovation, which would negatively impact forecasted results and hurt the Debtors' operations.

Any of these risk factors could negatively impact the Reorganized Debtors' financial results going forward and impact their ability to pay the New Secured Promissory Note, the Exit Fee, the Deferred General Unsecured Payments, or any other amounts owed under the Plan.

VII. Voting and Confirmation Under the Plan

A. General

To confirm the Plan, the Bankruptcy Code requires that the Bankruptcy Court find that it satisfies a number of requirements including that:

- 1) The Plan has classified Claims and Interests in a permissible manner;
- 2) The Plan complies with the applicable provisions of the Bankruptcy Code;
- 3) The Debtors as proponents of the Plan, have proposed the plan in good faith and not by any means forbidden by law;
- 4) Necessary disclosures required by section 1125 of the Bankruptcy Code have been made;
- 5) The Plan has been accepted by the requisite votes of each classes of creditors and equity security interest holders (except to the extent that one or more classes of claims or interests are subject to cramdown as described in more detail in *Section VII.D Acceptance or Cramdown* below);

- 6) The Plan is feasible and Confirmation will not likely be followed by the liquidation or the need for further reorganization of the Debtors beyond that proposed by the Plan;
- 7) The Plan satisfies the “best interests” test that for all holders of Claims or interests in an impaired class that they either have accepted the Plan or are receiving distributions under the Plan which are projected to have a value as of the Effective Date at least as great as that which would be received in a chapter 7 liquidation of the Debtors (contrary to how the term “best” might ordinarily be understood, the best interests test does *not* require showing that the Debtors’ proposed plan is better than all other possible alternatives, just that it is a better option than conversion and liquidation);
- 8) All statutory fees and expenses payable under 28 U.S.C. § 1930 have been paid or will be paid; and
- 9) Adequate disclosures have been made in accordance with Section 1129(a)(5) of the Bankruptcy Code concerning the identity and affiliations of all persons who will serve as officers, directors, and voting trustees of the Reorganized Debtors.

B. Voting Procedures and Requirements

The Bankruptcy Code distinguishes between “impaired” and “unimpaired classes” when it comes to voting on a proposed chapter 11 plan. Only “impaired” classes of claims or equity interest can vote on a Plan. The Bankruptcy Code defines a class as “impaired” if the legal, equitable, or contractual rights associated with that class are modified in any way other than the curing of a default and reinstating the maturity of a debt. Classes of claims and interests which are not impaired are not allowed to vote on the Plan and are treated by the Bankruptcy Code as having accepted the Plan. For classes of Claims or Interests which are not slated to receive anything under the Plan are usually treated as having rejected the Plan unless special means are made for such a class to accept the Plan.

Because it is normal for the claim allowance process to not be completed prior to the voting on a Plan (and that process has not been completed in this case), section 502 of the Bankruptcy Code and Bankruptcy Rule 3019 allow the Bankruptcy Court to temporarily allow a claim solely for purposes of voting on a plan with the ultimate merits of the Plan to be resolved later. In conjunction with the Court Order approving the distribution of this Disclosure Statement to Creditors, the Bankruptcy Court also entered an order providing the rules for voting on the Plan in this case. Creditors who are allowed to vote on the Plan will receive a copy of such tabulation rules along with a ballot.

VOTING ON THE PLAN IS IMPORTANT. IF YOU HOLD CLAIMS IN MORE THAN ONE CLASS OR IF YOU HAVE MORE THAN ONE CLAIM IN A GIVEN CLASS, YOU MAY RECEIVE MORE THAN ONE BALLOT. IN SUCH A CASE, YOU WILL HAVE DIFFERENT BALLOTS FOR EACH OF THOSE CLAIMS AND YOU MUST COMPLETE, SIGN AND RETURN EACH BALLOT FOR IT BE COUNTED.

PLEASE PAY CAREFUL ATTENTION TO THE INSTRUCTIONS ON THE BALLOT. BALLOTS MUST BE RETURNED IN ACCORDANCE WITH THESE INSTRUCTIONS TO BE COUNTED.

TO BE COUNTED, YOUR BALLOT MUST BE ACTUALLY RECEIVED BY COUNSEL TO THE DEBTORS AT THE ADDRESS SPECIFIED IN THE INSTRUCTIONS BY NO LATER THAN OCTOBER 9, 2025.

VOTES CANNOT BE TRANSMITTED ORALLY.

If you are entitled to vote and either you did not receive your ballot, your ballot was damaged in the mail or after you received it, or you lost your ballot, please reach out to Breanna Tolbert at Carpenter Lipps LLP, (614) 365-4100 to request a replacement.

C. Objections to Confirmation and the Confirmation Hearing

The Bankruptcy Code requires the Bankruptcy Court to hold a hearing to determine whether the Plan satisfies the requirements of section 1129 of the Bankruptcy Code before it can confirm the Plan. The Bankruptcy Code also requires the Debtors to provide notice of that hearing, which is either done by sending a creditor a copy of this Disclosure Statement or, where authorized as part of the Order approving this Disclosure Statement and the Solicitation Procedures, by mailing the approved form of notice of the Confirmation Hearing to creditors or other parties who are not receiving the entire Disclosure Statement.

YOU DO NOT HAVE TO ATTEND THE CONFIRMATION HEARING TO VOTE ON THE PLAN OR TO RECEIVE DISTRIBUTIONS UNDER THE PLAN.

ANY OBJECTIONS TO CONFIRMATION OF THE PLAN MUST BE MADE IN WRITING, IDENTIFY THE NAME AND ADDRESS OF THE OBJECTOR, IDENTIFY THE GROUNDS FOR THE OBJECTION, AND BE FILED WITH THE BANKRUPTCY COURT AND SERVED ON COUNSEL TO THE DEBTORS BY *NO LATER THAN OCTOBER 9, 2025*. FOR FURTHER INFORMATION REGARDING HOW TO FILE PLEADINGS WITH THE COURT, PLEASE VISIT THE COURT'S WEBSITE AT WWW.OHSB.USCOURTS.GOV.

THE HEARING TO CONFIRM THE PLAN WILL COMMENCE AT 10:00 A.M. ON OCTOBER 24, 2025 AT THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF OHIO, EASTERN DIVISION WHICH IS LOCATED AT 170 NORTH HIGH STREET, COLUMBUS, OHIO 43215. PARTIES WHO FILE AN OBJECTION, BUT FAIL TO ATTEND THE HEARING RISK HAVING THE COURT OVERRULE THAT OBJECTION. PLEASE ALSO TAKE NOTICE THAT JUDGE NAMI KHORRAMI DOES NOT PERMIT REMOTE APPEARANCES IN EVIDENTIARY MATTERS. BOTH WITNESSES WHO ARE TO TESTIFY AND COUNSEL WHO WISH TO EXAMINE ANY WITNESS WHO TESTIFIES AT THE CONFIRMATION HEARING WILL NEED TO APPEAR IN PERSON.

The Confirmation Hearing may be adjourned from time to time by the Bankruptcy Court, except for an announcement of the adjournment in open court.

D. Acceptance or Cramdown

The Bankruptcy Code establishes a voting requirement that a chapter 11 plan is not considered accepted by an “impaired” class if *out of the claims which are voted in that class* at least two-thirds of the allowed dollar amount for voting purposes accept the chapter 11 plan *and* a majority of the individual claims that voted in that class accept the Plan. The need to meet these thresholds is why it is important for as many creditors as possible to accept the chapter 11 plan.

While at least one impaired class must accept a chapter 11 plan for it to be approved, the Bankruptcy Code does not require that each and every impaired class accept a chapter 11 plan for it to be approved. Instead, section 1129 of the Bankruptcy Code authorizes confirmation of a chapter 11 plan by “cramming-down” a class which does not accept the chapter 11 plan. To cramdown a class, the chapter 11 plan must satisfy all of the other requirements for confirmation under section 1129 of the Bankruptcy Code besides that each class accepts. In addition, the Bankruptcy Court needs to determine that the chapter 11 plan is “fair and equitable” and does not “discriminate unfairly” with respect to the non-accepting class.

The “fair and equitable” standard is assessed using the “absolute-priority” rule which looks for unsecured claims to see if a junior class of claims or (more often, interests) is receiving property under the Plan, but the more senior dissenting class is not being paid in full (remember that even claims that are being paid in full can be considered impaired under the Bankruptcy Code. For secured claims, a chapter 11 plan is considered fair and equitable if either (a) the creditor retains its liens and receives cash payments (including any deferred cash payments) with a value as of the Effective Date equivalent to the amount of the secured claim or (b) receives the “indubitable equivalent” of the secured claim.

Bankruptcy Courts have also treated the fair and equitable standard as prohibiting plans which provide for a senior class to receive *more than 100%* of their allowed claim if a junior class has rejected the Plan.

The Debtors intend to seek approval of the Plan by cramdown if necessary. As mentioned earlier, the Debtors currently anticipate that RSS will likely vote against the plan, which will require the Debtors to prove that the standards for cramdown of a secured claim are satisfied. While the Debtors believe that they can do so with respect to RSS (or any other dissenting impaired class), the cramdown requirements may be vigorously litigated and it is not certain that they will prevail.

E. Best Interests Test and the Chapter 7 Liquidation Analysis

Unless all impaired creditors (not classes) accept the Plan, the Debtors will have to at the Confirmation Hearing persuade the Bankruptcy Court that the “best interests test” is satisfied. This test requires the Debtors to show that for each rejecting creditor the Plan provides them a projected recovery which is equal or greater than the projected recovery the creditor would receive if the Debtors’ bankruptcy cases were converted to a chapter 7 case. It should be kept in mind that the best interests test is conducted only by comparing the projected recoveries under the proposed plan and the hypothetical chapter 7 liquidation. It does not involve an examination of other hypothetical or actual plans to see if they provide a better recovery than the proposed Plan.

The way this is shown is through conducting what is known as a Chapter 7 liquidation analysis. The first step in this analysis is to estimate the net liquidation value of the Debtors' assets if they have to be sold by a chapter 7 trustee. For the Debtors, that it is principally to value what the chapter 7 trustee would be able to recover if the Debtors' three hotels were sold relatively quickly. For the Debtors' liquidation analysis, Michael Hunter of Integra Realty Resources has estimated the value of the Debtors' three hotels if sold by a chapter 11 trustee. Mr. Vasani has estimated what can be recovered by a trustee from a liquidation of their non-hotel assets. The expenses of these sales then need to be deducted to get the net liquidation value of these assets.

The second step involves making a number of deductions from this to show the recoveries for creditors. These include: (a) the amount of any such recoveries that would be covered by the liens of secured creditors; (b) the expenses of the chapter 7 trustee and his or her professionals in administering the case; (c) expenses for operating the hotels and protecting their value until their sale, such as employee wages, utilities, and insurance; (d) any unpaid administrative claims from the chapter 11 cases; and (e) any amounts entitled to priority under section 507(a) of the Bankruptcy Code (like certain taxes). These estimates have been made based on the best information available to the Debtors.

As shown by the liquidation analysis attached hereto as Exhibit V, the projected results for all impaired classes of creditors is worse under the liquidation analysis than under the Debtors' proposed plan. As a result the Debtors believe that the best interests standard is satisfied. However, it is possible that objectors will challenge whether the best interests test is satisfied, which would require the Bankruptcy Court to make factual findings regarding what would happen if the Debtors' assets were liquidated in a chapter 7 case.

F. Feasibility and Other Confirmation Requirements

The Bankruptcy Code has a number of other requirements which must be satisfied for a chapter 11 plan to be confirmed. The most important of these is what is known as the feasibility standard. This involves a consideration of whether consummation of the Plan is likely to be followed by a need for a further restructuring or liquidation of the Debtors. Courts usually do this by examining the Plan, the Debtors' projected financials, and the risk factors to determine if the projections show the Debtors are reasonably likely to meet them and be able to make all distributions provided for under the Plan. Based on the financial projections attached as Exhibit V, and the risk factors discussed earlier, the Debtors both believe their Plan is feasible and that they can persuade the Court that is true. The Debtors also believe the Plan satisfies the other miscellaneous factors required for confirmation.

G. Alternatives to Confirmation of the Plan

If the Plan is not confirmed and becomes effective, the Debtors' chapter 11 cases may either be converted or dismissed. If the cases are converted, a chapter 7 trustee or trustees will be appointed to liquidate the Debtors' assets. The net proceeds of this liquidation would then be distributed to creditors in accordance with the priority rules set forth in the Bankruptcy Code. As described in Section VII.E above and in the liquidation analysis attached as Exhibit V, the Debtors project that all classes of impaired creditors will do worse if these cases are converted than if the Plan is confirmed or becomes effective.

As an alternative to converting the cases if the Plan either is not confirmed or is confirmed but fails to become effective would be for the Debtors' cases to be dismissed. As mentioned in Section IV above, RSS has requested that these cases be dismissed. If the Debtors' cases were dismissed, the automatic stay would be lifted, and creditors could resume litigating against the Debtors and attempt to collect against their assets. Most importantly, this would allow both RSS to resume its pending foreclosure case against the Debtors in the Franklin County Court of Common Pleas and for Itria to resume its collection action against the Debtors in New York. While the Debtors believe they have significant defenses in these cases, a resumption of these cases very well could lead to the piecemeal liquidation of the Debtors' assets. In particular, as part of its pending stayed case against the Debtors, RSS had requested before the bankruptcy filing the appointment of a receiver. The Debtors believe that the appointment of a receiver would severely disrupt their operations or even force a shut-down of one or more of the Debtors' hotels. Any receiver would also work to sell off the Debtors' hotels. The Debtors believe these actions would lead to lower recoveries for creditors than the proposed Plan.

Section 1112(b)(4)(N) of the Bankruptcy Code authorizes the Bankruptcy Court to dismiss or convert a chapter 11 case for "material default by the debtor with respect to a confirmed plan." However, once a chapter 11 plan becomes effective, section 1141 of the Bankruptcy Code provides for both the vesting of property in accordance with the confirmed plan and, in reorganization cases like this one, for the Debtors to receive a discharge of most pre-confirmation debts and liabilities. As a result, once a plan becomes effective there are relatively few assets for a chapter 7 trustee to administer or for which a creditor can proceed against if the case is dismissed. Thus, it is relatively rare to see chapter 11 cases converted after a plan becomes effective and a dismissal of the confirmed often provides little benefit to creditors. It is also exceedingly rare for a confirmation order to be revoked as a remedy for a problem in implementing a chapter 11 plan. This is because section 1144 of the Bankruptcy Code only allows a Bankruptcy Court to revoke a confirmation order: (a) if the request is made within 180 days; (b) the Bankruptcy Court is convinced the confirmation order was procured by fraud; and (c) after notice and a hearing. Instead, the usual remedy for a problem with the post-effective date plan is an action to enforce either the plan or the corporate documents entered into in connection with it.

VIII. Recommendation and Conclusion

As the Debtors have described above, they believe that the Plan represents the best path forward for all of their creditors. Accordingly, the Debtors request that all holders of Claims who are eligible to vote to vote in favor of the Plan and return their ballots timely so that they may be counted under the solicitation procedures approved by the Bankruptcy Court.

Dated: September 8, 2025

Respectfully submitted,

S&G Hospitality, Inc. on its own behalf and
on behalf of each of the other Debtors

By: /s/ Abhijit Vasani
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ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

S&G Hospitality, Inc. Third Amended Disclosure Statement Ex. I

**[Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor
Subsidiaries]**

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:	)	Case No. 2:23-bk-52859
	)	
S&G HOSPITALITY, INC., <i>et al.</i>,¹	)	Chapter 11
	)	
Debtors.	)	Judge Nami Khorrami
	)	(Jointly Administered)
	)	
Buckeye Lodging, LLC	)	Case No. 2:23-bk-52861
Lancaster Hospitality, LLC	)	Case No. 2:23-bk-52862
S&G Hospitality, LLC	)	Case No. 2:23-bk-52859
Sunburst Hotels, LLC	)	Case No. 2:23-bk-52863

**THIRD AMENDED JOINT PLAN OF REORGANIZATION OF
S&G HOSPITALITY, INC. AND ITS DEBTOR SUBSIDIARIES**

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ATTORNEYS FOR DEBTORS AND
DEBTORS IN POSSESSION

September 8, 2025

¹ The Debtors and the last four digits of their federal tax identification numbers are as follows: S&G Hospitality, Inc. (4566), Buckeye Lodging, LLC (6047), Lancaster Hospitality, LLC (8830), and Sunburst Hotels, LLC (0374).

TABLE OF CONTENTS

Page

INTRODUCTION	1
ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME.....	1
A. Defined Terms	1
1. "Administrative Claim"	1
2. "Administrative Trade Claims"	1
3. "Allowed Claim"	1
4. "Allowed . . . Claim"	2
5. "Bankruptcy Code"	2
6. "Bankruptcy Court".	2
7. "Bankruptcy Rules"	2
8. "Bar Date".	2
9. "Bar Date Order"	2
10. "Buckeye"	2
11. "Business Day"	2
12. "Cash Collateral Orders"	2
13. "Chapter 11 Cases"	3
14. "Claim".	3
15. "Claims Objection Bar Date"	3
16. "Class"	3
17. "Confirmation"	3
18. "Confirmation Date"	3
19. "Confirmation Hearing"	3
20. "Confirmation Notice"	3
21. "Confirmation Order"	4
22. "Cure Amount Claim"	4
23. "Debtors".	4
24. "Deferred General Unsecured Payments"	4
25. "Derivative Claims"	4
26. "Disclosure Statement"	4
27. "Disclosure Statement Order"	4
28. "Disputed Claim"	4
29. "Distribution Record Date"	5
30. "Effective Date"	5
31. "Estate".	5
32. "Executory Contract and Unexpired Lease"	5

TABLE OF CONTENTS
(continued)

		Page
33.	“Exculpated Claim”.....	5
34.	“Exculpated Parties”	5
35.	“Exit Fee”:.....	5
36.	"Fee Claim".	6
37.	"File," "Filed," or "Filing"	6
38.	"Final Order".	6
39.	"Fixed Renovation Cycle Management” or “FRCM”.	6
40.	"Franchise Agreements".....	6
41.	“Hampton Franchise Agreement”.....	6
42.	“Hampton Inn Lancaster”	6
43.	“Hampton Inn Stipulated Order”.	6
44.	“Hilton”	6
45.	“Hilton Attorney Fee Indebtedness”.	6
46.	“Hilton POC”	7
47.	“Hilton Released Parties”	7
48.	“InnVite Hospitality”	7
49.	"Intercompany Claims"	7
50.	"Interest".	7
51.	“Itria”	7
52.	“Lancaster”	7
53.	“Lancaster Adversary Proceeding”	7
54.	“Litigation Trust”.	7
55.	“Management Agreement”	7
56.	"New Common Stock"	7
57.	“New Equity Infusion”	7
58.	“New Equity Investors”	7
59.	“New Secured Promissory Note”	7
60.	"Old S&G Common Stock”	8
61.	“Overbidding Equity Investor”	8
62.	"Petition Date"	8
63.	"Plan"	8
64.	“Prepetition Hilton Indebtedness”	8
65.	“Prepetition Loan Agreement”	8
66.	“Prepetition Security Agreements”	8
67.	"Priority Claim".....	8

TABLE OF CONTENTS
(continued)

		Page
68.	"Priority Tax Claim"	9
69.	"Professional"	9
70.	"Pro Rata"	9
71.	"Reinstated" or "Reinstatement"	9
72.	"Released Claims"	9
73.	"Reorganized ...".	9
74.	"Restated Senior Secured Mortgages"	10
75.	"Retained Actions"	10
76.	"Rights of First Offer"	10
77.	"RSS"	10
78.	"RSS Related Parties"	10
79.	"S&G"	10
80.	"SBA"	10
81.	"SBA Released Parties"	10
82.	"Schedules"	10
83.	"Secondary Liability Claim"	10
84.	"Secured Claim"	10
85.	"Settlement Release of InnVite"	10
86.	"Settlement Release of RSS"	10
87.	"Stipulation of Amount and Nature of Claim"	11
88.	"Subsidiary Debtor"	11
89.	"Subsidiary Debtor Equity Interests"	11
90.	"Sunburst"	11
91.	"Tax"	11
92.	"Tort Claim"	11
93.	"Trade Claim"	11
94.	"Unsecured Claim"	11
95.	"1111(b) Election"	11
96.	"1111(b) Note".	11
B.	Rules of Interpretation and Computation of Time	12
1.	Rules of Interpretation	12
2.	Computation of Time	12
ARTICLE II. CLASSES OF CLAIMS AND INTERESTS		13
A.	Unimpaired Classes of Claims and Interests	13
1.	Class 1 (Unsecured Priority Claims): Priority Claims.	13

TABLE OF CONTENTS
(continued)

	Page
2. Class 2 (Other Secured Claims):	13
3. Class 11 (Subsidiary Interests):	13
B. Impaired Classes of Claims and Interests	13
1. Class 3A (RSS Secured Claims):	13
2. Class 3B (RSS Unsecured Claims):	13
3. Class 4A (Itria Secured Claim):	13
4. Class 4B (Itria Unsecured claim):	13
5. Class 5A (SBA Secured Claim):	13
6. Class 5B (SBA Unsecured Claim):	13
7. Class 6 (General Unsecured Claims):	13
8. Class 7 (Convenience Claims):	14
9. Class 8 (InnVite Hospitality Claims):	14
10. Class 9 (Intercompany Claims):	14
11. Class 10 (Hilton Claims):	14
12. Class 12 (Old S&G Common Stock):	14
ARTICLE III. TREATMENT OF CLAIMS AND INTERESTS	14
A. Unclassified Claims	14
1. Payment of Administrative Claims	14
2. Payment of Priority Tax Claims	15
B. Unimpaired Classes of Claims	16
1. Class 1 Claims (Unsecured Priority Claims)	16
2. Class 2 Claims (Other Secured Claims)	16
3. Class 11 Interests (Subsidiary Debtor Equity Interests)	16
C. Impaired Classes of Claims and Interests	16
1. Class 3A Claims (RSS Secured Claims)	16
2. Class 3B Claims (RSS Unsecured Claims)	17
3. Class 4A Claims (Itria Secured Claims)	17
4. Class 4B Claims (Itria Unsecured Claim)	17
5. Class 5A Claims (SBA Secured Claim)	17
6. Class 5B Claims (SBA Unsecured Claim)	17
7. Class 6 Claims (General Unsecured Claims)	18
8. Class 7 Claims (Convenience Claims)	18
9. Class 8 Claims (InnVite Hospitality Claims)	18
10. Class 9 Claims (Intercompany Claims)	18
11. Class 10 Claims (Hilton Claims)	18

TABLE OF CONTENTS
(continued)

	Page
12. Class 12 Interests (Old S&G Common Stock) a.....	18
D. Special Provisions Regarding the Treatment of Secondary Liability Claims.....	18
ARTICLE IV. MEANS FOR IMPLEMENTATION OF THE PLAN	18
A. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors	18
B. Recapitalization of S&G.....	19
C. Corporate Governance, Directors and Officers, Employment-Related Agreements and Compensation Programs.....	19
1. Certificates of Incorporation and Bylaws.....	19
2. Directors and Officers of the Reorganized Debtor	19
D. Preservation of Rights of Action; Settlement Agreements and Releases.....	19
1. Preservation of Rights of Action by the Debtors and the Reorganized Debtors.....	19
2. Creation of Litigation Trust.....	20
3. Releases.....	20
E. Cancellation and Surrender of Instruments, Securities and Other Documentation	21
F. Release of Liens	21
G. Effectuating Documents; Further Transactions; Exemption from Certain Transfer Taxes	22
ARTICLE V. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES	22
A. Executory Contracts and Unexpired Leases to Be Assumed or Assumed and Assigned	22
1. Assumption and Assignment Generally	22
2. Approval of Assumptions	22
B. Payments Related to the Assumption of Executory Contracts and Unexpired Leases	23
1. Executory Contracts Generally	23
2. The Franchise Agreement for Lancaster Hospitality, LLC.	23
C. Executory Contracts and Unexpired Leases to Be Rejected	26
D. Contracts and Leases Entered Into After the Petition Date.....	27
E. Rejection Damages.....	27
F. Bar Date for Rejection Damages	27
G. Obligations to Indemnify Directors, Officers and Employees.....	27
ARTICLE VI. PROVISIONS GOVERNING DISTRIBUTIONS	28
A. Distributions for Claims Allowed as of the Effective Date	28
1. Distributions to Be Made on the Effective Date	28
B. Delivery of Distributions and Undeliverable or Unclaimed Distributions	29
1. Delivery of Distributions	29

TABLE OF CONTENTS
(continued)

	Page
2. Undeliverable Distributions Held by Debtors	29
C. Distribution Record Date	29
D. Means of Cash Payments.....	30
E. Compliance with Tax Requirements	30
F. Setoffs	30
ARTICLE VII. PROCEDURES FOR RESOLVING DISPUTED CLAIMS.....	30
A. Prosecution of Objections to Claims.....	30
1. Objections to Claims.....	30
2. Authority to Prosecute Objections	31
B. Treatment of Disputed Claims.....	31
C. Distributions on Account of Disputed Claims Once Allowed.....	31
ARTICLE VIII. SUBSTANTIVE CONSOLIDATION OF THE DEBTORS	31
ARTICLE IX. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN	32
A. Conditions to Confirmation	32
B. Conditions to the Effective Date	32
C. Waiver of Conditions to the Confirmation or Effective Date.....	32
D. Effect of Nonoccurrence of Conditions to the Effective Date.....	32
ARTICLE X. CRAMDOWN.....	33
ARTICLE XI. DISCHARGE, TERMINATION, INJUNCTION AND SUBORDINATION RIGHTS	33
A. Discharge of Claims and Termination of Interests	33
1. Complete Satisfaction, Discharge and Release.....	33
2. Discharge and Termination	33
B. Injunctions	34
1. Claims Enjoined.....	34
2. Enforcement Enjoined.....	34
3. Consent to Injunction	34
C. Termination of Subordination Rights and Settlement of Related Claims and Controversies.....	35
1. Termination.....	35
2. General Settlement	35
3. Settlement with InnVite Hospitality	35
4. Preservation of Subordination under Section 510(b)	36
ARTICLE XII. RETENTION OF JURISDICTION.....	36
ARTICLE XIII. MISCELLANEOUS PROVISIONS.....	37

TABLE OF CONTENTS
(continued)

	Page
A. Limitation of Liability/Exculpation	37
B. Modification of the Plan	37
C. Revocation of the Plan	37
D. Severability of Plan Provisions	38
E. Successors and Assigns	38
F. Service of Documents.....	38
1. The Debtors and the Reorganized Debtors.....	38
2. The New Equity Investor	38

TABLE OF EXHIBITS²

Exhibit I.A.39 – Copy of Fixed Renovation Cycle Management Plan

Exhibit I.A.59 – Form of New Secured Promissory Note

Exhibit I.A.74 – Forms of Restated Senior Secured Mortgages

Exhibit I.A.76 – Forms of Rights of First Offer

Exhibit 1.A.96 – Form of 1111(b) Note

Exhibit II – Identification of Claims in Each Class

Exhibit III.C.1 – Form of Settlement Release of RSS by Abhijit Vasani and his non-debtor entities

Exhibit IV.C.1.a – Form of Certification of Incorporation of Reorganized S&G

Exhibit IV.C.1.b – Forms of Operating Agreements of Reorganized Buckeye Lodging, LLC, Reorganized Lancaster Hospitality, LLC, and Reorganized Sunburst Hotels, LLC

Exhibit IV.C.2 – Initial Officers and Directors of the Reorganized Debtors

Exhibit IV.D.1 – Retained Actions

Exhibit V.A – List of Assumed Executory Contracts

Exhibit V.C – List of Rejected Executory Contracts

²

The Debtors previously filed each of these exhibits with the Bankruptcy Court. To save on duplication and postage costs, certain of these exhibits are reproduced as half-size pages in the attached. The Debtors reserve the right to modify, amend, supplement, restate or withdraw any of these Exhibits.

INTRODUCTION

S&G Hospitality, Inc., an Ohio corporation, and the other above-captioned debtors and debtors in possession (collectively, the "**Debtors**") propose the following third amended joint plan of reorganization (the "**Plan**") for the resolution of the outstanding claims against and equity interests in the Debtors. The Debtors are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code, 11 U.S.C. § 1129. Reference is made to the Debtors' disclosure statement, distributed contemporaneously with the Plan (the "**Disclosure Statement**"), for a discussion of the Debtors' history, business, results of operations, historical financial information, projections and properties, and for a summary and analysis of the Plan. There also are other agreements and documents, which will be Filed with the Bankruptcy Court, that are referenced in the Plan or the Disclosure Statement and that will be available for review.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION AND COMPUTATION OF TIME

A. Defined Terms

As used in the Plan, capitalized terms have the meanings set forth below. Any term that is not otherwise defined herein, but that is used in the Bankruptcy Code or the Bankruptcy Rules, will have the meaning given to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable.

1. "Administrative Claim" means a Claim for costs and expenses of administration allowed under sections 503(b), 507(b) or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Debtors (such as wages, salaries, commissions for services and payments for inventories, leased equipment and premises); (b) compensation for legal, accounting and other services and reimbursement of expenses awarded or allowed under sections 330(a) or 331 of the Bankruptcy Code, including Fee Claims; and (c) all fees and charges assessed against the Estates under chapter 123 of title 28, United States Code, 28 U.S.C. §§ 1911-1930.

2. "Administrative Trade Claims" means an Administrative Claim (other than a Tort Claim) arising from or with respect to the sale of goods or rendition of services on or after the Petition Date in the ordinary course of the applicable Debtor's business, including Administrative Claims of employees for ordinary course wages and benefits.

3. "Allowed Claim" means:

a. a Claim that (i) has been listed by a Debtor in its Schedules as other than disputed, contingent or unliquidated and (ii) is not otherwise a Disputed Claim;

b. a Claim (i) for which a proof of Claim or request for payment of Administrative Claim has been Filed by the applicable Bar Date or otherwise been deemed timely Filed under applicable law and (ii) that is not otherwise a Disputed Claim; or

c. a Claim that is allowed: (i) in any Stipulation of Amount and Nature of Claim executed by the applicable Reorganized Debtor and Claim holder on or after the Effective Date; (ii) in any contract, instrument or other agreement entered into in connection with the Plan and, if prior to the Effective Date, approved by the Bankruptcy Court; (iii) pursuant to a Final Order; or (iv) pursuant to the terms of the Plan.

4. **"Allowed . . . Claim"** means an Allowed Claim in the particular Class or category specified.

5. **"Bankruptcy Code"** means title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as in effect at the relevant time.

6. **"Bankruptcy Court"** means the United States District Court having jurisdiction over the Chapter 11 Cases and, to the extent of any reference made pursuant to 28 U.S.C. § 157, the bankruptcy unit of such District Court.

7. **"Bankruptcy Rules"** means, collectively, the Federal Rules of Bankruptcy Procedure and the local rules of the Bankruptcy Court, as in effect at the relevant time.

8. **"Bar Date"** means the applicable bar date by which a proof of Claim must be or must have been Filed, as established by an order of the Bankruptcy Court, including the Bar Date Order and the Confirmation Order.

9. **"Bar Date Order"** means the *Order Establishing (I) The Last Dates to File Proofs of Claim, (II) Approving Procedures for Submitting Proofs of Claim, (III) Approving Notice Thereof; and (IV) Granting Related Relief* (Docket No. 163) entered by the Bankruptcy Court on November 3, 2023 establishing Bar Dates for Filing proofs of Claims in the Chapter 11 Cases, as the same may be amended, modified or supplemented.

10. **"Buckeye"** means Buckeye Lodging, LLC.

11. **"Business Day"** means any day, other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

12. **"Cash Collateral Orders"** shall mean the *Interim Order Permitting Usage of Cash Collateral and Providing Adequate Protection to Purported Secured Creditors for This Usage and Supporting a Final Hearing on Usage of Cash Collateral* (Docket. No. 28) entered by the Bankruptcy Court on August 23, 2023, the *Final Order Permitting Usage of Cash Collateral and Providing Adequate Protection to Purported Secured Creditors for Usage of Cash Collateral Through November 30, 2023* (Docket No. 118) entered by the Bankruptcy Court on October 2, 2023, the *Order Extending Usage of Cash Collateral and Providing Adequate Protection to Purported Secured Creditors for Usage of Cash Collateral Through March 31, 2024* (Docket No. 182) entered by the Bankruptcy Court on January 2, 2024, the *Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Usage of Cash Collateral Through and Including June 30, 2024* (Docket No. 225) entered by the Bankruptcy Court on March 28, 2024, the *Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Usage of Cash Collateral Through and Including July 31, 2024* (Docket No. 250), the *Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-*

OH BL, LLC Extending the Usage of Cash Collateral Through and Including August 31, 2024 (Docket No. 271), the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Usage of Cash Collateral Through and Including September 30, 2024 (Docket No. 286), the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Usage of Cash Collateral Through and Including November 30, 2024 (Docket No. 309), the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Usage of Cash Collateral Through and Including January 31, 2025 (Docket No. 335), the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Usage of Cash Collateral Through and Including May 31, 2025 (Docket No. 371), the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH BL, LLC Extending the Usage of Cash Collateral Through and Including June 30, 2025 (Docket No. 473), the Stipulation and Agreed Order Between Debtors and RSS COMM2015-PC1-OH, BL, LLC Extending the Usage of Cash Collateral Through and Including July 31, 2025 (Docket No. 495), the Agreed Order Extending Usage of Cash Collateral and Providing Adequate Protection to Purported Secured Parties for Usage of Cash Collateral Through and Including September 30, 2025 (Docket No. 523) and any subsequent orders extending cash collateral usage in the Chapter 11 Cases.

13. "Chapter 11 Cases" means the cases commenced under chapter 11 of the Bankruptcy Code by the Debtors.

14. "Claim" means a "claim," as defined in section 101(5) of the Bankruptcy Code, against a Debtor.

15. "Claims Objection Bar Date" means, for all Claims, other than those Claims allowed in accordance with Section I.A.3.c above the latest of: (a) 120 days after the Effective Date; (b) 90 days after the Filing of a proof of Claim for such Claim; and (c) such other period of limitation as may be specifically fixed by the Plan, the Confirmation Order, the Bankruptcy Rules or a Final Order for objecting to such Claim.

16. "Class" means a class of Claims or Interests, as described in Article II of this Plan.

17. "Confirmation" means the entry of the Confirmation Order on the docket of the Bankruptcy Court.

18. "Confirmation Date" means the date on which the Bankruptcy Court enters the Confirmation Order on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

19. "Confirmation Hearing" means the hearing held by the Bankruptcy Court on Confirmation of the Plan, as such hearing may be continued from time to time.

20. "Confirmation Notice" means a notice of Confirmation to be served on parties in interest, the form and manner of service of which will be approved by the Bankruptcy Court in the Confirmation Order.

21. "Confirmation Order" means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

22. "Cure Amount Claim" means a Claim based upon a Debtor's defaults pursuant to an Executory Contract or Unexpired Lease at the time such contract or lease is assumed by such Debtor under section 365 of the Bankruptcy Code.

23. "Debtors" means, collectively, the above-captioned debtors and debtors in possession identified on the cover page to this Plan.

24. "Deferred General Unsecured Payments" shall mean the payments of: (a) \$20,000 to be made on the 3rd anniversary of the Effective Date, (b) \$25,000 on the 4th anniversary of the Effective Date, and (c) \$30,000 on the 5th anniversary of the Effective Date for the benefit of the holders of Allowed Claims in Class 3B, Class 4B, Class 5B and Class 6. The Deferred General Unsecured Payments may only be made so long as there is no default then in existence on the 1111(b) Note or, if the 1111(b) Election is properly withdrawn, on the New Secured Promissory Note or to pay any portion of the Exit Fee that is due and payable on or before that anniversary.

25. "Derivative Claims" means a claim or cause of action that is property of any of the Debtors or their Estates.

26. "Disclosure Statement" means the disclosure statement (including all exhibits and schedules thereto or referenced therein) that relates to the Plan and has been prepared and distributed by the Debtors, as plan proponents, as the same may be amended, modified or supplemented.

27. "Disclosure Statement Order" means an order approving the Disclosure Statement and bidding procedures for solicitation of higher and better bids for the New Equity Infusion.

28. "Disputed Claim" means:

a. if no proof of Claim has been Filed by the applicable Bar Date or has otherwise been deemed timely Filed under applicable law: (i) a Claim that is listed on a Debtor's Schedules as other than disputed, contingent or unliquidated, but as to which the applicable Debtor, Reorganized Debtor or, prior to the Confirmation Date, any other party in interest, has Filed an objection by the Claims Objection Bar Date and such objection has not been withdrawn or denied by a Final Order; or (ii) a Claim that is listed on a Debtor's Schedules as disputed, contingent or unliquidated;

b. if a proof of Claim or request for payment of an Administrative Claim has been Filed by the Bar Date or has otherwise been deemed timely Filed under applicable law a Claim for which an objection has been Filed by the applicable Debtor, Reorganized Debtor or, prior to the Confirmation Date, any other party in interest, by the Claims Objection Bar Date, and such objection has not been withdrawn or denied by a Final Order; or

c. a Claim for damages in respect of an Executory Contract or Unexpired Lease that has been rejected or is anticipated to be rejected under section 365 of the Bankruptcy Code

Code and as to which the applicable Bar Date has not occurred and such Claim is not otherwise an Allowed Claim.

29. "Distribution Record Date" means the close of business on the Confirmation Date.

30. "Effective Date" means the first Business Day on which (a) all conditions to the Effective Date in Section IX.B have been met or waived in accordance with Section IX.C and (b) substantial consummation (within the meaning of section 1101(2) of the Bankruptcy Code) of the Plan has occurred.

31. "Estate" means, as to each Debtor, the estate created for such Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

32. "Executory Contract and Unexpired Lease" means a contract or lease to which a Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

33. "Exculpated Claim" means any Claim or Causes of Action whatsoever related to any act taken or omitted after the Commencement Date and on or before the Effective Date arising out of the Chapter 11 Cases related to the Debtors, including, without limitation, (i) the negotiation of any settlements entered into, with, or by the Debtors or any Estate representative, (ii) the formulation, preparation, dissemination, negotiation, filing, prosecution, approval or administration of the Plan and/or any financing, investment, or sale agreement with respect to the Debtors, and/or (iii) any contract, instrument, release, assignment, or other agreement or document created or entered into in connection with any such negotiations or settlements of the Chapter 11 Cases, or any financing agreement or settlement agreement in connection therewith, the filing of the Chapter 11 Cases, the pursuit of Confirmation, and the administration implementation of the Plan.

34. "Exculpated Parties" has the meaning ascribed to it in Section XIII.A of this Plan.

35. "Exit Fee" means the right of RSS (if the 1111(b) Election is withdrawn) to receive a payment on account of a payoff of the New Secured Promissory Note in accordance with a sale of the New Secured Promissory Note based on the totals of the individual hotel values identified in the following schedule:

Months After the Effective Date	Hampton Inn Lancaster	Red Roof Dublin	Quality Inn North	Total (if all hotels paid off at the same time)
0 to 12 months	\$50,000	\$30,000	\$20,000	\$100,000
12 to 24 months	\$100,000	\$60,000	\$40,000	\$200,000
25 to 36 months	\$150,000	\$90,000	\$60,000	\$300,000
37 to 48 months	\$200,000	\$120,000	\$80,000	\$400,000
49 to 60 months	\$250,000	\$150,000	\$100,000	\$500,000

For example, if the Quality Inn North was sold in month 16, the Reorganized Debtors would make a payment to RSS of \$40,000 in addition to payment of net sale proceeds (i.e., proceeds after deducting all sale expenses, including, but not limited to, any expenses reported on the

closing statement for the sale) to pay down the balance on the New Secured Promissory Note. If the Debtors then proceeded to sell the other two hotels in month 40, they would owe a payment to RSS of \$200,000 on account of the Hampton Inn Lancaster and \$120,000 on account of the Red Roof Dublin. No additional payment on the Quality Inn North would be owed because it has already had the fee paid for it.

36. "Fee Claim" means a Claim under sections 328, 330(a), 331, 503 or 1103 of the Bankruptcy Code for compensation of a Professional or other entity for services rendered or expenses incurred in the Chapter 11 Cases.

37. "File," "Filed," or "Filing" means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

38. "Final Order" means an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Chapter 11 Case or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move for a new trial, reargument or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing shall have been denied or resulted in no modification of such order.

39. "Fixed Renovation Cycle Management" or "FRCM" means the Fixed Renovation Cycle Management renovation plan dated August 5, 2024, a copy of which is attached at Exhibit I.A.39 hereto.

40. "Franchise Agreements" means the executory contracts under which Debtor Buckeye Lodging, LLC operates the Red Roof + located at 5125 Post Road, Dublin, Ohio 43017, Debtor Lancaster Hospitality LLC operates the Hampton Inn Lancaster located at 2041 Schorrrway Drive NW, Lancaster, Ohio 43130, and Debtor Sunburst Hotels LLC operates the Quality Inn located at 7500 Vantage Drive, Columbus, Ohio 43235.

41. "Hampton Franchise Agreement" has the meaning ascribed to it in Section V.B.2.a of this Plan.

42. "Hampton Inn Lancaster" has the meaning ascribed to it in Section V.B.2.a of this Plan.

43. "Hampton Inn Stipulated Order" has the meaning ascribed to it in Section V.B.2.a of this Plan.

44. "Hilton" means Hilton Franchise Holding LLC, as successor in interest to Hampton Inns Franchise LLC.

45. "Hilton Attorney Fee Indebtedness" has the meaning ascribed to it in Section V.B.2.a of this Plan.

46. **"Hilton POC"** has the meaning ascribed to it in Section V.B.2.a of this Plan.
47. **"Hilton Released Parties"** has the meaning ascribed to it in Section V.B.2.e of this Plan.
48. **"InnVite Hospitality"** means InnVite Hospitality Group, LLC.
49. **"Intercompany Claims"** means any Claim between and among the Debtors.
50. **"Interest"** means the rights of the holders of Old S&G Common Stock and equity interests in any Subsidiary Debtor, any other instruments evidencing an ownership interest in a Debtor, and the rights of any entity to purchase or demand the issuance of any of the foregoing, including: (a) redemption, conversion, exchange, voting, participation and dividend rights (including any rights in respect of accrued and unpaid dividends); (b) liquidation preferences; and (c) stock options and warrants.
51. **"Itria"** means Itria Ventures LLC and any of its affiliates.
52. **"Lancaster"** means Lancaster Hospitality, LLC.
53. **"Lancaster Adversary Proceeding"** has the meaning ascribed to it in Section V.B.2.a of this .
54. **"Litigation Trust"** means the Trust created, if necessary, to pursue the Retained Actions.
55. **"Management Agreement"** shall mean the management agreement between any Debtor and InnVite Hospitality, LLC.
56. **"New Common Stock"** means the shares of common stock of Reorganized S&G to be issued on the Effective Date.
57. **"New Equity Infusion"** means a minimum of \$500,000 in cash to be contributed by the New Equity Investors (or such higher amount as is offered by an Overbidding Equity Investor and is accepted by the Debtors and approved at the Confirmation Hearing in accordance with the bidding procedures) to Reorganized S&G on the Effective Date.
58. **"New Equity Investors"** means SDGD Enterprises LLC who will ensure that all administrative expense claims are satisfied, that the Fixed Renovation Cycle Management for the Hampton Inn Lancaster are completed and that adequate assurance of future performance requirements in connection with the adequate assurance of future performance requirements for the assumption of the Executory Contracts identified on Exhibit V.A to this Plan are satisfied
59. **"New Secured Promissory Note"** means a promissory note in the principal amount of \$11 million with a five year term, but amortizing as if it was a 30-year loan and bearing an interest rate of 5.5% in substantially the form attached hereto as Exhibit I.A.59 to be issued if RSS withdraws its 1111(b) Election. The New Secured Promissory Note will be treated as an amended and restated Note for purposes of the Prepetition Security Agreements and will be secured by them

as they will be restated by the Restated Senior Secured Mortgages. The Debtors may sell the Hampton Inn Lancaster, the Red Roof Dublin, or the Quality Inn North singly or in any combination so long as the net proceeds from the sale are used to paydown the New Secured Promissory Note and the holder of the New Secured Promissory Note receives the opportunity to purchase the properties provided for in the Rights of First Offer. Notwithstanding the foregoing, in the event that the Bankruptcy Court determines that the value of RSS's Allowed Secured Claims against Debtors Buckeye Lodging LLC, Lancaster Hospitality LLC, and Sunburst Hotels LLC aggregate to less than \$11 million, the principal amount of the promissory note shall be adjusted to match what the Bankruptcy Court determines the value of the Allowed Secured Claims to be.

60. "Old S&G Common Stock" means the common stock issued by S&G and outstanding as of the Petition Date.

61. "Overbidding Equity Investor" means a person or entity that submits a higher and better proposal to make the New Equity Infusion under the bidding procedures to be approved in connection with the Disclosure Statement Order, including ensuring that all administrative expense claims are satisfied, that the Fixed Renovation Cycle Management planned renovation for the Hampton Inn Lancaster are completed and that adequate assurance of future performance requirements in connection with the adequate assurance of future performance requirements for the assumption of the Executory Contracts identified on Exhibit V.A to this Plan are satisfied

62. "Petition Date" means August 18, 2023.

63. "Plan" means this third amended joint plan of reorganization for the Debtors, and all Exhibits attached hereto or referenced herein, as the same may be amended, modified or supplemented.

64. "Prepetition Hilton Indebtedness" has the meaning ascribed to it in Section V.B.2.a.

65. "Prepetition Loan Agreement" means the Loan Agreement dated as of February 26, 2015 by and among Sunburst Hotels LLC, Buckeye Lodging LLC, and Lancaster Hospitality, LLC as Borrowers, and Jeffries Loancore LLC, as Lender, together with all exhibits, schedules, amendments, and assignments thereto.

66. "Prepetition Security Agreements" means the Open-End Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing made as of February 27, 2015 by Buckeye Lodging LLC to Jeffries Loancore LLC, Open-End Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing made as of February 27, 2015 by Lancaster Hospitality LLC to Jeffries Loancore LLC, Open-End Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing made as of February 27, 2015 by Sunburst Hotels LLC to Jeffries Loancore LLC, the Assignment of Leases and Rents dated and effective as of February 27, 2015 by Buckeye Lodging LLC to Jeffries Loancore LLC, the Assignment of Leases and Rents dated and effective as of February 27, 2015 by Lancaster Hospitality LLC to Jeffries Loancore LLC, and Sunburst Hotels, LLC, together with all exhibits, amendments, and assignments thereto.

67. "Priority Claim" means a Claim that is entitled to priority in payment pursuant to section 507(a) of the Bankruptcy Code that is not an Administrative Claim or a Priority Tax Claim.

68. "Priority Tax Claim" means a Claim that is entitled to priority in payment pursuant to section 507(a)(8) of the Bankruptcy Code.

69. "Professional" means any professional employed in the Chapter 11 Cases pursuant to sections 327 or 1103 of the Bankruptcy Code or any professional or other entity seeking compensation or reimbursement of expenses in connection with the Chapter 11 Case pursuant to section 503(b)(4) of the Bankruptcy Code.

70. "Pro Rata" means when used with reference to a distribution of cash to holders of Allowed Claims in a particular Class or other specified group of Claims pursuant to Article III, proportionately so that with respect to a particular Allowed Claim in such Class, (a) the ratio of (i) the amount of cash distributed on account of such Claim to (ii) the amount of such Claim, is the same as (b) the ratio of (i) the amount of cash distributed to all holders of an Allowed Claim in such Class, as the case may be, distributed on account of all Allowed Claims in such Class or group of Claims to (ii) the amount of all Allowed Claims in such Class or group of Claims.

71. "Reinstated" or "Reinstatement" means rendering a Claim or Interest unimpaired within the meaning of section 1124 of the Bankruptcy Code. Unless the Plan specifies a particular method of Reinstatement, when the Plan provides that an Allowed Claim or Allowed Interest will be Reinstated, such Claim or Interest will be Reinstated, at the applicable Reorganized Debtor's sole discretion, in accordance with one of the following:

- a.** The legal, equitable and contractual rights to which such Claim or Interest entitles the holder will be unaltered; or
- b.** Notwithstanding any contractual provisions or applicable law that entitles the holder of such Claim or Interest to demand or receive accelerated payment of such Claim or Interest after the occurrence of a default:

 - i.** any such default that occurred before or after the commencement of the applicable Chapter 11 Case, other than a default of a kind specified in section 365(b)(2) of the Bankruptcy Code, will be cured;
 - ii.** the maturity of such Claim or Interest as such maturity existed before such default will be reinstated;
 - iii.** the holder of such Claim or Interest will be compensated for any damages incurred as a result of any reasonable reliance by such holder on such contractual provision or such applicable law; and
 - iv.** the legal, equitable or contractual rights to which such Claim or Interest entitles the holder of such Claim or Interest will not otherwise be altered.

72. "Released Claims" shall have the meaning given to such term in Section IV.D.3.a.

73. "Reorganized ..." means, when used in referenced to a particular Debtor, such Debtor on and after the Effective Date.

74. "Restated Senior Secured Mortgages" means the restated mortgages securing the New Secured Note or the 1111(b) Note (as applicable) in the forms attached hereto as Exhibit I.A.74.

75. "Retained Actions" means any claims or causes of action listed on Exhibit IV.D.1.

76. "Rights of First Offer" means the agreements in the forms attached hereto as Exhibit I.A.76 governing the rights of the holder of the New Secured Promissory Note or the 1111(b) Note (depending on which is issued) to purchase for cash or credit bid its liens in the Reorganized Debtors' assets in the event that the Debtors seek to sell one or more of the Debtors' hotels after the Effective Date, but prior to the payoff of the New Secured Promissory Note or the 1111(b) Note, as applicable.

77. "RSS" means RSS COMM2015-PC1-OH BL, LLC.

78. "RSS Related Parties" means RSS, Rialto Capital Advisors, LLC, Jeffries Loancore LLC, Wilmington Trust, National Association, as Trustee for the Benefit of the Holders of COMM 2015-PC1 Mortgage Trust Commercial Mortgage Pass-Through Certificates and their respective present or former directors, officers, employees, attorneys, accountants, members, managers and agents, but solely when acting in such capacity.

79. "S&G" means S&G Hospitality, Inc.

80. "SBA" means the Small Business Administration.

81. "SBA Released Parties" means SBA and its present or former directors, officers, employees, attorneys, accountants, managers and agents, but solely when acting in such capacity.

82. "Schedules" means the schedules of assets and liabilities and the statements of financial affairs Filed by a Debtor, as required by section 521 of the Bankruptcy Code, as the same may have been or may be amended, modified or supplemented.

83. "Secondary Liability Claim" means a Claim that arises from a Debtor being liable jointly, severally or secondarily liable for any contractual, tort, guaranty or other obligation of another Debtor based on any legal theory.

84. "Secured Claim" means a Claim that is secured by a lien on property in which an Estate has an interest or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Claim holder's interest in such Estate's interest in such property or to the extent of the amount subject to setoff, as applicable, as determined pursuant to sections 506(a) and, if applicable, 1129(b) of the Bankruptcy Code.

85. "Settlement Release of InnVite" has the meaning ascribed to it in Section IV.D.3.d of this Plan.

86. "Settlement Release of RSS" has the meaning ascribed to it in Section IV.D.3.b of this Plan.

87. "Stipulation of Amount and Nature of Claim" means a stipulation or other agreement between a Debtor or Reorganized Debtor and a holder of a Claim or Interest, or an agreed order of the Bankruptcy Court, establishing the amount and nature of a Claim or Interest.

88. "Subsidiary Debtor" means any Debtor other than S&G.

89. "Subsidiary Debtor Equity Interests" means, as to a particular Subsidiary Debtor, any Interests in such Debtor.

90. "Sunburst" means Sunburst Hotels, LLC.

91. "Tax" means (a) any net income, alternative or add-on minimum, gross income, gross receipts, sales, use, *ad valorem*, value added, transfer, franchise, profits, license, property, environmental or other tax, assessment or charge of any kind whatsoever (together in each instance with any interest, penalty, addition to tax or additional amount) imposed by any federal, state, local or foreign taxing authority; or (b) any liability for payment of any amounts of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a party to any agreement or arrangement whereby liability for payment of any such amounts is determined by reference to the liability of any other entity.

92. "Tort Claim" means any Claim that has not been settled, compromised or otherwise resolved that arises out of allegations of personal injury, wrongful death, property damage, products liability or similar legal theories of recovery.

93. "Trade Claim" means any Unsecured Claim arising from or with respect to the sale of goods or rendition of services prior to the Petition Date in the ordinary course of the applicable Debtor's business, including any Claims of an employee that is not a Priority Claim.

94. "Unsecured Claim" means any Claim that is not an Administrative Claim, Cure Amount Claim, Priority Claim, Priority Tax Claim or Secured Claim.

95. "1111(b) Election" means *RSS COMM2015-PCI-OH BL, LLC's Election to Apply 11 U.S.C. § 1111(b)(2) to Its Claims* filed with the Bankruptcy Court on June 20, 2025 and August 21, 2025.

96. "1111(b) Note" means the promissory note to be issued to RSS if it does not timely withdraw the 1111(b) Election based on the deadline provided under the Bankruptcy Code and Bankruptcy Rules providing for total payments of at least the amount of the Allowed Claim of RSS (after taking into account the resolution by the Bankruptcy Court of any objections to RSS's claims) which the Debtors estimate will be \$13.2 million or less in substantially the form attached hereto as Exhibit I.A.96. This will be done by having the face amount of the note plus a prepayment penalty equal the amount of the Allowed Claim. For instance, if the amount of RSS's Allowed Claim equaled \$13,212,176.89, the 1111(b) Note would have a face amount of \$9,984,146.10 at origination, but would also have a prepayment penalty at origination of \$3,228,030.79. The 1111(b) Note shall have a term of 18 years. For the first three years the 1111(b) note shall be interest only at an annual interest rate of 5.5%. For the remaining 15 years, the 1111(b) Note shall have an interest rate of 2.00% and will be amortizing as if it was a 15-year loan. If the Bankruptcy Court determines that amortization period and interest rate does not

provide sufficient present value to confirm the plan, the Debtors reserve the right to amend the amortization period and interest rate to numbers that provide sufficient value. The 1111(b) Note will be treated as an amended and restated Note for purposes of the Prepetition Security Agreements and will be secured by them as they will be restated by the Restated Senior Secured Mortgages. The Debtors may sell the Hampton Inn Lancaster, the Red Roof Dublin, or the Quality Inn North singly or in any combination so long as the net proceeds from the sale are used to paydown the 1111(b) Note and the holder of the 1111(b) Note receives the opportunity to purchase the properties provided for in the Rights of First Offer. In the event of a sale of only one or two of the hotels before the maturity of the 1111(b) Note, the Debtors shall have to pay a partial prepayment penalty equal to the then applicable prepayment penalty times the percentage equal to the net sale proceeds from that property divided by the remaining outstanding principal balance on the 1111(b) Note.

B. Rules of Interpretation and Computation of Time

1. Rules of Interpretation

For purposes of the Plan, unless otherwise provided herein: (a) whenever from the context it is appropriate, each term, whether stated in the singular or the plural, will include both the singular and the plural; (b) unless otherwise provided in the Plan, any reference in the Plan to a contract, instrument, release or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions; (c) any reference in the Plan to an existing document or Exhibit Filed or to be Filed means such document or Exhibit, as it may have been or may be amended, modified or supplemented pursuant to the Plan, Confirmation Order or otherwise; (d) any reference to an entity as a holder of a Claim or Interest includes that entity's successors, assigns and affiliates; (e) all references in the Plan to Sections, Articles and Exhibits are references to Sections, Articles and Exhibits of or to the Plan; (f) the words "herein," "hereunder" and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (g) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (h) subject to the provisions of any contract, articles of incorporation, bylaws, similar constituent documents, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the rights and obligations arising under the Plan will be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and the Bankruptcy Rules; (i) the word "entity" means a person (as defined in section 101(41) of the Bankruptcy Code), an estate, a trust or a governmental unit or the United States Trustee; and (j) the rules of construction set forth in section 102 of the Bankruptcy Code will apply to the extent not inconsistent with any other provision of this Section I.B.1.

2. Computation of Time

In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) will apply.

ARTICLE II. CLASSES OF CLAIMS AND INTERESTS

All Claims and Interests, except Administrative Claims and Priority Tax Claims, are placed in the following Classes. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims, as described in Section III.A, have not been classified and thus are excluded from the following Classes. A Claim or Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Interest qualifies within the description of such other Classes. The attached Exhibit II identifies for each Proof of Claim that has not been withdrawn or amended to an amount of zero or claim identified in the Debtors' Schedules which of the below classes they fall in.

A. Unimpaired Classes of Claims and Interests

- 1. Class 1 (Unsecured Priority Claims):** Priority Claims.
- 2. Class 2 (Other Secured Claims):** Secured Claims not otherwise classified under this Article II.
- 3. Class 11 (Subsidiary Interests):** Subsidiary Debtor Equity Interests held by S&G.

B. Impaired Classes of Claims and Interests

- 1. Class 3A (RSS Secured Claims):** The Secured portion of any Allowed Claims held by RSS, including any portion of the Allowed Claims that is being claimed as Secured by RSS pursuant to RSS's 1111(b) Election in excess of the value of the collateral in which RSS holds a security interest
- 2. Class 3B (RSS Unsecured Claims):** The Unsecured portion of any Claims held by RSS if the 1111(b) Election is withdrawn.
- 3. Class 4A (Itria Secured Claim):** The portion of any Allowed Claim held by Itria that the Court determines to be a Secured Claim.
- 4. Class 4B (Itria Unsecured claim):** The portion of any Allowed Claim held by Itria that the Court determines to be an Unsecured Claim.
- 5. Class 5A (SBA Secured Claim):** The portion of any Allowed Claim held by the SBA that the Court determines to be a Secured Claim.
- 6. Class 5B (SBA Unsecured Claim):** The portion of any Allowed Claim held by the SBA that the Court determines to be an Unsecured Claim.
- 7. Class 6 (General Unsecured Claims):** Unsecured Claims not otherwise classified under this Article II.

8. Class 7 (Convenience Claims): Any Unsecured Claim in an allowed amount of less than \$20,000.

9. Class 8 (InnVite Hospitality Claims): Any Unsecured Claim held by InnVite Hospitality, LLC.

10. Class 9 (Intercompany Claims): Intercompany Claims.

11. Class 10 (Hilton Claims): All claims Held by Hilton against Lancaster.

12. Class 12 (Old S&G Common Stock): Interests in respect of the Old S&G Common Stock.

ARTICLE III. TREATMENT OF CLAIMS AND INTERESTS

A. Unclassified Claims

1. Payment of Administrative Claims

a. Administrative Claims in General

Except as specified in this Section III.A.1, and subject to the bar date provisions herein, unless otherwise agreed by the holder of an Administrative Claim and the applicable Debtor or Reorganized Debtor or unless a Final Order of the Bankruptcy Court provides otherwise, each holder of an Allowed Administrative Claim will receive, in full satisfaction of its Administrative Claim, cash equal to the amount of such Allowed Administrative Claim either (i) on the Effective Date or (ii) if the Administrative Claim is not allowed as of the Effective Date, 30 days after the date on which an order allowing such Administrative Claim becomes a Final Order or a Stipulation of Amount and Nature of Claim is executed by the applicable Reorganized Debtor and the holder of the Administrative Claim.

b. Statutory Fees

On and after the Effective Date, all fees payable pursuant to 28 U.S.C. § 1930 will be paid by the Reorganized Debtors in accordance therewith until the closing of the Chapter 11 Cases pursuant to section 350(a) of the Bankruptcy Code.

c. Ordinary Course Liabilities

Administrative Claims based on liabilities incurred by a Debtor in the ordinary course of its business — including Administrative Trade Claims, Administrative Claims of governmental units for Taxes (including Tax audit Claims related to Tax years commencing after the Petition Date) and Allowed Administrative Claims arising from those contracts and leases of the kind described in Section V.D of this Plan — will be paid by the applicable Reorganized Debtor pursuant to the terms and conditions of the particular transaction giving rise to those Administrative Claims.

d. Bar Dates for Administrative Claims

i. General Bar Date Provisions

Except as otherwise provided in Section III.A.1.d.ii of this Plan, unless previously Filed, requests for payment of Administrative Claims must be Filed and served on the Reorganized Debtors, pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order, no later than 30 days after the date of service of a notice of such Bar Date. A notice of this Bar Date will be served on all known potential holders of Administrative Claims on or after the Effective Date, which may be part of the Confirmation Notice. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims and that do not File and serve such a request by the applicable Bar Date will be forever barred from asserting such Administrative Claims against the Debtors, the Reorganized Debtors or their respective property and such Administrative Claims will be deemed discharged as of the Effective Date. Objections to such requests must be Filed and served on the Reorganized Debtors and the requesting party by the later of (A) 90 days after the Effective Date or (B) 60 days after the Filing of the applicable request for payment of Administrative Claims.

ii. Bar Dates for Certain Administrative Claims

A. Professional Compensation

Professionals or other entities asserting a Fee Claim for services rendered before the Effective Date must File and serve on the Reorganized Debtors and such other entities who are designated by the Bankruptcy Rules, the Confirmation Order or other order of the Bankruptcy Court an application for final allowance of such Fee Claim no later than 60 days after service of a notice of such deadline. A notice of the deadline for filing an application for allowance and payment of a Fee Claim will be served on all known potential holders of such Claims on or after the Effective Date, which may be part of the Confirmation Notice. Objections to any Fee Claim must be Filed and served on the Reorganized Debtor and the requesting party by the later of (1) 90 days after the Effective Date or (2) 30 days after the Filing of the applicable request for payment of the Fee Claim. To the extent necessary, the Confirmation Order will amend and supersede any previously entered order of the Bankruptcy Court regarding the payment of Fee Claims.

B. Ordinary Course Liabilities

Holders of Administrative Claims based on liabilities incurred by a Debtor in the ordinary course of its business, including Administrative Trade Claims, Administrative Claims of governmental units for Taxes (including Tax audit Claims arising after the Petition Date) and Administrative Claims arising from those contracts and leases of the kind described in Section V.D of this Plan, will not be required to File or serve any request for payment of such Administrative Claims. Such Administrative Claims will be satisfied pursuant to Section III.A.1.c of this Plan.

2. Payment of Priority Tax Claims

Pursuant to section 1129(a)(9)(C) of the Bankruptcy Code, unless otherwise agreed by the holder of a Priority Tax Claim and the applicable Debtor or Reorganized Debtor, each holder

of an Allowed Priority Tax Claim will receive, in full satisfaction of its Priority Tax Claim, cash equal to the Allowed Amount of such Priority Tax Claim.

B. Unimpaired Classes of Claims

1. Class 1 Claims (Unsecured Priority Claims) unimpaired. On the Effective Date, each holder of an Allowed Claim in Class 1 will receive cash equal to the amount of such Claim, unless the holder of such Claim and the applicable Debtor or Reorganized Debtor agree to different treatment.

2. Class 2 Claims (Other Secured Claims) are unimpaired. On the Effective Date, unless otherwise agreed by a Claim holder and the applicable Debtor or Reorganized Debtor, each holder of an Allowed Claim in Class 2 will receive treatment on account of such Allowed Claim in the manner set forth in Option A, B or C below, at the election of the applicable Debtor. The applicable Debtor will be deemed to have elected Option A except with respect to any Allowed Claim as to which the applicable Debtor elects Option B or Option C in one or more certifications Filed prior to the conclusion of the Confirmation Hearing or as soon thereafter as is practicable.

Option A: Allowed Claims in Class 2 with respect to which the applicable Debtor elects or is deemed to have elected Option A will be paid in cash, in full.

Option B: Allowed Claims in Class 2 with respect to which the applicable Debtor elects Option B will be Reinstated.

Option C: A holder of an Allowed Claim in Class 2 with respect to which the applicable Debtor elects Option C will be entitled to receive (and the applicable Debtor shall release and transfer to such holder) the collateral securing such Allowed Claim.

3. Class 11 Interests (Subsidiary Debtor Equity Interests) are unimpaired. On the Effective Date Allowed Class 11 Interests will be Reinstated.

C. Impaired Classes of Claims and Interests

For purposes of the following distributions, each holder's recovery, if any, is being received first in exchange for the principal amount of such holder's Claim, not the unpaid pre-Petition Date interest, if any, on that Claim.

1. Class 3A Claims (RSS Secured Claims) are impaired. The treatment of RSS's Secured Claims depends on whether it keeps or timely retracts the 1111(b) Election:

a. If RSS does not withdraw the 1111(b) Election, it shall receive on account of its Allowed Claim (after taking into account the resolution by the Bankruptcy Court of any objections to RSS's claims) the 1111(b) Note; or

b. If RSS timely withdraws the 1111(b) Election, on the Effective Date, RSS shall receive on account of its Allowed Secured Claim (after taking into account the resolution by the Bankruptcy Court of any objections to RSS's claims) the New Secured Promissory Note plus the Exit Fee.

The rights to receive the 1111(b) Note, on the one hand, and the New Secured Promissory Note, on the other hand, are mutually exclusive. The 1111(b) Note or the New Secured Note (depending on which is issued) will be secured by the New Senior Secured Mortgages. The Debtors shall have the right to sell their hotels singly or in combination free and clear of the lien provided by the New Senior Secured Mortgages prior to the payoff of the 1111(b) Note or the New Senior Secured Note (as applicable) if they comply with the provisions of the Rights of First Offer (including the right of RSS to credit bid its liens reflected in those rights), so long as the net proceeds of the sale are applied to pay down the outstanding amount of the 1111(b) Note or the New Senior Secured Note. If the amount of the net sale proceeds from a sale exceed the outstanding balance on such note plus the applicable prepayment penalty (in the case of the 1111(b) Note), the Debtors shall be entitled to keep such excess.

In addition, if RSS votes its Claims in Class 3A and, it if withdraws the 1111(b) Election and has an Allowed Claim in Class 3B) its Claim in Class 3B in favor of the Plan, and releases Abhijit Vasani and his other non-debtor entities of claims related to the Debtors, upon the Effective Date it shall receive the release provided for in Section IV.D.3.b of this Plan and a parallel release from Mr. Vasani and his non-debtor entities in the form attached hereto as Exhibit III.C.1.

2. Class 3B Claims (RSS Unsecured Claims) are impaired. If RSS withdraws the 1111(b) Election, on the Effective Date, it shall receive on account of its unsecured claim the right to receive a Pro Rata share of the Deferred General Unsecured Payments with the Class 4 claims and the Class 6 claims. In addition, if RSS votes its Claims in both Class 3A and 3B in favor of the Plan, does not object to confirmation of the Plan, and releases Abhijit Vasani and his other non-debtor entities of claims related to the Debtors, it shall receive the release provided for in Section IV.D.3.b of this Plan from the Debtors and a parallel release from Mr. Vasani and his non-debtor entities in the form attached hereto as Exhibit III.C.1.

3. Class 4A Claims (Itria Secured Claims) are impaired. On the Effective Date, Itria shall be paid in cash an amount equal to the amount of Allowed Claim in Class 4A *minus* the amount of any previous payments it has received under the Cash Collateral Orders and not had to disgorge pursuant to an order of the Court.

4. Class 4B Claims (Itria Unsecured Claim) are impaired. On account of any Allowed Class 4B Claim, Itria has the right to share Pro Rata in the Deferred General Unsecured Payments with the holders of the Class 3B Claims, the Class 5B Claims, and the Class 6 General Unsecured Claims.

5. Class 5A Claims (SBA Secured Claim) are impaired. On the Effective Date, the SBA shall be paid in cash an amount equal to the amount of Allowed Claim in Class 5A *minus* the amount of any previous payments it has received under the Cash Collateral Orders and not had to disgorge pursuant to an order of the Court.

6. Class 5B Claims (SBA Unsecured Claim) are impaired. On account of any Allowed Class 5B Claim, the SBA has the right to share Pro Rata in the Deferred General Unsecured Payments with the holders of the Class 3B Claims, the Class 4B Claims, and the Class 6 General Unsecured Claims.

7. Class 6 Claims (General Unsecured Claims) are impaired. Each holder of an Allowed Claim in Class 6 shall receive a Pro Rata share of the Deferred General Unsecured Payments when taking into account the Class 3B claim held by RSS (if any), the Class 4B Claim held by Itria, and the Class 5B claim held by the SBA.

8. Class 7 Claims (Convenience Claims) are impaired. On the Effective Date, each holder of a Convenience Claim in Class 7 shall receive 20% of the Allowed Amount of such claim in Cash.

9. Class 8 Claims (InnVite Hospitality Claims) are impaired. If the New Equity Investor becomes the new owner of S&G and the Management Agreement is assumed, the InnVite Settlement will be consummated and InnVite will receive the release provided for in Section IV.D.3.d of the Plan. Otherwise, InnVite shall receive a 100% interest in the Litigation Trust in satisfaction of its claims for rejection of the Management Agreement.

10. Class 9 Claims (Intercompany Claims) are impaired. No property shall be distributed to or retained by the holders of Allowed Claims in Class 9 on account of such Claims.

11. Class 10 Claims (Hilton Claims) are impaired. The Hilton Claims shall receive the treatment provided for by Section V.B.2 of the Plan.

12. Class 12 Interests (Old S&G Common Stock) are impaired. No property will be distributed to or retained by the holders of Allowed Interests and Claims in Class 12 on account of such Interests or Claims, such Interests will be canceled on the Effective Date.

D. Special Provisions Regarding the Treatment of Secondary Liability Claims.

The classification and treatment of Allowed Claims under the Plan take into consideration all Secondary Liability Claims and the merger of all such claims into a single obligation pursuant to the substantive consolidation in Article VIII. As such, no distributions will be made in respect of any Secondary Liability Claims, and all such Claims shall be disallowed.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN**

A. Continued Corporate Existence and Vesting of Assets in the Reorganized Debtors

Except as otherwise provided herein, each Debtor will, as a Reorganized Debtor, continue to exist after the Effective Date as a separate corporate entity entitled to all of the benefits and protections provided in the Confirmation Order, with all the powers of a corporation under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, dissolution or otherwise) under applicable state law. Except as otherwise provided herein, as of the Effective Date, all property of the Estate of a Debtor, and any property acquired by a Debtor or Reorganized Debtor under the Plan, will vest in such Reorganized Debtor, free and clear of all Claims, liens, charges, other encumbrances and Interests. On and after the Effective Date, each Reorganized Debtor may operate its business and may use, acquire and dispose of property and compromise or settle any Claims without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those

restrictions expressly imposed by the Plan or the Confirmation Order. Without limiting the foregoing, each Reorganized Debtor may pay the charges that it incurs on or after the Effective Date for Professionals' fees, disbursements, expenses or related support services (including fees relating to the preparation of Professional fee applications) without application to the Bankruptcy Court.

B. Recapitalization of S&G

On the Effective Date, the existing equity in S&G will be cancelled and, in return for the provision of the New Equity Infusion, the New Equity Investors or the Overbidding Equity Investor shall receive all of the Common Stock of Reorganized S&G.

C. Corporate Governance, Directors and Officers, Employment-Related Agreements and Compensation Programs

1. Certificates of Incorporation and Bylaws

As of the Effective Date, the certificates of incorporation or operating agreements of the Reorganized Debtors will be substantially in the forms set forth in Exhibits IV.C.1.a and IV.C.1.b, respectively. The certificates of incorporation and bylaws (or comparable constituent documents) of each Reorganized Debtor, among other things, will: (a) prohibit the issuance of nonvoting equity securities to the extent required by section 1123(a) of the Bankruptcy Code; and (b) in the case of Reorganized S&G, effective immediately after the cancellation of the Old S&G Common Stock as set forth in Section IV.B and Section IV.E of this Plan, authorize the issuance of New Common Stock to the New Equity Investors or the Overbidding Equity Investor, as the case may be, in return for the New Equity Infusion.

2. Directors and Officers of the Reorganized Debtor

Subject to any requirement of Bankruptcy Court approval pursuant to section 1129(a)(5) of the Bankruptcy Code, the initial officers and the initial board of directors of each of the Reorganized Debtors will be identified on, or designated pursuant to the procedures specified on, the attached Exhibit IV.C.2. Each such officer and director will serve from and after the Effective Date until his or her successor is duly elected or appointed and qualified or until his or her earlier death, resignation or removal in accordance with the terms of the certificate of incorporation and bylaws (or comparable constituent documents) of the respective Reorganized Debtor and applicable state law.

D. Preservation of Rights of Action; Settlement Agreements and Releases

1. Preservation of Rights of Action by the Debtors and the Reorganized Debtors

Except as provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors (if the New Equity Investors are selected to make the New Equity Infusion) or the Litigation Trust (if an Overbidding Equity Investor is selected to make the New Equity Infusion) that the Debtors or the Estates may hold against any entity, including, without limitation, the Retained Actions set forth in the attached

Exhibit IV.D.1, to the extent not released under Section IV.D.3 of this Plan. Each Reorganized Debtor, the Litigation Trust, or their successors may pursue such retained claims, demands, rights or causes of action, as appropriate, in accordance with the best interests of such Reorganized Debtor, the Creditors receiving distribution from the Litigation Trust, or its successor holding such claims, demands, rights or causes of action.

2. Creation of Litigation Trust

If the New Equity Investors do not submit the successful bid for the New Equity Infusion, on the Effective Date the Litigation Trust shall be created and the Retained Actions shall be conveyed to the Litigation Trust along with \$25,000 in cash. Abhijit Vasani shall be appointed trustee of the Litigation Trust.

3. Releases

a. General Release by Holders of Claims or Interests That Vote in Favor of the Plan

As of the Effective Date, in consideration for the obligations of the Debtors and the Reorganized Debtors under the Plan and the cash, New Secured Promissory Note and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each holder of a Claim or Interest that votes in favor of the Plan will be deemed to forever release, waive and discharge all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce the Debtors' and the Reorganized Debtors' obligations under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (collectively, the "**Released Claims**") that such entity has, had or may have against any of the Debtors (which release will be in addition to the discharge of Claims and termination of Interests provided herein and under the Confirmation Order and the Bankruptcy Code).

b. Settlement Release of RSS by Debtors

If RSS votes in favor of the Plan, and does not object to confirmation of the Plan, on the Effective Date the Debtors shall release the RSS Related Parties of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce RSS's obligations under the New Secured Promissory Note or the 1111(b) Note (as applicable) or under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure

Statement (the “**Settlement Release of RSS**”). If the Debtors provide the Settlement Release of RSS, Mr. Vasani and his non-debtor entities shall also provide the release provided for in the attached Exhibit III.C.

c. Settlement Release of InnVite Hospitality

If the New Equity Investors become the sole owner of S&G on the Effective Date and the Management Agreement with InnVite Hospitality is assumed the Debtors shall release InnVite Hospitality of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce InnVite Hospitality’s obligations under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (the “**Settlement Release of InnVite**”).

d. Injunction Related to Releases

As further provided in Section XI.B of this Plan, the Confirmation Order will permanently enjoin the commencement or prosecution by any entity or person, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released pursuant to the Plan, including pursuant to the releases in this Section IV.D.3.

E. Cancellation and Surrender of Instruments, Securities and Other Documentation

Except as provided in any contract, instrument or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Article III, the Prepetition Loan Agreement will be canceled and of no further force and effect, without any further action on the part of the Debtors or the Reorganized Debtors. The Old S&G Common Stock shall be deemed terminated and canceled and of no further force and effect on the Effective Date without any further action on the part of S&G or any other entity. The holders of or parties to such canceled instruments, securities and other documentation will have no rights arising from or relating to such instruments, securities and other documentation or the cancellation thereof, except the rights provided pursuant to the Plan.

F. Release of Liens

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to Article III of this Plan, all mortgages, deeds of trust, liens or other security interests against the property of any Estate other than those of RSS will be fully released and discharged, and all of the right, title and interest of any holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, will revert to the applicable Reorganized Debtor and its

successors and assigns. As of the Effective Date, the Reorganized Debtors shall be authorized to file on behalf of creditors Form UCC-3s or other forms as may be necessary to implement the provisions of this Section IV.F. As of the Effective Date, the Reorganized Debtors shall be authorized to file the Restated Senior Secured Mortgages evidencing the restatement of the liens of RSS in connection with its receipt of the New Secured Promissory Note or the 1111(b) Note and the Rights of First Offer regarding the procedures for the future sale of any of these properties.

G. Effectuating Documents; Further Transactions; Exemption from Certain Transfer Taxes

The President of each Debtor or Reorganized Debtor will be authorized to execute, deliver, file or record such contracts, instruments, releases and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and implement the provisions of the Plan. Pursuant to section 1146(c) of the Bankruptcy Code, the following will not be subject to any stamp Tax, real estate transfer Tax or similar Tax: (1) the issuance, transfer or exchange of New Common Stock; (2) the creation of any mortgage, deed of trust, lien or other security interest; or (3) the assumption or assignment of any executory contract.

**ARTICLE V.
TREATMENT OF EXECUTORY CONTRACTS
AND UNEXPIRED LEASES**

A. Executory Contracts and Unexpired Leases to Be Assumed or Assumed and Assigned

1. Assumption and Assignment Generally

Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement or document entered into in connection with the Plan, on the Effective Date, pursuant to section 365 of the Bankruptcy Code, the applicable Debtor will assume or assume and assign, as indicated, each of the Executory Contracts and Unexpired Leases listed on the attached Exhibit V.A; *provided, however*, that the Debtors reserve the right, at any time prior to the Effective Date, to amend Exhibit V.A to: (a) delete any Executory Contract or Unexpired Lease listed therein (other than the Hampton Franchise Agreement), thus providing for its rejection pursuant to Section V.C of this Plan; or (b) add any Executory Contract or Unexpired Lease thereto, thus providing for its assumption or assumption and assignment pursuant to this Section V.A.1. The Debtors will provide notice of any amendments to Exhibit V.A to the parties to the Executory Contracts or Unexpired Leases affected thereby and to the parties on the then-applicable service list in the Chapter 11 Cases. Each contract and lease listed on Exhibit V.A will be assumed only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. Listing a contract or lease on Exhibit V.A will not constitute an admission by a Debtor or Reorganized Debtor that such contract or lease is an Executory Contract or Unexpired Lease or that a Debtor or Reorganized Debtor has any liability thereunder.

2. Approval of Assumptions

The Confirmation Order will constitute an order of the Bankruptcy Court approving the assumptions described in this Section V.A and in Section V.D of this Plan, pursuant to section 365 of the Bankruptcy Code, as of the Effective Date. An order of the Bankruptcy Court

entered on or prior to the Confirmation Date, which may be included as part of the Confirmation Order, will specify the procedures for providing to each party whose Executory Contract or Unexpired Lease is being assumed or assumed and assigned pursuant to the Plan notice of: (a) the contract or lease being assumed or assumed and assigned; (b) the Cure Amount Claim, if any, that the applicable Debtor believes it would be obligated to pay in connection with such assumption; and (c) the procedures for such party to object to the assumption or assumption and assignment of the applicable contract or lease or the amount of the proposed Cure Amount Claim. If an objection to a proposed assumption or assumption and assignment is not resolved in favor of the Debtors or the Reorganized Debtors, the applicable Executory Contract or Unexpired Lease may be designated by the Debtors or the Reorganized Debtors for rejection, which shall be deemed effective as of the Effective Date.

B. Payments Related to the Assumption of Executory Contracts and Unexpired Leases

1. Executory Contracts Generally

To the extent that such Claims constitute monetary defaults, the Cure Amount Claims associated with each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan will be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, at the option of the Debtor assuming such contract or lease or the assignee of such Debtor, if any, (1) by payment of the Cure Amount Claim in cash on the Effective Date or (2) on such other terms as are agreed to by the parties to such Executory Contract or Unexpired Lease. Pursuant to section 365(b)(2)(D) of the Bankruptcy Code, no Cure Amount Claim shall be allowed for a penalty rate or other form of default rate of interest. If there is a dispute regarding (a) the amount of any Cure Amount Claim, (b) the ability of the applicable Debtor or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed or (c) any other matter pertaining to assumption or assumption and assignment of such contract or lease, the payment of any Cure Amount Claim required by section 365(b)(1) of the Bankruptcy Code will be made following the entry of a Final Order resolving the dispute and approving the assumption. For assumptions of Executory Contracts or Unexpired Leases between Debtors, the Reorganized Debtor assuming such contract may cure any monetary default (i) by treating such amount as either a direct or indirect contribution to capital or distribution (as appropriate) or (ii) through an intercompany account balance in lieu of payment in cash.

2. The Franchise Agreement for Lancaster Hospitality, LLC.

Notwithstanding any other conflicting provisions of the Plan or Disclosure Statement, the following provisions shall control with respect to: (i) the assumption of the Hampton Franchise Agreement by Lancaster and (ii) the treatment of the claims of Hilton against Lancaster under this Plan:

a. Acknowledgments. Lancaster acknowledges and affirms:

- i.** Hilton's predecessor and Lancaster entered into a Franchise Agreement dated February 27, 2015, including all amendments, riders, supplemental agreements, and assignments (collectively, the "**Hampton Franchise Agreement**"). Pursuant to the terms of the

Hampton Franchise Agreement, Lancaster is authorized to operate its hotel at 2041 Schorway Drive NW, Lancaster, Ohio (the “**Hampton Inn Lancaster**”) as a Hampton Inn & Suites by Hilton®. The Franchise Agreement is an executory contract within the meaning of section 365 of the Bankruptcy Code.

- ii. As of the date of the filing of the petition initiating its bankruptcy proceeding, Lancaster was liable to Hilton in the amount of least \$27,895.50 (the “**Prepetition Hilton Indebtedness**”) as set forth in the proof of claim filed by Hilton (the “**Hilton POC**”) on October 31, 2023. Lancaster consents to the nature, extent and validity of the Prepetition Hilton Indebtedness as set forth in the Hilton POC.
- iii. Post-petition, Lancaster has continued to hold the Hampton Inn Lancaster out to the public as a Hampton Inn & Suites by Hilton® hotel and Lancaster has generated revenue post-petition via the continued use of the intellectual property and franchise system of Hilton.
- iv. On March 25, 2024, Lancaster filed an adversary proceeding against Hilton seeking a declaratory judgment regarding the Franchise Agreement, Adv. Pro. 24-ap-02024, (the “**Lancaster Adversary Proceeding**”). On May 9, 2024, Hilton filed a motion to dismiss the Lancaster Adversary Proceeding (Adv. Proc. 24-ap-02024, Doc. No. 15). On June 7, 2024, Lancaster filed a motion for summary judgment in the Lancaster Adversary Proceeding (Adv. Proc. 24-ap-02024, Doc. No. 26). The Lancaster Adversary Proceeding was resolved by a stipulation and consent order dated August 5, 2024 (Adv. Proc. 24-ap-02024, Doc. No. 39) the “**Hampton Stipulated Order.**” The terms of the Hampton Stipulated Order are incorporated fully in the Plan.
- v. Lancaster (i) lacks any defense or set off as to the Hilton POC, and (ii) lacks any claims of any nature against Hilton.
- vi. The treatment of the claim set forth in the Hilton POC is impaired.

b. Assumption of Hampton Franchise Agreement. Notwithstanding any other conflicting provisions of the Plan, the following provisions shall control with respect to the assumption of the Franchise Agreement:

- i. **Assumption.** The Hampton Franchise Agreement is assumed by Lancaster pursuant to section 365(a) of the Bankruptcy Code effective as of the Effective Date.
- ii. **Post Confirmation Compliance.** Lancaster shall comply with all monetary and non-monetary post-petition obligations imposed

under the Hampton Franchise Agreement. Pursuant to section 365(b)(1)(A) of the Bankruptcy Code, Lancaster is authorized and directed to pay Hilton all amounts which are or will become due by Lancaster under the Hampton Franchise Agreement post-petition. Any such indebtedness shall be paid in full and without compromise by Lancaster to Hilton as and when set forth in the Hampton Franchise Agreement. Lancaster's default in the payment of post-petition amounts due shall constitute an event of default under the Plan as well as the assumed Hampton Franchise Agreement.

c. Cure. Pursuant to section 365(b)(1) of the Bankruptcy Code, Lancaster Debtor shall cure all defaults under the Hampton Franchise Agreement as follows:

- i.** Pursuant to section 365(b)(1)(A) of the Bankruptcy Code, within three Business Days of the Effective Date, Lancaster shall pay Hilton \$27,895.50 on account of the Prepetition Hilton Indebtedness. Lancaster's default in the payment of the Prepetition Hilton Indebtedness as set forth herein shall constitute an event of default under the Plan as well as the assumed Hampton Franchise Agreement.
- ii.** Pursuant to section 365(b)(1)(B) of the Bankruptcy Code, the Hampton Franchise Agreement and applicable law, Lancaster is obligated to pay Hilton the attorney fees and expenses incurred by Hilton in connection with this bankruptcy proceeding and Adversary Proceeding (the "**Hilton Attorney Fee Indebtedness**"). As of July 31, 2024, the Hilton Attorney Fee Indebtedness totaled \$45,585.73, with additional amounts accruing thereafter. On the date of entry of the order confirming the Plan, Lancaster shall pay Hilton the full amount of the Hilton Attorney Fee Indebtedness, which amount shall be spelled out in the Confirmation Order.
- iii.** Pursuant to section 365(b)(1)(B) of the Bankruptcy Code, the Franchise Agreement and applicable law, the Lancaster is obligated to pay Hilton interest on the Prepetition Hilton Indebtedness. Such existing amount, together with all additional accruing interest on the Pre-petition Indebtedness as set forth under the Franchise Agreement, is referred to herein as the "**Interest Indebtedness**". Lancaster and Hilton agree that the Interest Indebtedness shall be due and payable by Lancaster to Hilton only if Lancaster commits an event of default under the Plan or Franchise Agreement, which default is not cured by Lancaster Debtor within any applicable cure

period. In the event of such uncured default, Lancaster Debtor shall pay the Interest Indebtedness upon written demand from Hilton.

- iv. Pursuant to section 365(b)(1)(C) of the Bankruptcy Code, Lancaster is obligated to provide adequate assurance of future performance under the Franchise Agreement. In connection with such obligation, on the Effective Date, Lancaster shall provide Hilton with a Guaranty of Payment and Performance of its obligations under the Hampton Franchise Agreement, in a form acceptable to Hilton, from S&G and Abhijit “Andy” Vasani. In addition, Lancaster agrees to and shall perform all items described in the Fixed Renovation Cycle Management plan dated August 5, 2024, a copy of which is attached at Exhibit I.A.37 hereto. In accordance with the FRCM plan, Lancaster’s designs and plans must be approved by Hilton, in Hilton’s discretion, by December 31, 2025 and the scope of work action items under the FRCM plan must be completed by Lancaster by December 31, 2026.

d. Amendment to Hampton Franchise Agreement. Effective as of the Effective Date, subject to satisfaction of the obligations of Lancaster under Sections V.B.2.c.i and V.B.2.c.iv hereof, the Hampton Franchise Agreement is amended as follows:

- i. The “Expiration Date” under the Franchise Agreement is extended to midnight on the last day of the month of the twenty-second anniversary of the “Effective Date” of the Franchise Agreement.
- ii. Except as specifically set forth in this Section V.D.2.d, there are no amendments to the Franchise Agreement.

e. Release. Effective as of the Effective Date confirming the Plan, Lancaster shall be deemed to remise, waive, release and forever discharge Hilton and Hilton’s directors, employees, agents, subsidiaries, affiliates, and attorneys (collectively, the “**Hilton Released Parties**”), of and from any and all manner of actions, causes of action, suits, debts, dues, agreements, obligations, liabilities, claims, accounts, damages and/or demands whatsoever, known or unknown, whether at law or in equity, or any other claims the Lancaster may have or could have against the Hilton Released Parties in existence as of or arising prior to the date of entry of the order confirming the Plan.

f. Support of Hilton. Hilton has agreed to vote to accept the Plan so long as same includes all the provisions of this Section and does not otherwise alter or treat any of Hilton’s rights/claims.

C. Executory Contracts and Unexpired Leases to Be Rejected

On the Effective Date, except for an Executory Contract or Unexpired Lease that was previously assumed, assumed and assigned or rejected by an order of the Bankruptcy Court or that is assumed pursuant to Section V.A of this Plan, each Executory Contract and Unexpired

Lease entered into by a Debtor prior to the Petition Date that has not previously expired or terminated pursuant to its own terms or an agreement among the parties will be rejected pursuant to section 365 of the Bankruptcy Code. The Executory Contracts and Unexpired Leases to be rejected will include the Executory Contracts and Unexpired Leases listed on the attached Exhibit V.C. Each contract and lease listed on Exhibit V.C will be rejected only to the extent that any such contract or lease constitutes an Executory Contract or Unexpired Lease. Listing a contract or lease on Exhibit V.C will not constitute an admission by a Debtor or Reorganized Debtor that such contract or lease is an Executory Contract or Unexpired Lease or that a Debtor has any liability thereunder. Any Executory Contract and Unexpired Lease not listed on Exhibit V.A and not previously assumed, assumed and assigned or rejected by an order of the Bankruptcy Court will be deemed rejected irrespective of whether such contract is listed on Exhibit V.C. The Confirmation Order will constitute an order of the Bankruptcy Court approving such rejections, pursuant to section 365 of the Bankruptcy Code, as of the Effective Date.

D. Contracts and Leases Entered Into After the Petition Date

Contracts and leases entered into after the Petition Date by a Debtor, including any Executory Contracts and Unexpired Leases assumed by a Debtor, will be performed by such Debtor or Reorganized Debtor in the ordinary course of its business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

E. Rejection Damages

Any Claim arising from the rejection of an Executory Contract or Unexpired Lease will be treated as a Class 6 Claim.

F. Bar Date for Rejection Damages

Notwithstanding anything in the Bar Date Order to the contrary, if the rejection of an Executory Contract or Unexpired Lease gives rise to a Claim (including any Claims arising from those indemnification obligations described in Section V.G.2 of this Plan) by the other party or parties to such contract or lease, such Claim will be forever barred and will not be enforceable against the Debtors, the Reorganized Debtors, their respective successors or their respective properties unless a proof of Claim is Filed and served on the Reorganized Debtors, pursuant to the procedures specified in the Confirmation Order and the notice of the entry of the Confirmation Order or another order of the Bankruptcy Court, as applicable. Upon the rejection of an Executory Contract or Unexpired Lease, notice of the applicable bar date for Filing rejection damage Claims will be served on the non-Debtor party or parties to such agreement, which may be part of the Confirmation Notice or may be given by serving the Bankruptcy Court's Order establishing such Bar Date.

G. Obligations to Indemnify Directors, Officers and Employees

1. The obligations of each Debtor or Reorganized Debtor to indemnify any person who has served as one of its directors, officers or employees at any time on or after the Petition Date and who is still serving as a director, officer or employee of a Debtor on the Confirmation Date by reason of such person's prior or future service in such a capacity or as a director, officer

or employee of another corporation, partnership or other legal entity, to the extent provided in the applicable certificates of incorporation, by-laws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor, will be deemed and treated as executory contracts that are assumed by the applicable Debtor or Reorganized Debtor pursuant to the Plan and section 365 of the Bankruptcy Code as of the Effective Date. Accordingly, such indemnification obligations will survive and be unaffected by entry of the Confirmation Order, irrespective of whether such indemnification is owed for an act or event occurring before or after the Petition Date.

2. The obligations of each Debtor or Reorganized Debtor to indemnify any person who, as of the Petition Date, was no longer serving as a director, officer or employee of such Debtor or Reorganized Debtor, which indemnity obligation arose by reason of such person's prior service in any such capacity or as a director, officer or employee of another corporation, partnership or other legal entity, whether provided in the applicable certificates of incorporation, by-laws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor, will be terminated and be discharged pursuant to section 502(e) of the Bankruptcy Code or otherwise, as of the Effective Date; *provided, however*, that to the extent that such indemnification obligations no longer give rise to contingent Claims that can be disallowed pursuant to section 502(e) of the Bankruptcy Code, such indemnification obligations will be deemed and treated as executory contracts that are rejected by the applicable Debtor pursuant to the Plan and section 365 of the Bankruptcy Code, as of the Effective Date, and any Claims arising from such indemnification obligations (including any rejection damage claims) will be subject to the bar date provisions of Section V.F of this Plan and, if timely filed, will be treated as Class 6 Claims.

ARTICLE VI. PROVISIONS GOVERNING DISTRIBUTIONS

A. Distributions for Claims Allowed as of the Effective Date

1. Distributions to Be Made on the Effective Date

Except as otherwise provided in this Article VI, distributions of Cash and other property under the Plan to be made on the Effective Date will be deemed made on the Effective Date if made on the Effective Date or as promptly thereafter as practicable, but in any event no later than: (a) 30 days after the Effective Date or (b) such later date when the applicable conditions of Section V.B (regarding cure payments for Executory Contracts and Unexpired Leases being assumed), Section VI.B.2 (regarding undeliverable distributions) or Section VII.C of this Plan (regarding claims that become allowed after the Effective Date). All distributions to holders of Allowed Claims in Classes entitled to distributions under this Plan shall be allocated first to the principal amount of the holder's Allowed Claim and, only if the entire principal amount of the holder's Allowed Claim has been paid, then to any unpaid fees and expenses associated with any such Allowed Claim and then to the unpaid pre-Effective Date interest (if any) on such Allowed Claim.

B. Delivery of Distributions and Undeliverable or Unclaimed Distributions

1. Delivery of Distributions

Except as provided in Section VI.B.2 of this Plan, distributions to holders of Allowed Claims will be made by the Debtors: (a) at the addresses set forth on the respective proofs of Claim Filed by holders of such Claims; (b) at the addresses set forth in any written certification of address change delivered to the Debtors (including pursuant to a letter of transmittal delivered to the Debtors) after the date of Filing of any related proof of Claim; or (c) at the addresses reflected in the applicable Debtor's Schedules if no proof of Claim has been Filed and the Debtors have not received a written notice of a change of address. Notwithstanding the foregoing, no distributions shall be mailed to addresses for which mail has previously been returned to the Debtors or the Bankruptcy Noticing Center as undeliverable.

2. Undeliverable Distributions Held by Debtors

a. Holding and Investment of Undeliverable Distributions;

Subject to Section VI.B.2.b of this Plan, distributions returned to the Debtors or otherwise undeliverable will remain in the possession of the Debtors pursuant to this Section VI.B.2.a until such time as a distribution becomes deliverable.

b. Failure to Claim Undeliverable Distributions

Any holder of an Allowed Claim that does not assert a claim pursuant to the Plan for an undeliverable distribution to be made by the Debtors within two years after the later of (i) the Effective Date and (ii) the last date on which a distribution was deliverable to such holder will have its claim for such undeliverable distribution discharged and will be forever barred from asserting any such claim against the Reorganized Debtors. Nothing contained in the Plan will require any Debtor or Reorganized Debtor to attempt to locate any holder of an Allowed Claim.

C. Distribution Record Date

i. The Debtors will have no obligation to recognize the transfer of, or the sale of any participation in, any Allowed Claim that occurs after the close of business on the Distribution Record Date and will be entitled for all purposes herein to recognize and make distributions only to those holders of Allowed Claims that are holders of such Claims, or participants therein, as of the close of business on the Distribution Record Date.

ii. Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the Distribution Record Date will be treated as the holders of such Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to such transfer has not expired by the Distribution Record Date.

D. Means of Cash Payments

Except as otherwise specified herein, cash payments made pursuant to the Plan will be in U.S. currency by checks drawn on a domestic bank selected by the Debtors or by wire transfer from a U.S. bank.

E. Compliance with Tax Requirements

1. In connection with the Plan, to the extent applicable, each Debtor will comply with all Tax withholding and reporting requirements imposed on it by any governmental unit, and all distributions pursuant to this Plan will be subject to applicable withholding and reporting requirements. Each Debtor will be authorized to take any actions that may be necessary or appropriate to comply with those withholding and reporting requirements, including requiring recipients to fund the payment of such withholding as a condition to delivery.

2. Notwithstanding any other provision of this Plan, each entity receiving a distribution of cash or other property under the Plan will have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed on it by any governmental unit on account of the distribution, including income, withholding and other Tax obligations.

F. Setoffs

Except with respect to claims of a Debtor or Reorganized Debtor released pursuant to this Plan or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Reorganized Debtors may, pursuant to section 553 of the Bankruptcy Code or applicable nonbankruptcy law, set off against any Allowed Claim and the distributions to be made pursuant to this Plan on account of the Claim (before any distribution is made on account of the Claim) the claims, rights and causes of action of any nature that the applicable Debtor or Reorganized Debtor may hold against the holder of the Allowed Claim; *provided* that neither the failure to effect a setoff nor the allowance of any Claim hereunder will constitute a waiver or release by the applicable Debtor or Reorganized Debtor of any claims, rights and causes of action that the Debtor or Reorganized Debtor may possess against the Claim holder.

ARTICLE VII. PROCEDURES FOR RESOLVING DISPUTED CLAIMS

A. Prosecution of Objections to Claims

1. Objections to Claims

All objections to Claims must be Filed and served on the holders of such Claims by the Claims Objection Bar Date, and, if Filed prior to the Effective Date, such objections will be served on the parties on the then-applicable special service list in the Chapter 11 Cases. If an objection has not been Filed to a proof of Claim or a scheduled Claim by the Claims Objection Bar Date, the Claim to which the proof of Claim or scheduled Claim relates will be treated as an Allowed Claim if such Claim has not been allowed earlier and is not otherwise a Disputed Claim.

2. Authority to Prosecute Objections

After the Confirmation Date, only the Debtors, the Reorganized Debtors will have the authority to File, settle, compromise, withdraw or litigate to judgment objections to Claims, provided, however, that if the Litigation Trust is created and funded it shall have the sole and exclusive authority to File, settle, compromise, withdraw, or litigate to judgment any objections to Claims belonging to the Parties against whom the Retained Actions may be asserted. After the Effective Date, the Reorganized Debtors or the Litigation Trust (with respect to Claims belonging to persons against whom the Retained Actions may be asserted) may settle or compromise any Disputed Claim without approval of the Bankruptcy Court.

B. Treatment of Disputed Claims

Notwithstanding any other provisions of the Plan, no payments or distributions will be made on account of a Disputed Claim until such Claim becomes an Allowed Claim.

C. Distributions on Account of Disputed Claims Once Allowed

Within 30 days of any Disputed Claim becoming an Allowed Claim, the Debtors shall make the applicable distribution required under this Plan.

ARTICLE VIII. SUBSTANTIVE CONSOLIDATION OF THE DEBTORS

A. Pursuant to the Confirmation Order, the Bankruptcy Court shall approve the substantive consolidation of the Debtors for the purpose of implementing the Plan, including for purposes of voting, Confirmation and distributions to be made under the Plan. Pursuant to such order: (1) all assets and liabilities of the Debtors will be deemed merged; (2) all guarantees by one Debtor of the obligations of any other Debtor will be deemed eliminated so that any Claim against any Debtor and any guarantee thereof executed by any other Debtor and any joint or several liability of any of the Debtors will be deemed to be one obligation of the consolidated Debtors; and (3) each and every Claim Filed or deemed Filed by or on behalf of a single creditor in a single Class of Claims against any of the Debtors will be deemed a single Claim Filed against the Debtors. Such substantive consolidation (other than for the purpose of implementing this Plan) will not affect the legal and corporate structures of the Debtors or Reorganized Debtors, including their separate obligations under any franchise agreement.

B. This Plan will serve as a motion seeking entry of an order substantively consolidating the Debtors, as described and to the limited extent set forth in Section VIII.A above. Unless an objection to such substantive consolidation is made in writing by any creditor or claimant affected by this Plan, Filed with the Bankruptcy Court and served on the Debtors in accordance with any deadlines set by the Local Rules or such other date as may be fixed by the Bankruptcy Court, the substantive consolidation order (which may be the Confirmation Order) may be entered by the Bankruptcy Court. In the event any such objections are timely Filed, a hearing with respect thereto will occur at the Confirmation Hearing.

**ARTICLE IX.
CONDITIONS PRECEDENT TO CONFIRMATION
AND CONSUMMATION OF THE PLAN**

A. Conditions to Confirmation

The Bankruptcy Court will not be requested to enter the Confirmation Order, unless and until the following conditions have been satisfied or duly waived pursuant to Section IX.C of this Plan:

1. The Confirmation Order will be reasonably acceptable in form and substance to the Debtors.
2. The Debtors shall have received a binding, unconditional commitment from the New Equity Investors for the New Equity Infusion.
3. All Exhibits to the Plan are in form and substance reasonably satisfactory to the Debtors.

B. Conditions to the Effective Date

The Effective Date will not occur, and the Plan will not be consummated unless and until the following conditions have been satisfied or duly waived pursuant to Section IX.C of this Plan:

1. The Confirmation Order has been entered; has not been reversed; stayed, modified or amended; and has become a Final Order.
2. The Bankruptcy Court shall have entered an order (contemplated to be part of the Confirmation Order) approving and authorizing the Debtors and the Reorganized Debtors to take all actions necessary or appropriate to implement the Plan in form and substance acceptable to the Debtors.

C. Waiver of Conditions to the Confirmation or Effective Date

The conditions to confirmation and the conditions to the Effective Date may be waived by agreement of the Debtors without an order of the Bankruptcy Court.

D. Effect of Nonoccurrence of Conditions to the Effective Date

If each of the conditions to the Effective Date is not satisfied or duly waived in accordance with Section IX.C of this Plan, then upon motion by the Debtors or any party in interest made before the time that each of such conditions has been satisfied and upon notice to such parties in interest as the Bankruptcy Court may direct, the Confirmation Order will be vacated by the Bankruptcy Court. If the Confirmation Order is vacated pursuant to this Section IX.D, (1) the Plan will be null and void in all respects, including with respect to: (a) the discharge of Claims and termination of Interests pursuant to section 1141 of the Bankruptcy Code; (b) the assumptions of Executory Contracts and Unexpired Leases pursuant to Section V.A.1; and (c) the releases

described in this Section IV.D; and (2) nothing contained in this Plan will: (a) constitute a waiver or release of any claims by or against, or any Interest in, any Debtor; or (b) prejudice in any manner the rights of the Debtors or any other party in interest.

ARTICLE X. CRAMDOW

The Debtors request Confirmation under section 1129(b) of the Bankruptcy Code with respect to any impaired Class that has not accepted or is deemed not to have accepted the Plan pursuant to section 1126 of the Bankruptcy Code.

ARTICLE XI. DISCHARGE, TERMINATION, INJUNCTION AND SUBORDINATION RIGHTS

A. Discharge of Claims and Termination of Interests

1. Complete Satisfaction, Discharge and Release

Except as provided in this Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under this Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims and termination of all Interests arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date and immediately after cancellation of the Old S&G Common Stock: (a) discharge the Debtors from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (iii) the holder of a Claim based on such debt has accepted the Plan; and (b) terminate all Interests and other rights of equity security holders in the Debtors.

2. Discharge and Termination

In accordance with the foregoing, except as provided in this Plan or the Confirmation Order, the Confirmation Order will be a judicial determination, as of the Effective Date and immediately after the cancellation of the Old S&G Common Stock, but prior to the issuance of the New S&G Common Stock, of a discharge of all Claims and other debts and liabilities against the Debtors and a termination of all Interests and other rights of the holders of Interests in the Debtors, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge will void any judgment obtained against the Debtor at any time, to the extent that such judgment relates to a discharged Claim or terminated Interest; *provided, however*, that, notwithstanding the extinguishment of any such judgment, the existence of a validly entered judgment may be treated as evidence of the entitlement to a Claim in the Chapter 11 Cases, which Claim, subject to other applicable requirements (including the timely filing of a proof of Claim, if necessary), will be satisfied by the distribution, if any, provided under the Plan.

B. Injunctions

1. Claims Enjoined

Except as provided in the Plan or the Confirmation Order or agreed to by the Debtors or the Reorganized Debtors, as of the Effective Date all entities and persons that have held, currently hold or may hold a Claim or other debt or liability that is discharged or an Interest or other right of a holder of an Interest that is terminated pursuant to the terms of the Plan will be permanently enjoined from taking any of the following enforcement actions on account of any such discharged Claims, debts or liabilities or terminated Interests or rights: (a) commencing or continuing in any manner any action or other proceeding against any Debtor, any Reorganized Debtor or its respective property, other than to enforce any right pursuant to the Plan to a distribution; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against any Debtor, any Reorganized Debtor or its respective property, other than as permitted pursuant to (a) above; (c) creating, perfecting or enforcing any lien or encumbrance against any Debtor, any Reorganized Debtor or its respective property; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any Debtor or any Reorganized Debtor; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

2. Enforcement Enjoined

As of the Effective Date, all entities and persons that have held, currently hold or may hold any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities that are released pursuant to the Plan will be permanently enjoined from taking any of the following actions against any released entity or its property on account of such released claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities: (a) commencing or continuing in any manner any action or other proceeding; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (c) creating, perfecting or enforcing any lien or encumbrance; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any released entity; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

3. Consent to Injunction

By accepting distributions pursuant to the Plan, each holder of an Allowed Claim receiving distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth in Section XI.B.1 and Section XI.B.2 of this Plan.

C. Termination of Subordination Rights and Settlement of Related Claims and Controversies

1. Termination

The classification and manner of satisfying all Claims and Interests under the Plan take into consideration all subordination rights whether arising under general principles of equitable subordination, contract, section 510(c) of the Bankruptcy Code or otherwise, that a holder of a Claim or Interest may have against other Claim or Interest holders with respect to any distribution made pursuant to this Plan. All subordination rights that a holder of a Claim may have with respect to any distribution to be made pursuant to the Plan will be discharged and terminated, and all actions related to the enforcement of such subordination rights will be permanently enjoined. Accordingly, distributions pursuant to the Plan to holders of Allowed Claims will not be subject to payment to a beneficiary of such terminated subordination rights or to levy, garnishment, attachment or other legal process by a beneficiary of such terminated subordination rights.

2. General Settlement

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, the provisions of the Plan will constitute a good faith compromise and settlement of all claims or controversies relating to the subordination rights that a holder of a Claim may have with respect to any Allowed Claim or any distribution to be made pursuant to the Plan on account of any Allowed Claim. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of all such claims or controversies and the Bankruptcy Court's finding that such compromise or settlement is in the best interests of the Debtors, the Reorganized Debtors and their respective property and Claim and Interest holders and is fair, equitable and reasonable.

3. Settlement with InnVite Hospitality

Pursuant to Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided under the Plan, if the New Equity Investors become the sole owner of S&G on the Effective Date and the Management Agreement with InnVite Hospitality is assumed, InnVite Hospitality shall (a) provide the Reorganized Debtors a line of credit of up to \$400,000 with such repayment terms are specified by InnVite Hospitality to help fund working capital needs and the costs of the Fixed Revenue Cycle Management renovations with Hilton for the Hampton Inn Lancaster and (b) a release of all claims InnVite Hospitality has arising before the Effective Date under the Management Agreement. In return the Debtors shall provide InnVite Hospitality the Settlement Release of InnVite provided in Section IV.D.3.c of this Plan. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval, as of the Effective Date, of the compromise or settlement of this settlement and that it is in the best interests of the Debtors, the Reorganized Debtors and their respective property and Claim and Interest holders and is fair, equitable and reasonable.

4. Preservation of Subordination under Section 510(b)

Notwithstanding the foregoing, the provisions of section 510(b) of the Bankruptcy Code, to the extent applicable to Claims against the Debtors, are expressly preserved.

ARTICLE XII. RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court will retain such jurisdiction over the Chapter 11 Cases after the Effective Date as is legally permissible, including jurisdiction to:

- 1.** Allow, disallow, determine, liquidate, classify, reclassify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the allowance, priority or classification of Claims or Interests;
- 2.** Grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or the Plan for periods ending on or before the Effective Date;
- 3.** Resolve any matters related to the assumption, assumption and assignment or rejection of any Executory Contract and Unexpired Lease to which any Debtor is a party or with respect to which any Debtor or Reorganized Debtor may be liable and to hear, determine and, if necessary, liquidate any Claims arising therefrom, including any Cure Amount Claims;
- 4.** Ensure that distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;
- 5.** Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving any Debtor, any Reorganized Debtor, or the Litigation Trust that may be pending on the Effective Date or brought thereafter;
- 6.** Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Plan and all contracts, instruments, releases and other agreements or documents entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order;
- 7.** Resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation or enforcement of the Plan or any contract, instrument, release or other agreement or document that is entered into or delivered pursuant to the Plan or any entity's rights arising from or obligations incurred in connection with the Plan or such documents;
- 8.** Modify the Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code; modify the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; or remedy any defect or omission

or reconcile any inconsistency in any Bankruptcy Court order, the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into, delivered or created in connection with the Plan, the Disclosure Statement or the Confirmation Order, in such manner as may be necessary or appropriate to consummate the Plan;

9. Issue injunctions, enforce the injunctions contained in the Plan and the Confirmation Order, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with consummation, implementation or enforcement of the Plan or the Confirmation Order;

10. Enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason or in any respect modified, stayed, reversed, revoked or vacated or distributions pursuant to the Plan are enjoined or stayed;

11. Determine any other matters that may arise in connection with or relate to the Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release or other agreement or document entered into or delivered in connection with the Plan, the Disclosure Statement or the Confirmation Order; and

12. Enter a final decree closing the Chapter 11 Cases.

ARTICLE XIII. MISCELLANEOUS PROVISIONS

A. Limitation of Liability/Exculpation

None of the Debtors, their officers, their directors, and the Debtors' Professionals (collectively, the "**Exculpated Parties**") shall have or incur any liability to any Holder of a Claim or Equity Interest, or other party in interest, or any of their respective members, officers, directors, employees, advisors, professionals, attorneys or agents or any of their successors and assigns, with respect to any Exculpated Claim, including, without limitation, any act or omission in connection with, related to, or arising out of, in whole or in part, the Debtors Chapter 11 Cases, except for willful misconduct, gross negligence, fraud or criminal misconduct as determined by a Final Order of a court of competent jurisdiction, and, in all respects, the Exculpated Parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

B. Modification of the Plan

Subject to the restrictions on modifications set forth in section 1127 of the Bankruptcy Code, the Debtors or the Reorganized Debtors, as applicable, reserve the right to alter, amend or modify the Plan before the Effective Date.

C. Revocation of the Plan

The Debtors reserve the right to revoke or withdraw this Plan prior to the Confirmation Date. If the Debtors revoke or withdraw this Plan, or if Confirmation does not occur, then the Plan will be null and void in all respects, and nothing contained in this Plan will: (1) constitute a waiver or release of any claims by or against, or any Interests in, any Debtor;

(2) prejudice in any manner the rights of any Debtor or any other party in interest; or (3) constitute an admission of any sort by any Debtor or any other party in interest.

D. Severability of Plan Provisions

If, prior to Confirmation, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court will have the power to alter and interpret such term or provision to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision then will be applicable as altered or interpreted; *provided* that any such alteration or interpretation must be in form and substance acceptable to the Debtors. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order will constitute a judicial determination and will provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

E. Successors and Assigns

The rights, benefits and obligations of any entity named or referred to in this Plan will be binding on, and will inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.

F. Service of Documents

Any pleading, notice or other document required by the Plan or the Confirmation Order to be served on or delivered to the Debtors or the Reorganized Debtors must be sent by overnight delivery service, courier service or messenger to:

1. The Debtors and the Reorganized Debtors

Abhijit Vasani
S&G Hospitality, Inc.,
P.O. Box 773
Columbus, OH 43235

David A. Beck, Esq.
Carpenter Lipps LLP
290 North High St., Suite 1300
Columbus, Ohio 43215

(Counsel to the Debtors and Reorganized Debtors)

2. The New Equity Investor

SDGD Enterprises LLC
939 North High Street, Apt. 303
Columbus, Ohio 43201

Gus Kallergis, Esq.
Bernstein Burkley, P.C.
1360 East Ninth Street, Suite 1250
Cleveland, Ohio 44114

(Counsel to SDGD Enterprises, LLC)

Dated: September 8, 2025

Respectfully submitted,

S&G Hospitality, Inc. on its own behalf and on
behalf of each Subsidiary Debtor

By: /s/ Abhijit Vasani
Name: Abhijit Vasani
Title: President, S&G Hospitality, Inc.

COUNSEL:

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ATTORNEYS FOR DEBTORS
AND DEBTORS IN POSSESSION

FRCM Scope: Soft

Inn Code: LHOOH
Hotel Name: Lancaster, OH
FRCM Notification Date: 4/5/2024
FRCM Design Approval Due Date: 12/31/2025
FRCM Renovation Due Date: 12/31/2026
Prepared By: Sean Sanders
Renovation Number: RENO-002300



LOBBY AREA			Notes
ENTRANCE / VESTIBULE			
Wall Finishes (VWC, Paint)	Replace	✓	
LOBBY			Notes
Carpet, Pad, & Base	Replace	✓	
Wall Finishes (VWC, Paint)	Replace	✓	
Window Treatments (Drapery, Sheers)	Replace	✓	
Artwork / Decorative Accessories	Replace	✓	
Plug-in Lighting / Lamps	Replace	✓	
Upholstered Furniture & Decorative Pillows	Replace	✓	OA: Noted.
Banquettes	Reupholster	✓	
Dining Chairs & Bar Height Chairs	Replace	✓	OA: Noted.
Dining Tables (Laminate Tops)	Replace	✓	OA: Noted.
Dining Tables (Natural & Stone Tops)	Restore	✓	OA: Noted.
Millwork*	Restore	✓	
Casegoodst	Restore	✓	
REGISTRATION			Notes
Carpet, Pad, & Base	Replace	✓	
Wall Finishes (VWC, Paint)	Replace	✓	
Millwork*	Restore	✓	OA: Noted.
MARKET / RETAIL			Notes
Wall Finishes (VWC, Paint)	Replace	✓	
Millwork*	Restore	✓	
PUBLIC RESTROOMS			
PUBLIC RESTROOMS			Notes
Wall Finishes (VWC, Paint)	Replace	✓	
FOOD & BEVERAGE			
COMP FACILITIES			Notes
Wall Finishes (VWC, Paint)	Replace	✓	
Millwork*	Restore	✓	
Casegoodst	Restore	✓	
MEETING FACILITIES			
MEETING ROOMS			Notes
Carpet, Pad, & Base	Replace	✓	
Wall Finishes (VWC, Paint)	Replace	✓	
Window Treatments (Drapery, Sheers)	Replace	✓	
Artwork / Decorative Accessories	Replace	✓	
Stack Chairs	Replace	✓	
Millwork*	Restore	✓	
BUSINESS CENTER			Notes
Wall Finishes (VWC, Paint)	Replace	✓	
Task Chair	Replace	✓	
Millwork*	Restore	✓	

RECREATION FACILITIES

FITNESS	Notes
Flooring & Base (Resilient, Rubber)	Replace
Wall Finishes (WVC, Paint)	Replace
Artwork / Graphics	Replace
Towel Storage Unit	Restore
Fitness Equipment - Cardio	Replace
	OA: Noted.

CIRCULATION

CORRIDORS & VENDING	Notes
Carpet, Pad, & Base	Replace
Wall Finishes (WVC, Paint)	Replace
Window Treatments (Drapery, Sheers)	Replace
	OA: Noted.
GUEST LAUNDRY	Notes
Wall Finishes (WVC, Paint)	Replace
	✓
ELEVATOR LOBBIES	Notes
Carpet, Pad, & Base	Replace
Wall Finishes (WVC, Paint)	Replace
Artwork / Decorative Accessories	Replace
	✓
ELEVATORS	Notes
Carpet, Pad, & Base	Replace
	OA: Noted.

GUEST ROOMS / SUITES

BEDROOM / LIVING ROOM	Notes
Carpet, Pad, & Base	Replace
Wall Finishes (WVC, Paint)	Replace
Window Treatments (Drapery, Sheers, Roller Shades)	Replace
Artwork / Decorative Accessories	Replace
Mirrors	Replace
Plug-in Lighting / Lamps	Replace
Upholstered Furniture & Decorative Pillows	Replace
Headboard Pad	Reupholster
Task Chair	Replace
Box Spring Covers & Accessible Bed Skirts	Replace
Valet Hanger	Add
Millwork*	Restore
Casegoods†	Restore
	OA: Noted.
BATHROOM	Notes
Wall Finishes (WVC, Paint)	Replace
Artwork / Decorative Accessories	Replace
Vanity Base	Restore
	✓

OTHER

BRAND PROGRAM ELEMENTS	Notes
Update wall graphic at front desk	Replace
Update wall graphic in entrance / vestibule	Replace
Install wall mounted valet in guest rooms	Add
	✓

Hampton Inn by Hilton FRCM DISCLAIMERS:

FRCM Scope is not inclusive of all tasks and replacements that may be required as part of a renovation, including:

1. All items currently graded by QA for Condition are the responsibility of the hotel to address.
2. The hotel must follow the current Hilton Global Design Services Approval Process, including the acquisition of a design professional, prior to commencing any renovation of guest-facing areas.
3. Consultation of the appropriate Brand Design Guide and/or Renovation Guide, available at designinformation.hilton.com, is recommended to assist with design direction and planning.
4. Coordination of pre-existing surfaces and furnishings must align with updated decor. Additional items may need to be addressed beyond the FRCM Scope to create a coordinated final presentation.
5. Surrounding area painting (i.e., door trim, doors, cornices, ceilings) are expected as part of routine maintenance and will need to coordinate with any new decor.
6. Switches, outlets, and covers are expected to be replaced at the appropriate time to maintain a "like-new" presentation.
7. FRCM does not address fire, life safety or ADA requirements, which remain the responsibility of the hotel to be current.
8. FRCM does not address the following areas. These remain the responsibility of the hotel to maintain in good condition:
 - Back-of-house
 - Stairwells
 - Pool Area
 - Exterior, Sidewalks, Porte Cochere, Landscaping
 - Doors / Door Hardware
 - Windows
 - Mechanical, PTACs/VTACs, Chillers
 - Ceiling Tile
 - Recessed Lighting Fixtures
 - Kitchen, Guest Laundry, & Retail Refrigeration Equipment
 - Meeting Room Projection and Sound Systems

9. Televisions, Fitness Equipment, and Mattresses each have their own replacement cycles per Brand Standards. They may be included in the FRCM Scope if they are past-due or due for replacement at the time of the renovation. The requirements will continue to be tracked by QA if off-cycle with FRCM and remain the responsibility of the hotel to be current.

10. Hilton defines the following terms as such. Please consult your AD&C Project Manager for further details:

- Add: install a new item.
- Convert: transform to a new function.
- Expand: make larger or more extensive.
- Reimage: create a new visual design of the item by replacing or fixing damaged areas, and then painting, staining, professionally refinishing, or recadding surfaces to be cohesive with other items.
- Remove: eliminate the item.
- Repair: return the item to its original condition by replacing or fixing damaged areas.
- Replace: remove the item and change with a new item.
- Restore: return the item to its original finish/condition by replacing or fixing damaged areas; removing scratches, dents, and water marks; and/or professionally refinishing surfaces.
- Reupholster: update the item with a new cover material (and refill if needed) to bring to its original condition.

*Millwork includes all affixed solid furniture/finishes, including all columns, walls, bases, cabinets, counters, buffets, built-ins, wetbars/sinks, the front desk, and similar items.

†Casegoods includes all moveable solid furniture, including all tables, credenzas, consoles, buffets, backsplashes, headboards, nightstands, dressers, desks, and similar items.

**Accessories for Public Restrooms include all required items per Brand Standard 2503.00. H.

[Form of New Secured Promissory Note]

AMENDED AND RESTATED SECURED
PROMISSORY NOTE

\$11,000,000

Columbus, Ohio
[DATE MADE]

FOR VALUE RECEIVED, **BUCKEYE LODGING, LLC**, an Ohio limited liability company ("**Buckeye**"), **LANCASTER HOSPITALITY, LLC**, an Ohio limited liability company ("**Lancaster**"), and **SUNBURST HOTELS, LLC**, an Ohio limited liability company ("**Sunburst**"), collectively as maker, each having its principal place of business at 5955 E. Dublin Granville Road, New Albany, OH 43054 (collectively, "**Maker**"), hereby unconditionally promises to pay to the order of **RSS COMM2015-PC1 - OH BL, LLC**, as lender, having an address at **[HOLDER ADDRESS]** (together with its successors and/or assigns, "**Holder**"), or at such other place as the holder hereof may from time to time designate in writing, the principal sum of ELEVEN MILLION AND NO/100 DOLLARS (\$11,000,000.00), in lawful money of the United States of America, with interest thereon to be computed from the date of this Promissory Note (this "**Note**") at the rate of FIVE AND ONE HALF PERCENT (5.5%) per annum, in monthly installments as to fully satisfy the principal balance and interest within a term of three hundred sixty (360) months, to be paid in accordance with the terms of this Note.

This Note is made pursuant to that *Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and its Debtor Subsidiaries*, Case No. 2:23-bk-52859, United States Bankruptcy Court, Southern District of Ohio, Eastern Division (the "**Plan**") and order of the Court approving the Plan dated **[ORDER DATE]**. This Note amends and restates in its entirety that certain Promissory Note made by Sunburst, Buckeye, and Lancaster payable to the order of Jefferies Loancore LLC in the amount of \$11,550,000.00 dated as of February 27, 2015, as assigned. All capitalized terms not defined herein shall have the respective meanings set forth in the Plan.

Maker hereby recognizes that the installment payments under this Note are insufficient to pay the outstanding principal and that a balloon payment shall be due at the end of the term of this Note if not fully satisfied before the end of the term.

ARTICLE 1: SECURITY INTEREST

In conjunction with the delivery of this Note, the Maker is executing Amended and Restated Mortgages (the "Mortgages") amending and restating the terms of the security documents and providing that they secure the payment of this Note. The property described in the Mortgages are referred to collectively herein as the "**Property**". The covenants of the Mortgages given to secure the payment of this Note are hereby made a part of this instrument as if fully written herein.

ARTICLE 2: PAYMENT TERMS

Maker agrees to pay the principal sum of this Note and interest on the unpaid principal sum of this Note and all other amounts due under this Note from time to time outstanding, at the rate and time specified herein, beginning **[FIFTH DAY OF THE MONTH IMMEDIATELY FOLLOWING THE EFFECTIVE DATE AS DEFINED BY THE PLAN]**, and continuing on the same day of each month thereafter for a period of sixty (60) months, where all outstanding principal and interest shall be due and payable in full. Maker may pay any monthly installment in advance of the due date. Maker shall be have the right to sell the Hampton Inn Lancaster, the Red Roof Dublin, or the Quality Inn North that together comprise the Property singly or in any combination so long as the net proceeds from the sale are used to paydown this Note and Holder receives the opportunity to purchase the properties provided for in the Rights

of First Refusal being provided in connection with this Note. Within seven business days of receiving a written request by Holder, Lender shall provide a payoff statement to Maker of all amounts required to satisfy the obligations under this Note and release the mortgages and other security instruments securing it, which shall also include a per diem in the event that a closing occurs later than the date of that statement, that the Holder is obligated to accept.

ARTICLE 3: DEFAULT AND ACCELERATION

So long as any obligations are outstanding hereunder, each of the following shall be considered an event of default under this Note (each, an ***“Event of Default”***):

- a. Maker’s failure to pay any installment on this Note when the same is due, or any part of such installment and Maker’s failure to pay same within 10 days of notice thereof;
- b. Maker’s breach of any provision of the mortgages for the Property; and Maker’s failure to cure same within 60 days of notice thereof; provided, however, that if such breach cannot be cured within such 60 days period, then Maker shall have a reasonable period of time, not to exceed 180 days, to cure such breach;
- c. Any permanent suspension or revocation of any license, accreditation, or regulatory approval required to conduct the business of Maker which would result in cessation of operations of the business and Maker’s failure to cure same within 60 days of notice thereof; provided, however, that if such breach cannot be cured within such 60 days period, then Maker shall have a reasonable period of time, not to exceed 180 days, to cure such breach;
- d. Dissolution of or discontinuation of the active conduct of business of the Maker; and
- e. Subject to the provisions of this Note (including the right to sell individual hotels in accordance with the requirements set forth in Article 2 above), a sale or other transfer of the ownership interest of Maker (by way of merger, consolidation, or other business combination or purchase of more than 50% of the membership interests of any of the foregoing); provided, however, that the transfer of the ownership interests in Maker’s parent company S&G Hospitality, LLC to SDGD Enterprises LLC, as provided for in the Plan, shall not constitute an event of default.

Upon the occurrence of an Event of Default and at any time and from time to time thereafter, in addition to any other rights or remedies available to it at law or in equity, Holder May take such action, upon notice in accordance with the provisions hereof, that Holder deems advisable to protect and enforce its rights against Maker and in and to the Property; including declaring the Note to be immediately due and payable with reasonable notice and cure period (including unpaid interest). Upon acceleration of this Note by Holder, the Maker shall have 360 days to pay this Note in full.

ARTICLE 4: SAVINGS CLAUSE

Notwithstanding anything to the contrary contained herein: (a) all agreements and communications between Maker and Holder are hereby and shall automatically be limited so that, after taking into account all amounts deemed to constitute interest, the interest contracted for, charged or received by Lender shall never exceed the maximum non-usurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the indebtedness evidenced by this Note and as provided for herein, under the laws of the state of Ohio (the ***“Maximum Legal Rate”***); (b) in calculating whether any interest exceeds the Maximum Legal Rate, all such interest shall be amortized, prorated, allocated and spread over the full amount and term of all principal indebtedness of Maker to Holder; and

(c) if through any contingency or event, Holder receives or is deemed to receive interest in excess of the Maximum Legal Rate, any such excess shall be deemed to have been applied toward the payment of the principal of any and all then outstanding indebtedness of Maker to Holder, or if there is no such indebtedness, shall immediately be returned to Maker.

ARTICLE 5: NO ORAL CHANGE

This Note may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Maker or Holder, but only by an agreement in writing signed by both parties

ARTICLE 6: WAIVERS

Subject to the terms of this Note, Maker and all others who may become liable for the payment of all or any part of the obligations hereunder do hereby jointly and severally waive present and demand for payment, notice of dishonor, notice of intention to accelerate, notice of acceleration, protest and notice of protest and non-payment and all other notice of any kind. No release of any security for the obligations hereunder or extension of time for payment of this Note or any installment hereof, and no alteration, amendment or waiver of any provision of this Note, shall modify, amend, waive, extend, change, discharge, terminate or affect the liability of Maker or any other person who may become liable for payment of all or any part of the obligations under this Note. No notice to or demand on Maker shall be deemed to be a waiver of the obligation of Maker or of the right of Holder to take further action without further notice or demand as provided for in this Note. If Maker is a partnership or limited liability company, the agreements herein comprising the partnership or limited liability company, and the term “Maker” as used herein shall include any alternate or successor partnership or limited liability company, but any predecessor partnership or limited liability company and its partners or members (to the extent such partners or members have liability) shall not thereby be released from any liability. If Maker is a corporation the agreements contained herein shall remain in full force and be applicable, notwithstanding any changes in the shareholders comprising, or the officers and directors relating to, the corporation, and the term “Maker” as used herein, shall include any alternate or successor corporation, but any predecessor corporation shall not be relieved of liability hereunder. Nothing in the foregoing two sentences shall be construed as a consent to, or a waiver of, any prohibition or restriction or transfers of interests in such partnership, limited liability company a party to this Note.

ARTICLE 7: TRANSFER

Upon the transfer of this Note by Holder, Holder shall give prior written notice to Maker and Holder may deliver all the collateral mortgaged, granted, pledged or assigned pursuant to the mortgages, assignments of rent, and UCC filings related to the Property, or any part thereof, to the transferee who shall thereupon become vested with all the rights herein or under applicable law given to Holder with respect thereto, and Holder shall thereafter forever be relieved and fully discharged from any liability or responsibility in the matter; but Holder shall retain all rights hereby given to it with respect to any liabilities and the collateral not so transferred.

ARTICLE 8: GOVERNING LAW; JURISDICTION; SERVICE OF PROCESS

(a) THIS NOTE WAS NEGOTIATED IN THE STATE OF OHIO, AND MADE BY MAKER AND ACCEPTED BY HOLDER IN THE STATE OF OHIO, AND THE PROCEEDS OF THIS NOTE DELIVERED PURSUANT HERETO WERE DISBURSED FROM THE STATE OF OHIO, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES

AND THE UNDERLYING TRANSACTION EMBODIED HEREBY, AND IN ALL RESPECTS, INCLUDING MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS NOTE AND OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUCTED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF OHIO APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA, TO THE FULLEST EXTENT PERMITTED BY LAW. MAKER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVED ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS NOTE, AND THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OHIO.

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST HOLDER OR MAKER ARISING OUT OF OR RELATING TO THIS NOTE SHALL BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN FRANKLIN COUNTY, OHIO AND MAKER WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND BORROWER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING.

ARTICLE 9: SUCCESSORS AND ASSIGNS

This Note shall be binding upon, and shall inure to the benefit of Maker and Holder and their respective successors and permitted assigns. Holder shall the right to assign or transfer its rights under this Note in connection with any assignment of the obligations under this Note. Any assignee or transferee of Holder shall be entitled to all the benefits afforded to Holder under this Note. Except as provided herein for a sale or refinancing of the obligations in compliance with Article 2, Section B and in Article 3 Section B hereof, Maker shall not have the right to assign or transfer its rights or obligations under this Note without the prior written consent of Holder, and any attempted assignment without such consent shall be null and void.

ARTICLE 11: NOTICES

Any notice required or permitted to be given hereunder shall be in writing and provided by first-class mail, overnight delivery, or hand-delivery. If mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested shall be effective three business days after the deposit in the mail (or such later date as a recipient can document it received the notice or as shown by a registered or certified receipt is received). If notice is provided by overnight delivery, notice shall be effective on the business day of receipt (or the next business day if delivery is provided on a weekend or holiday). If notice is provided by hand-delivery, notice shall be effective upon receipt. For purposes of notice, the addresses of Holder and Maker shall be as set forth below; provided however, that either party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party.

If to Holder:

With a copy to:

If to Maker:

Buckeye Lodging LLC, Lancaster Hospitality,
LLC, Sunburst Hotels, LLC
Attn: Abhijit Vasani
5955 E. Dublin Granville Road
New Albany, OH 43054

With a copy to:

David Beck
Carpenter Lipps LLP
280 N. High St., Suite 1300
Columbus, OH 43215

ARTICLE 12: JOINT AND SEVERAL LIABILITY

If Maker consists of more than one person, the obligations and liabilities of each such person constituting Maker hereunder and under the Property shall be joint and several.

ARTICLE 13: HOLDER OBLIGATIONS

In the event of any potential refinancing or sale in compliance with in compliance with Article 2, Section B, Holder shall submit a payoff amount within three (3) business days of receipt of any written request therefor and shall submit a release of mortgage to be held in escrow by the title agent within five (5) business days of a written request therefor.

Within seven days of receiving a written request by Maker (which notwithstanding the provisions of Article 11 may be submitted by email), Holder shall provide a full and accurate payoff with per diem, statement to Maker of all amounts required to release a Mortgage as of the date of the statement, which shall also include a per diem. Holder shall in addition, within 7 days of receipt of written notice from Maker, provide such other information regarding the Loan Documents and loan/s as Maker shall reasonably request. Holder shall, in addition, provide to Maker monthly statements, showing amount paid and amounts that are due and payable. Acceptance of this Note by Holder constitutes Holder's agreement to the terms of this Note.

ARTICLE 14: BUSINESS PURPOSE

The undersigned, in addition to other consideration, hereby avers that in incurring the within obligation, Maker is engaged in a business purpose and is currently so engaged with respect to this transaction.

[Remainder of Page Intentionally Left Blank – Signature Page Follows]

IN WITNESS WHEREOF, Maker has duly executed this Note as of the day and year first written above.

BUCKEYE LODGING, LLC
an Ohio limited liability company

By: _____
Its: _____

LANCASTER HOSPITALITY, LLC
an Ohio limited liability company

By: _____
Its: _____

SUNBURST HOTELS, LLC
an Ohio limited liability company

By: _____
Its: _____

RIGHT OF FIRST OFFER TO PURCHASE REAL PROPERTY

THIS RIGHT OF FIRST OFFER TO PURCHASE REAL PROPERTY (the “Agreement”) is made this [DATE], between **Buckeye Lodging, LLC**, an Ohio limited liability company, of 5955 E. Dublin Granville Road, New Albany, Ohio (“**Buckeye**”) and **RSS COMM2015-PC1-OH BL, LLC**, an Ohio limited liability company, of [RSS ADDRESS] (“**Holder**”).

RECITALS

- A. Buckeye owns the real property set forth on Exhibit A, attached hereto and incorporated herein (the “**Property**”).
- B. Holder currently has a mortgage (the “**Original Mortgage**”) filed against the Property to secure a Promissory Note (the “**Original Note**”) that it holds made by Holder, Sunburst Hotels, LLC, and Lancaster Hospitality, LLC (collectively, the “**Hotel Owners**”) that was originally issued in favor of Jeffries Loancore LLC in the amount of \$11,550,000.00, dated as of February 27, 2015.
- C. The Hotel Owners and their parent company, S&G Hospitality, Inc., an Ohio corporation, filed Chapter 11 petitions with the United States Bankruptcy Court for the Southern District of Ohio on August 18, 2023. Those cases are being joint administered under Case No. 2:23-bk-52859.
- D. Under the *Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries, LLC* (the “**Plan**”) and the *Order Confirming the Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries, LLC* (the “**Confirmation Order**”) Holder is being provided an Amended and Restated Promissory Note (the “**Amended Note**”) by all of the Hotel Owners and Amended and Restated Mortgages by Buckeye and each of the other Hotels Owners (individually, an “**Amended Mortgage**” and, collectively, the “**Amended Mortgages**”), each of the same date as of this Agreement
- E. The Property is not currently being offered for sale, but the parties acknowledge that the Property may be offered for sale at some later date.

- F. Holder desires to retain the right to bid on the Property if and when it is offered for sale subject to the terms of this Agreement and Buckeye has agreed to grant to Holder a right of first offer (“**Right of First Offer**”) to purchase the Property in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the Plan, the Confirmation Order, the Amended Note, the Amended Mortgages, and the mutual promises herein, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

I. RIGHT OF FIRST OFFER

A. Notice of Intent to Sell. Buckeye agrees that prior to marketing the Property for sale, Buckeye shall offer to sell the Property to Holder at a stated sales price by written notice to Holder containing the basic terms of such proposed sale (the "**Offer Notice**"). The Offer Notice shall contain the "**Basic Terms**" upon which Buckeye intends to sell the Property to a third party and shall include a form of Purchase and Sale Agreement (the "**Purchase Agreement**") that Buckeye intends to use in connection with the sale of the Property. "**Basic Terms**" means (i) the terms of any conditions to closing, (ii) closing costs and expenses and (iii) timing of due diligence review and closing.

B. Offer to Purchase. Holder shall have fourteen (14) days after receipt of the Offer Notice to give written notice to Buckeye of its desire to purchase the Property as outlined in the Offer Notice and in accordance with the terms of the Purchase Agreement (the "**Offer**"); provided, however, that, Holder shall have the right to credit bid all or part of the remaining indebtedness under the Amended Note (including any applicable prepayment penalty) in substitution of an equivalent dollar amount of any cash consideration in the Offer, exclusive of any amounts needed to pay transaction expenses. Any transaction expenses in connection with any Offer shall be paid in cash, or by electronic transfer, by the purchasing party. Failure by Holder to give such Offer within fourteen (14) days after receipt of the Offer Notice shall be deemed a waiver of the Right of First Offer and thereafter the Right of First Offer shall be of no further force or effect. If an Offer is timely submitted that makes no changes to the Purchase Agreement and otherwise satisfies the terms of this Agreement, Buckeye shall accept the Offer and execute the Purchase Agreement.

C. Due Diligence/Acceptance or Rejection of Modified Offer. If Holder proposes to make any modifications to the Basic Terms of an offer, such modified Offer shall be a "**Modified Offer**". Within fourteen (14) days after the date of receipt of the Modified Offer (the "**Response Period**"), Buckeye shall either accept the Modified Offer by delivering an executed Purchase Agreement to Holder or reject the Modified Offer by delivering written notice to Holder and stating the reasons for such rejection (the "**Rejection Notice**"). The failure of Buckeye to either execute such Purchase Agreement or deliver the Rejection Notice within the Response Period shall be deemed a rejection of the Modified Offer.

(i) If Holder submits an Offer making no modifications to the Basic Terms or Buckeye accepts a Modified Offer, then Holder will have an additional thirty (30) days to conduct due diligence. During said 30-day due diligence period, if Holder determines, in its sole discretion, that the Property is unsuitable for its needs, Holder may elect to terminate the Purchase Agreement by delivering written notice to Buckeye. If Holder elects to terminate the Purchase Agreement, its Right of First Offer shall be forfeited, subject to the terms of Subsection (D) below. If Holder determines that the Property is suitable for its needs, then the sale transaction shall be consummated in accordance with the terms of the Purchase Agreement. If Holder defaults in its obligation to close the transaction pursuant to the terms contained in the Purchase Agreement, then the Right of First Offer shall be deemed forfeited and of no further force or effect.

(ii) If Buckeye rejects, or is deemed to have rejected the Offer for failure to respond on a timely basis, then Buckeye and Holder will negotiate in good faith for a period of not more than ten (10) days after expiration of the Response Period, and attempt to agree upon terms of a sale and purchase mutually acceptable to both Buckeye and Holder. In the event that Buckeye and Holder, after negotiating in good faith, are unable to achieve terms of a sale and purchase of the Property and execute a mutually acceptable Purchase Agreement within such 10-day period, Holder's Right of First Offer shall be deemed waived and of no further force or effect. If Holder defaults in its obligation to close such transaction on the agreed-upon terms of a sale and purchase, then the Right of First Offer shall be deemed forfeited and of no further force or effect. I

D. Further Restrictions. If Holder fails to timely submit an Offer in accordance with Paragraph 1(B) above or if Buckeye and Holder are unable to reach an agreement within the time period set forth in Paragraph 1(C) (ii) above for a Modified Offer, Buckeye shall be free to consummate a sale or transfer to any party for any consideration and upon any terms, so long as the consideration is not less than the sales price stated in the Offer and all other Basic Terms of the sale or transfer are not materially more favorable to such buyer than the terms of the Offer. If Buckeye desires to sell the Property to any other party below the sales price stated in the Offer or on Basic Terms materially more favorable to such buyer than the terms of the Offer, the Right of First Offer contained herein shall be reinstated and Buckeye must first offer to sell the Property to Holder at the reduced price and under the more favorable Basic Terms, all on the same terms and conditions as set forth in this Section I.

E. Termination. If Buckeye wishes to convey title to a third party free and clear of the restrictions set forth in this Agreement in accordance with Subsections 1(B) and 1(D) above, Buckeye shall deliver to Holder a written certificate describing the Basic Terms of its proposed conveyance to such third party and certifying to Holder that the consideration is not less than the sales price stated in the Offer, that the lesser of the net proceeds of the Sale and the outstanding amount on the Amended Note (including any prepayment penalty) will be turned over to Holder when the sale transaction closes, and that the Basic Terms are not more favorable to the buyer than the terms of the Offer (the "**Termination Certificate**"). Within five (5) days of receipt of the Termination Certificate from Buckeye, Holder will execute and deliver a mutual termination of this Agreement and shall deliver to Buckeye a Release and Satisfaction of Mortgage sufficient in form and substance to release the Amended Mortgage of record to the effect that Buckeye shall be able to deliver title to the Property free and clear of the Amended Mortgage. This Agreement shall further terminate and be null and void upon the payment in full of all outstanding amounts under the Amended Note and immediately upon such payment, Holder will execute and deliver a mutual termination of this Agreement and shall deliver to Buckeye a Release and Satisfaction of Mortgage sufficient in form and substance to release the Amended Mortgage of record to the effect that Buckeye shall be able to deliver title to the Property free and clear of the Amended Mortgage. In the event Holder fails to execute a Release and Satisfaction of Mortgage within three (3) business days of the payment in full of the Amended Note, Holder: (i) agrees that Buckeye may record a copy of this Agreement confirming its consent to release the Amended Mortgage; and (ii) grants Buckeye a limited power of attorney for purposes of executing a Release and Satisfaction of the Amended Mortgage.

II. NOTICES

Notices. Any notice, request or demand required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed sufficiently given if addressed to the parties set forth below or as they may hereafter specify by written notice delivered in accordance herewith, and if (a) personally delivered by messenger, (b) sent prepaid by Federal Express (or a comparable guaranteed overnight delivery service), or (c) deposited in the United States first class mail (certified, postage prepaid), as follows:

If to Holder:

With a copy to:

If to Buckeye:

Buckeye Lodging LLC

With a copy to:

David Beck
Carpenter Lipps LLP
280 N. High St., Suite 1300
Columbus, OH 43215

The address(es) may be changed by any party by giving written notice thereof to the other party in accordance with the requirements of this Section. Such notices shall be deemed to have been given three (3) calendar days after having been deposited in the United States first class mail (certified, postage prepaid); upon receipt when delivered by messenger; or the next business day when sent guaranteed overnight delivery by Federal Express or another comparable overnight delivery service.

III. MISCELLANEOUS

A. Assignment. Neither party shall have the right to assign this Agreement without the prior written consent of the other party, which consent may be withheld in such party's sole discretion.

B. Time of Essence. Time is of the essence of each and every agreement, covenant and condition of this Agreement.

C. Successors and Assigns. Subject to the provisions of Subsection A above, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors, and assigns as the case may be.

D. Prevailing Party. In the event any claim is asserted by or against either of the parties hereto with respect to this Agreement or the subject matter hereof, the party or parties prevailing in any litigation resulting from such claim shall be entitled to receive reasonable attorneys' fees and expenses incurred by the prevailing party or parties in such litigation from the party or parties that do not prevail.

E. Enforcement by Buckeye. In the event of a breach of this Agreement by Holder, in addition to any other remedies available to Buckeye at law Buckeye shall be entitled to equitable relief to enforce the provisions of this Agreement.

F. No Brokers. Holder represents and warrants to Buckeye that Holder has not incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other like payment in connection with this Agreement and the transactions contemplated hereby for which Buckeye, its affiliates or the Property could be bound or liable, and Holder agrees to hold Buckeye harmless against and in respect to any obligation or liability (including, without limitation, reasonable attorneys' fees) based in any way upon agreements, arrangements or understandings made or claimed to have been made by Holder with any third person. Buckeye represents and warrants to Holder that Buckeye has not incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other like payment in connection with this Agreement and the transactions contemplated hereby for which Holder, its affiliates or the Property could be bound or liable and Buckeye agrees to hold Holder harmless against and in respect to any obligation or liability (including, without limitation, reasonable attorneys' fees) based in any way upon agreements, arrangements or understandings made or claimed to have been made by Buckeye with any third person.

G. Entire Agreement. This Agreement together with the Plan, the Confirmation Order, the Amended Note, and the Amended Mortgage constitutes the entire agreement between Buckeye and Holder with respect to the subject matter hereof, and this Agreement may only be amended by an agreement in writing signed by Buckeye and Holder.

H. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Ohio without giving effect to the choice of law principles thereof.

I. Counterparts. This Agreement may be executed in two or more counterparts, all of which shall constitute one and the same document. Documents obtained via electronic imaging sent by email or via facsimile machine shall also be considered as originals.

J. Severability of Terms. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this

Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

K. No Recording. Except as provided by Section 1(F) hereof for failure to execute a Release and Satisfaction of Mortgage, neither party shall record this Agreement or a Memorandum thereof in the public records.

[Signature pages follow]

BUCKEYE LODGING, LLC,
an Ohio limited liability company

By: S&G Hospitality, Inc., an Ohio corporation,
its sole managing member

By: _____
Name: _____
Title: _____

STATE OF _____)
)ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____, 2025 by Buckeye Lodging, LLC, an Ohio limited liability company, by its sole managing member S&G Hospitality, Inc., an Ohio corporation, by _____, its President, on behalf of the company.

(SEAL)

Notary Public
My Commission Expires: _____

RSS COMM2015-PC1 - OH BL, LLC,
an Ohio limited liability company

By: _____

STATE OF _____)

COUNTY OF _____) ss: _____

The foregoing instrument was acknowledged before me this _____, 2025 by RSS COMM2015-PC1 - OH BL, LLC, an Ohio limited liability company, by _____, its _____, on behalf of the company.

(SEAL)

Notary Public
My Commission Expires: _____

Exhibit A

Legal Description

Tract 1:

Situated in the State of Ohio, County of Franklin, City of Dublin, Virginia Military Survey No. 2542 and being a part of the original 40.325 acre tract conveyed to John L., John W. and Ann M. McKirrick, Trustees by deed of record in Deed Book 3557, Page 673, Records of the Recorder's Office, Franklin County, Ohio, and being more particularly described as follows:

Beginning at a P.K. Nail at Station 28 + 99.56 (FRA-270-7.47N) in the centerline of Post Road and the Northernly line of said original 40.325 acre tract at the Northeastly corner of the 2.892 acre tract conveyed to Dublin Investment Company by deed of record in Official Records Volume 4239, Page 017;

Thence the following two (2) courses and distances along the said centerline of Post Road and Northernly line of said original 40.325 acre tract:

1. Thence South 62 deg 49' 45" East, a distance of 118.24 feet to a P.K. Nail marking a point of curvature;
2. Thence along a curve to the left having a radius of 1432.7 feet, and a central angle of 5 deg 14' 29", the chord to which bears South 65 deg 26' 57" East, a distance of 130.99 feet to a P.K. Nail;

Thence South 8 deg 15' 00" West, a distance of 474.89 feet, across the said original 40.325 acre tract (passing an iron pin on line, in the Southernly right-of-way line, at a distance of 30.85 feet) to an iron pin in the Northernly limited access right-of-way line at Ohio Route 161 - U.S. Route 33 (FRA-270-7.47);

Thence the following two (2) courses and distances along the said Northernly limited access right-of-way line;

1. Thence South 89 deg 04' 04" West, a distance of 237.61 feet, to an iron pin, said iron pin being 120.00 feet left of Survey Centerline Station 194+00;

2. Thence North 86 deg 38' 35" West, a distance of 35.56 feet, to an iron pin at the Southeastly corner of the said 2.892 acre tract;

Thence the following two (2) courses and distances along the Easterly line of said 2.892 acre tract;

1. Thence North 8 deg 15' 00" East, a distance of 496.35 feet, to an iron pin at an angle point;

2. Thence North 27 deg 10' 15" East, a distance of 100.00 feet (passing an iron pin on line in the said Southernly right-of-way line of Post Road at a distance of 50.00 feet) to the Point of Beginning, containing 3.292 acres, more or less, of which 0.202 acres, more or less, lies within the right-of-way of Post Road.

According to a survey prepared by RD. Zande & Associates, Ltd, by Larry W. Pennington, Registered Surveyor No. 6096, dated July 6, 1984.

And excepting therefrom the following described tract conveyed to the City of Dublin by General Warranty Deed recorded as Instrument Number 199807300191533, Recorder's Office, Franklin County, Ohio:

Situated in the State of Ohio, County of Franklin, Township of Washington and in the City of Dublin, being in V.M.S. 2542, being part of a 3.292 acre tract conveyed to Red Roof Inns, Inc., by Official Records Volume 4831, Page D07, of the Franklin County Recorder's Office, and being more particularly described as follows:

This instrument was prepared by:

Joshua S. Peterson, Attorney at Law
Carpenter Lipps LLP
280 N. High St., 13th Floor
Columbus, OH 43215

Beginning at a point in the centerline of Post Road said point being the Northwest corner of said 3.292 acre, said corner also being the Northeast corner of a 6.394 acre tract conveyed to Host Restaurants, Inc., by Official Records Volume 6367, Page E05 of the Franklin County Recorder's Office, said iron pipe being the true point of beginning;

Thence along the centerline of Post Road and the Grantor's Northerly property line South 62 deg 50' 57" East, a distance of 120.89 feet (South 62 deg 49' 45" East, a distance of 118.24 feet - per deed of record) to a point, said point being P.C. Station 30+19.79;

Thence continuing along the centerline of Post Road and the Grantor's Northerly property line Southeasterly 130.30 feet along the arc of a curve deflecting to the left having a radius of 1432.70 feet and a chord which bears South 65 deg 27' 17" East, a distance of 130.25 feet (South 65 deg 26' 57" East, a distance of 130.99 feet - per deed of record) to a point on the Grantor's Easterly property line;

Thence leaving the centerline of Post Road and the Grantor's Northerly property line and along the Grantor's Easterly property line South 08 deg 15' 34" West, (South 08 deg 15' 00" West — per deed of record), a distance of 40.62 feet to a Point 39.50 feet right of centerline of Survey Station 31+59.40;

Thence leaving the Grantor's Easterly property line and across the Grantor's property Northwesterly 143.50 feet along the arc of a curve deflecting to the right, having a radius of 1472.20 feet and a chord which bears North 65 deg 38' 30" West, a distance of 143.44 feet to a point 39.50 feet right of centerline of Survey Station 30+19.79;

Thence continuing across the Grantor's property South 27 deg 09' 03" West, a distance of 10.50 feet to a point, said point being 50.00 feet right of centerline of Survey Station 30+19.79;

Thence continuing across the Grantor's property North 62 deg 50' 57" West, a distance of 117.80 feet to a point 50.00 feet right of centerline of Survey Station 29+01.97;

Thence along the existing right-of-way line of Post Road, North 62 deg 50' 57" West, a distance of 3.15 feet to an iron pipe found on the Grantor's Westerly property line, said iron pipe being 50.00 feet right of centerline of Survey Station 23+95.88;

Thence leaving the existing right-of-way line of Post Road and along the Grantor's Westerly property line North 27 deg 12' 42" East, (North 27 deg 10' 15" East - per deed of record), a distance of 50.00 feet to the true point of beginning and containing 0.263 acres, more or less, from Auditor's Parcel Number 273-002463, including the present right-of-way which occupies 0.204 acres, more or less.

The basis of bearing of North 89 deg 04' 04" East, for this project is based on the centerline bearing of US 33/SR 161, as shown on centerline plat for Franklin County FRA-270-747 N, on file with the Ohio Department of Transportation, District 6.

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Being more particularly described as follows:

Commencing for reference at the intersection of the East right-of-way line of Interstate 270 with the centerline of Post Road;

Thence South 62 deg 49' 45" East, approximately 808.24 feet along the centerline of said road to a point of curvature in said centerline;

Thence Southeasterly, along the arc of a curve deflecting to the left, having a radius of 1432.70 feet, a central angle of 05 deg 14' 29" and a chord which bears South 65 deg 26' 57" East, 130.99 feet to a point;

Thence South 08 deg 15' 00" West, leaving said centerline, 40.62 feet to a 1/2" rebar set in the South line of said Post Road at the principal place of beginning for the parcel of land herein being described:

Thence South 08 deg 15' 00" West, leaving said right-of-way, 434.27 feet to a 1/2" capped rebar set in the Northerly line of State Route 161 (a.k.a. U.S. No. 33);

Thence South 89 deg 04' 04" West, along said limited access right-of-way 237.61 feet to a 1/2" capped rebar set at an angle point in said limited access right-of-way;

Thence North 86 deg 38' 35" West, along said limited access right-of-way, 35.56 feet to a 1" iron pipe found;

Thence North 08 deg 15' 00" East, leaving said limited access right-of-way, 496.35 feet to a 1" iron pipe found;

Thence North 27 deg 10' 15" East, 50.00 feet to a 1/2" capped rebar set in the Southerly line of the aforesaid South right-of-way of Post Road;

Thence along the South right-of-way of Post Road the following courses and distances:

1. South 62 deg 49' 37" East, 117.80 feet to a 1/2" capped rebar set;
2. Thence North 27 deg 10' 23" East, 10.50 feet to a 1/2" capped rebar set;
3. Thence Southeasterly, 144.70 feet along the arc of a curve deflecting to the left, having a radius of 1472.20 feet, and a chord which bears South 65 deg 37' 10" East, 144.54 feet to the principal place of beginning for the above described parcel of land and containing 3.0317 acres (132,059 square feet) of land.

Surveyed by Timothy R. Durr P.S. No. S-7788 for Millman Surveying, Inc. in October of 1999.

Tract II - Ingress/Egress and Utilities Easement Area as described in Easement recorded in Volume 4831, Page D19, Recorder's Office, Franklin County, Ohio:

Situated in the State of Ohio, County of Franklin, City of Dublin, in Virginia Military Survey No. 2542, and being portions of the following two (2) tracts of land conveyed to John L. John W. and Ann M. McKittrick, Trustees:

1. An original 0.975 acre tract of land conveyed by deed of record in Deed Book 3557, Page 471, Recorder's Office, Franklin County, Ohio and
2. An original 40.325 acre tract of land conveyed by deed of record in Deed Book 3557, Page 673, Recorder's Office, Franklin County, Ohio, and bounded and described as follows:

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Beginning at a P. K. Nail Set at Station 28+24.56 in the centerline of Post Road and in the North line of said original 40.325 acre tract, said point being South 62 deg 49' 45" East, a distance of approximately 615 feet from a point at the Northwest corner of said original 40.325 acre tract and at the intersection of the centerline of Post Road with the East right-of-way line of Interstate Route 270, the last said point also being 190.51 feet right of Centerline Station 697+89.93 of Interstate Route 270, all stationing being shown upon sheet 18 of 24 of Ohio Department of Transportation right-of-way plans for FRA-270-7.47 N;

Thence South 62 deg 49' 45" East, along the centerline of Post Road and along a portion of the North line of said original 40.325 acre tract, a distance of 50.00 feet to a P.K. Nail set (passing a P. K. Nail found in the centerline of "OCLC Drive" to the North at 25.00 feet);

Thence South 27 deg 10' 15" West, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to a point of curvature (passing a point in the South right-of-way line of Post Road at 50.00 feet);

Thence Southwesterly with a curve to the right, data of which is radius equals 250.00 feet and delta equals 71 deg 04' 45", a chord distance of 290.63 feet bearing South 62 deg 42' 38" West, to the point of tangency of said curve;

Thence North 81 deg 45' 00" West, a distance of 59.86 feet to a point;

Thence North 8 deg 15' 00" East, a distance of 50.00 feet to a 3/4 inch I.D. iron pipe set;

Thence South 81 deg 45' 00" East, a distance of 59.86 feet to a 3/4 inch I.D. iron pipe set at a point of curvature;

Thence Northeasterly with a curve to the left, data of which is radius equals 200.00 feet and delta equals 71 deg 04' 45", a chord distance of 232.51 feet bearing North 62 deg 42' 38" East, to a 3/4 inch I.D. iron pipe set at the point of tangency of said curve;

Thence North 27 deg 10' 15" East, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to the place of beginning (passing a 3/4 inch I.D. iron pipe set in the South right-of-way line of Post Road at 50.00 feet);

Containing 0.504 acre of land, more or less.

The above description was prepared by Ted L. Robinson, Ohio Surveyor No. 5361, of C. F. Bird and R.J. Bull, Ltd., Consulting Engineers and Surveyors, Worthington, Ohio, from an actual survey performed in the field in April, 1983.

Tract II ALSO DESCRIBED AS

Ingress/Egress and Utilities Easement Area as described in Easement recorded in Volume 4831, Page D19, Recorder's Office, Franklin County, Ohio;

Situated in the State of Ohio, County of Franklin, City of Dublin, in Virginia Military Survey No. 2542, and being portions of the following two (2) tracts of land conveyed to John L., John W. and Ann M. McKittrick, Trustees:

1. An original 0.975 acre tract of land conveyed by deed of record in Deed Book 3557, Page 471, Recorder's Office, Franklin County, Ohio and

2. An original 40.325 acre tract of land conveyed by deed of record in Deed Book 3557, Page 673, Recorder's Office, Franklin County, Ohio, and bounded and described as follows:

Beginning at a P. K. Nail Set at Station 28+24.56 in the centerline of Post Road and in the North line of said original 40.325 acre tract, said point being South 62 deg 49' 45" East, a distance of approximately 615 feet from a point at the Northwest corner of said original 40.325 acre tract and at the intersection of the centerline of Post Road with the East right-of-way line of Interstate Route 270, the last said point also being 190.51 feet right of Centerline Station 697+89.93 of Interstate Route 270, all stationing being shown upon sheet 18 of 24 of Ohio Department of Transportation right-of-way plans for FRA-270-7.47 N;

Thence South 62 deg 49' 45" East, along the centerline of Post Road and along a portion of the North line of said original 40.325 acre tract, a distance of 50.00 feet to a P.K. Nail set (passing a P. K. Nail found in the centerline of "OCLC Drive" to the North at 25.00 feet);

Thence South 27 deg 10' 15" West, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to a point of curvature (passing a point in the South right-of-way line of Post Road at 50.00 feet);

Thence Southwesterly with a curve to the right, data of which is radius equals 250.00 feet and delta equals 71 deg 04' 45", a chord distance of 290.63 feet bearing South 62 deg 42' 38" West, to the point of tangency of said curve;

Thence North 81 deg 45' 00" West, a distance of 59.86 feet to a point;

Thence North 8 deg 15' 00" East, a distance of 50.00 feet to a 3/4 inch I.D. iron pipe set;

Thence Northeasterly with a curve to the left, data of which is radius equals 200.00 feet and delta equals 71 deg 04' 45", a chord distance of 232.51 feet bearing North 62 deg 42' 38" East, to a 3/4 inch I.D. iron pipe set at the point of tangency of said curve;

Thence North 27 deg 10' 15" East, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to the place of beginning (passing a 3/4 inch I.D. iron pipe set in the South right-of-way line of Post Road at 50.00 feet);

Containing 0.504 acre of land, more or less.

The above description was prepared by Ted L. Robinson, Ohio Surveyor No. 5361, of C. F. Bird and R.J. Bull, Ltd., Consulting Engineers and Surveyors, Worthington, Ohio, from an actual survey performed in the field in April, 1983.

Tract III - Ingress/Egress and Utilities Easement area as described in Easement recorded in Volume 4831, Page D19, Recorder's Office, Franklin County, Ohio;

Situated in the State of Ohio, County of Franklin, City of Dublin, in Virginia Military Survey No. 2542, and being a portion of an original 40.325 acre tract of land conveyed to John L., John W. and Ann M. McKittrick, Trustees, by deed of record in Deed Book 3557, Page 673, Recorder's Office, Franklin County, Ohio, and bounded and described as follows:

Beginning, for reference, at a P. K. Nail Set at Station 28+74.56 in the centerline of Post Road and in the North line of said original 40.325 acre tract, said point being South 62 deg 49' 45" East, a distance of approximately 665 feet from a point at the Northwest corner of said original 40.325 acre tract and at the intersection of the centerline of Post Road with the East right-of-way line of Interstate Route 270, the last said point also being 190.51 feet Right of Centerline Station 697+89.93 of Interstate Route 270, all stationing being shown upon sheet 18 of 24 of Ohio Department of Transportation right-of-way plans for FRA-270-7.47 N;

Thence South 62 deg 49' 45" East, along the centerline of Post Road and along a portion of the North line of said original 40.325 acre tract, a distance of 25.00 feet to a P. K. Nail Set;

Thence South 27 deg 10' 15" West, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to a 3/4 inch I.D. iron pipe set at the true place of beginning of the easement herein intended to be described (passing a point in the South right-of-way line of Post Road at 50.00 feet);

Thence South 8 deg 15' 00" West, a distance of 52.86 feet to a point;

Thence North 62 deg 49' 45" West, a distance of 47.19 feet to a point in a curve;

Thence Northeasterly with a curve to the left, data of which is radius equals 250.00 feet and sub-delta equals 11 deg 32' 13", a sub-chord distance of 50.25 feet bearing North 32 deg 56' 22" East, to the point of tangency of said curve;

Thence South 62 deg 49' 45" East, a distance of 25.00 feet to the true place of beginning; Containing 0.040 acre of land, more or less.

The above description was prepared by Ted L. Robinson, Ohio Surveyor No. 5361, of C.F. Bird and R.J. Bull, Ltd., Consulting Engineers and Surveyors, Worthington, Ohio.

RIGHT OF FIRST OFFER TO PURCHASE REAL PROPERTY

THIS RIGHT OF FIRST OFFER TO PURCHASE REAL PROPERTY (the “Agreement”) is made this [DATE], between **Lancaster Hospitality, LLC**, an Ohio limited liability company, of 5955 E. Dublin Granville Road, New Albany, Ohio (“**Lancaster**”) and **RSS COMM2015-PC1-OH BL, LLC**, an Ohio limited liability company, of [RSS ADDRESS] (“**Holder**”).

RECITALS

- A. Lancaster owns the real property set forth on Exhibit A, attached hereto and incorporated herein (the “**Property**”).
- B. Holder currently has a mortgage (the “**Original Mortgage**”) filed against the Property to secure a Promissory Note (the “**Original Note**”) that it holds made by Lancaster, Sunburst Hotels, LLC, and Buckeye Lodging, LLC (collectively, the “**Hotel Owners**”) that was originally issued in favor of Jeffries Loancore LLC in the amount of \$11,550,000.00, dated as of February 27, 2015.
- C. The Hotel Owners and their parent company, S&G Hospitality, Inc., an Ohio corporation, filed Chapter 11 petitions with the United States Bankruptcy Court for the Southern District of Ohio on August 18, 2023. Those cases are being joint administered under Case No. 2:23-bk-52859.
- D. Under the *Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries, LLC* (the “**Plan**”) and the *Order Confirming the Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries, LLC* (the “**Confirmation Order**”) Holder is being provided an Amended and Restated Promissory Note (the “**Amended Note**”) by all of the Hotel Owners and Amended and Restated Mortgages by Lancaster and each of the other Hotels Owners (individually, an “**Amended Mortgage**” and, collectively, the “**Amended Mortgages**”), each of the same date as of this Agreement
- E. The Property is not currently being offered for sale, but the parties acknowledge that the Property may be offered for sale at some later date.

F. Holder desires to retain the right to bid on the Property if and when it is offered for sale subject to the terms of this Agreement and Lancaster has agreed to grant to Holder a right of first offer (“**Right of First Offer**”) to purchase the Property in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the Plan, the Confirmation Order, the Amended Note, the Amended Mortgages, and the mutual promises herein, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

I. RIGHT OF FIRST OFFER

- A. Notice of Intent to Sell. Lancaster agrees that prior to marketing the Property for sale, Lancaster shall offer to sell the Property to Holder at a stated sales price by written notice to Holder containing the basic terms of such proposed sale (the “**Offer Notice**”). The Offer Notice shall contain the “**Basic Terms**” upon which Lancaster intends to sell the Property to a third party and shall include a form of Purchase and Sale Agreement (the “**Purchase Agreement**”) that Lancaster intends to use in connection with the sale of the Property. “**Basic Terms**” means (i) the terms of any conditions to closing, (ii) closing costs and expenses and (iii) timing of due diligence review and closing.
- B. Offer to Purchase. Holder shall have fourteen (14) days after receipt of the Offer Notice to give written notice to Lancaster of its desire to purchase the Property as outlined in the Offer Notice and in accordance with the terms of the Purchase Agreement (the “**Offer**”); provided, however, that, Holder shall have the right to credit bid all or part of the remaining indebtedness under the Amended Note (including any applicable prepayment penalty) in substitution of an equivalent dollar amount of any cash consideration in the Offer, exclusive of any amounts needed to pay transaction expenses. Any transaction expenses in connection with any Offer shall be paid in cash, or by electronic transfer, by the purchasing party. Failure by Holder to give such Offer within fourteen (14) days after receipt of the Offer Notice shall be deemed a waiver of the Right of First Offer and thereafter the Right of First Offer shall be of no further force or effect. If an Offer is timely submitted that makes no changes to the Purchase Agreement and otherwise satisfies the terms of this Agreement, Lancaster shall accept the Offer and execute the Purchase Agreement.
- C. Due Diligence/Acceptance or Rejection of Modified Offer. If Holder proposes to make any modifications to the Basic Terms of an offer, such modified Offer shall be a “**Modified Offer**”. Within fourteen (14) days after the date of receipt of the Modified Offer (the “**Response Period**”), Lancaster shall either accept the Modified Offer by delivering an executed Purchase Agreement to Holder or reject the Modified Offer by delivering written notice to Holder and stating the reasons for such rejection (the “**Rejection Notice**”). The failure of Lancaster to either execute such Purchase Agreement or deliver the Rejection Notice within the Response Period shall be deemed a rejection of the Modified Offer.
- (i) If Holder submits an Offer making no modifications to the Basic Terms or Lancaster accepts a Modified Offer, then Holder will have an additional thirty (30) days to conduct due diligence. During said 30-day due diligence period, if Holder determines, in its sole discretion, that the Property is unsuitable for its needs, Holder may elect to terminate the Purchase Agreement by delivering written notice to Lancaster. If Holder elects to terminate the Purchase Agreement its Right of First Offer shall be forfeited, subject to the terms of Subsection I(D) below. If Holder determines that the Property is suitable for its needs, then the sale transaction shall be consummated in accordance with the terms of the Purchase Agreement. If Holder defaults in its obligation to close the transaction pursuant to the terms contained in the Purchase Agreement, then the Right of First Offer shall be deemed forfeited and of no further force or effect.

(ii) If Lancaster rejects, or is deemed to have rejected the Offer for failure to respond on a timely basis, then Lancaster and Holder will negotiate in good faith for a period of not more than ten (10) days after expiration of the Response Period, and attempt to agree upon terms of a sale and purchase mutually acceptable to both Lancaster and Holder. In the event that Lancaster and Holder, after negotiating in good faith, are unable to achieve terms of a sale and purchase of the Property and execute a mutually acceptable Purchase Agreement within such 10-day period, Holder's Right of First Offer shall be deemed waived and of no further force or effect. If Holder defaults in its obligation to close such transaction on the agreed-upon terms of a sale and purchase, then the Right of First Offer shall be deemed forfeited and of no further force or effect. I

D. Further Restrictions. If Holder fails to timely submit an Offer in accordance with Paragraph 1(B) above or if Lancaster and Holder are unable to reach an agreement within the time period set forth in Paragraph 1(C) (ii) above for a Modified Offer, Lancaster shall be free to consummate a sale or transfer to any party for any consideration and upon any terms, so long as the consideration is not less than the sales price stated in the Offer and all other Basic Terms of the sale or transfer are not materially more favorable to such buyer than the terms of the Offer. If Lancaster desires to sell the Property to any other party below the sales price stated in the Offer or on Basic Terms materially more favorable to such buyer than the terms of the Offer, the Right of First Offer contained herein shall be reinstated and Lancaster must first offer to sell the Property to Holder at the reduced price and under the more favorable Basic Terms, all on the same terms and conditions as set forth in this Section I.

E. Termination. If Lancaster wishes to convey title to a third party free and clear of the restrictions set forth in this Agreement in accordance with Subsections 1(B) and 1(D) above, Lancaster shall deliver to Holder a written certificate describing the Basic Terms of its proposed conveyance to such third party and certifying to Holder that the consideration is not less than the sales price stated in the Offer, that the lesser of the net proceeds of the Sale and the outstanding amount on the Amended Note (including any prepayment penalty) will be turned over to Holder when the sale transaction closes, and that the Basic Terms are not more favorable to the buyer than the terms of the Offer (the "**Termination Certificate**"). Within five (5) days of receipt of the Termination Certificate from Lancaster, Holder will execute and deliver a mutual termination of this Agreement and shall deliver to Lancaster a Release and Satisfaction of Mortgage sufficient in form and substance to release the Amended Mortgage of record to the effect that Lancaster shall be able to deliver title to the Property free and clear of the Amended Mortgage. This Agreement shall further terminate and be null and void upon the payment in full of all outstanding amounts under the Amended Note and immediately upon such payment. Holder will execute and deliver a mutual termination of this Agreement and shall deliver to Lancaster a Release and Satisfaction of Mortgage sufficient in form and substance to release the Amended Mortgage of record to the effect that Lancaster shall be able to deliver title to the Property free and clear of the Amended Mortgage. In the event Holder fails to execute a Release and Satisfaction of Mortgage within three (3) business days of the payment in full of the Amended Note, Holder: (i) agrees that Lancaster may record a copy of this Agreement confirming its consent to release the Amended Mortgage; and (ii) grants Lancaster a limited power of attorney for purposes of executing a Release and Satisfaction of the Amended Mortgage.

II. NOTICES

Notices. Any notice, request or demand required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed sufficiently given if addressed to the parties set forth below or as they may hereafter specify by written notice delivered in accordance herewith, and if (a) personally delivered by messenger, (b) sent prepaid by Federal Express (or a comparable guaranteed overnight delivery service), or (c) deposited in the United States first class mail (certified, postage prepaid), as follows:

If to Holder:

With a copy to:

If to Lancaster:

Lancaster Hospitality LLC

With a copy to:

David Beck
Carpenter Lipps LLP
280 N. High St., Suite 1300
Columbus, OH 43215

The address(es) may be changed by any party by giving written notice thereof to the other party in accordance with the requirements of this Section. Such notices shall be deemed to have been given three (3) calendar days after having been deposited in the United States first class mail (certified, postage prepaid); upon receipt when delivered by messenger; or the next business day when sent guaranteed overnight delivery by Federal Express or another comparable overnight delivery service.

III. MISCELLANEOUS

A. Assignment. Neither party shall have the right to assign this Agreement without the prior written consent of the other party, which consent may be withheld in such party's sole discretion.

B. Time of Essence. Time is of the essence of each and every agreement, covenant and condition of this Agreement.

C. Successors and Assigns. Subject to the provisions of Subsection A above, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors, and assigns as the case may be.

D. Prevailing Party. In the event any claim is asserted by or against either of the parties hereto with respect to this Agreement or the subject matter hereof, the party or parties prevailing in any litigation resulting from such claim shall be entitled to receive reasonable attorneys' fees and expenses incurred by the prevailing party or parties in such litigation from the party or parties that do not prevail.

E. Enforcement by Lancaster. In the event of a breach of this Agreement by Holder, in addition to any other remedies available to Lancaster at law Lancaster shall be entitled to equitable relief to enforce the provisions of this Agreement.

F. No Brokers. Holder represents and warrants to Lancaster that Holder has not incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other like payment in connection with this Agreement and the transactions contemplated hereby for which Lancaster, its affiliates or the Property could be bound or liable, and Holder agrees to hold Lancaster harmless against and in respect to any obligation or liability (including, without limitation, reasonable attorneys' fees) based in any way upon agreements, arrangements or understandings made or claimed to have been made by Holder with any third person. Lancaster represents and warrants to Holder that Lancaster has not incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other like payment in connection with this Agreement and the transactions contemplated hereby for which Holder, its affiliates or the Property could be bound or liable and Lancaster agrees to hold Holder harmless against and in respect to any obligation or liability (including, without limitation, reasonable attorneys' fees) based in any way upon agreements, arrangements or understandings made or claimed to have been made by Lancaster with any third person.

G. Entire Agreement. This Agreement together with the Plan, the Confirmation Order, the Amended Note, and the Amended Mortgage constitutes the entire agreement between Lancaster and Holder with respect to the subject matter hereof, and this Agreement may only be amended by an agreement in writing signed by Lancaster and Holder.

H. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Ohio without giving effect to the choice of law principles thereof.

I. Counterparts. This Agreement may be executed in two or more counterparts, all of which shall constitute but one and the same document. Documents obtained via electronic imaging sent by email or via facsimile machine shall also be considered as originals.

J. Severability of Terms. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this

Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

K. No Recording. Except as provided by Section I(F) hereof for failure to execute a Release and Satisfaction of Mortgage, neither party shall record this Agreement or a Memorandum thereof in the public records.

[Signature pages follow]

LANCASTER HOSPITALITY, LLC,
an Ohio limited liability company

By: S&G Hospitality, Inc., an Ohio corporation,
its sole managing member

By: _____
Name:
Title:

STATE OF _____)
COUNTY OF _____) ss:

The foregoing instrument was acknowledged before me this _____, 2025 by Lancaster Hospitality, LLC, an Ohio limited liability company, by its sole managing member S&G Hospitality, Inc., an Ohio corporation, by _____, its President, on behalf of the company.

(SEAL)

Notary Public
My Commission Expires: _____

RSS COMM2015-PC1 - OH BL, LLC,
an Ohio limited liability company

By: _____

STATE OF _____)
COUNTY OF _____) ss:

The foregoing instrument was acknowledged before me this _____, 2025 by RSS COMM2015-PC1 - OH BL, LLC, an Ohio limited liability company, by _____, its _____, on behalf of the company.

(SEAL)

Notary Public
My Commission Expires: _____

This instrument was prepared by:

Joshua S. Peterson, Attorney at Law
Carpenter Lipps LLP
280 N. High St., 13th Floor
Columbus, OH 43215

Exhibit A

Legal Description

Situated in the City of Lancaster, County of Fairfield, State of Ohio, described as follows:

And known as being in Township 15, Range 19, Northeast Quarter of Section 35 and being part of the property described in a deed to Harold Schorr as recorded in Volume 373, Page 53, and being more fully described as follows:

Beginning at a 5/8 inch rebar set in Southerly line of Schorway Drive, said point being South 59 deg. 40' 53" East a distance of 313.00 feet from the intersection of the Southerly line of Schorway Drive and the Easterly line of Hillcrest Drive (60' R/W);

Thence South 59 deg. 40' 53" East a Distance of 234.08 feet to a 5/8 inch rebar set on the Southerly line of Schorway Drive;

Thence with a curve to the left having a radius of 1175.92 feet, arc of 183.05 feet, central angle of 08 deg. 55' 07", and a chord bearing South 64 deg. 08' 27" East a distance of 182.86 feet to a 5/8 inch rebar set on the Southerly line of Schorway Drive;

Thence South 68 deg. 36' 00" East a distance of 96.07 feet to a 5/8 inch rebar set on the Southerly line of Schorway Drive and the Westerly line of 1.092 acre tract;

Thence South 15 deg. 05' 43" West a distance of 162.02 feet to a 5/8 inch rebar set on the North line of U.S. Route 33;

Thence with said line of Route 33 and the following three (3) courses:

(1) Along a curve to the right having a radius of 5639.58 feet, arc of 97.92 feet, central angle of 00 deg. 59' 41", and a chord bearing North 68 deg. 47' 38" West, a distance of 97.92 feet to a concrete monument found at a point 90.00 feet right of station 89+00 in the centerline of U.S. Route 33;

(2) North 53 deg. 30' 51" West a distance of 101.34 feet to a 5/8 inch rebar set at a point of 115.0 feet right of station 90+00;

(3) Along a curve to the right having a radius of 5614.58 feet, arc of 353.64 feet, central angle of 03 deg. 36' 32", and a chord bearing North 65 deg. 27' 20" West a distance of 353.58 feet to a 5/8 inch rebar set;

Thence North 28 deg. 44' 18" East a distance of 167.48 feet to a point of beginning containing 1.8689 acres;

Bearings are based on the South line of Schorway Drive and are used for denoting angles only. Rebars set are 5/8 inch by 36 inches and have a yellow plastic identification cap labeled "Tobin-McFarland". For additional information see plat of survey made in conjunction with and considered an integral part of this description.

Description is based on a survey made in January of 1995 by Tobin-McFarland Surveying Inc., and was prepared by Rodney McFarland, Registered professional Surveyor No. 6416.

Together with a non-exclusive, cross-access easement as set forth in the Declaration of Easements and Covenants and Reciprocal Easement Agreement recorded on October 6, 1995 in Deed book 640, Page 927.

RIGHT OF FIRST OFFER TO PURCHASE REAL PROPERTY

THIS RIGHT OF FIRST OFFER TO PURCHASE REAL PROPERTY (the "Agreement") is made this [DATE], between **Sunburst Hotels LLC**, an Ohio limited liability company, of 5955 E. Dublin Granville Road, New Albany, Ohio ("Sunburst") and **RSS COMM2015-PC1-OH BL, LLC**, an Ohio limited liability company, of [RSS ADDRESS] ("**Holder**").

RECITALS

A. Sunburst owns the real property set forth on Exhibit A, attached hereto and incorporated herein (the "**Property**").

B. Holder currently has a mortgage (the "**Original Mortgage**") filed against the Property to secure a Promissory Note (the "**Original Note**") that it holds made by Lancaster Hospitality, LLC, Buckeye Lodging, LLC, and Sunburst (collectively, the "**Hotel Owners**") that was originally issued in favor of Jeffries Loancore LLC in the amount of \$11,550,000.00, dated as of February 27, 2015.

C. The Hotel Owners and their parent company, S&G Hospitality, Inc., an Ohio corporation, filed Chapter 11 petitions with the United States Bankruptcy Court for the Southern District of Ohio on August 18, 2023. Those cases are being joint administered under Case No. 2:23-bk-52859.

D. Under the *Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries, LLC* (the "**Plan**") and the *Order Confirming the Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries, LLC* (the "**Confirmation Order**") Holder is being provided an Amended and Restated Promissory Note (the "**Amended Note**") by all of the Hotel Owners and Amended and Restated Mortgages by Sunburst and each of the other Hotels Owners (individually, an "**Amended Mortgage**" and, collectively, the "**Amended Mortgages**"), each of the same date as of this Agreement

E. The Property is not currently being offered for sale, but the parties acknowledge that the Property may be offered for sale at some later date.

F. Holder desires to retain the right to bid on the Property if and when it is offered for sale subject to the terms of this Agreement and Sunburst has agreed to grant to Holder a right of first offer ("**Right of First Offer**") to purchase the Property in accordance with the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the Plan, the Confirmation Order, the Amended Note, the Amended Mortgages, and the mutual promises herein, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

I. RIGHT OF FIRST OFFER

A. Notice of Intent to Sell. Sunburst agrees that prior to marketing the Property for sale, Sunburst shall offer to sell the Property to Holder at a stated sales price by written notice to Holder containing the basic terms of such proposed sale (the "**Offer Notice**"). The Offer Notice shall contain the "**Basic Terms**" upon which Sunburst intends to sell the Property to a third party and shall include a form of Purchase and Sale Agreement (the "**Purchase Agreement**") that Sunburst intends to use in connection with the sale of the Property. "**Basic Terms**" means (i) the terms of any conditions to closing, (ii) closing costs and expenses and (iii) timing of due diligence review and closing.

B. Offer to Purchase. Holder shall have fourteen (14) days after receipt of the Offer Notice to give written notice to Sunburst of its desire to purchase the Property as outlined in the Offer Notice and in accordance with the terms of the Purchase Agreement (the "**Offer**"); provided, however, that, Holder shall have the right to credit bid all or part of the remaining indebtedness under the Amended Note (including any applicable prepayment penalty) in substitution of an equivalent dollar amount of any cash consideration in the Offer, exclusive of any amounts needed to pay transaction expenses. Any transaction expenses in connection with any Offer shall be paid in cash, or by electronic transfer, by the purchasing party. Failure by Holder to give such Offer within fourteen (14) days after receipt of the Offer Notice shall be deemed a waiver of the Right of First Offer and thereafter the Right of First Offer shall be of no further force or effect. If an Offer is timely submitted that makes no changes to the Purchase Agreement and otherwise satisfies the terms of this Agreement, Sunburst shall accept the Offer and execute the Purchase Agreement.

C. Due Diligence/Acceptance or Rejection of Modified Offer. If Holder proposes to make any modifications to the Basic Terms of an offer, such modified Offer shall be a "**Modified Offer**"). Within fourteen (14) days after the date of receipt of the Modified Offer (the "**Response Period**"), Sunburst shall either accept the Modified Offer by delivering an executed Purchase Agreement to Holder or reject the Modified Offer by delivering written notice to Holder and stating the reasons for such rejection (the "**Rejection Notice**"). The failure of Sunburst to either execute such Purchase Agreement or deliver the Rejection Notice within the Response Period shall be deemed a rejection of the Modified Offer.

(i) If Holder submits an Offer making no modifications to the Basic Terms or Sunburst accepts a Modified Offer, then Holder will have an additional thirty (30) days to conduct due diligence. During said 30-day due diligence period, if Holder determines, in its sole discretion, that the Property is unsuitable for its needs, Holder may elect to terminate the Purchase Agreement by delivering written notice to Sunburst. If Holder elects to terminate the Purchase Agreement, its Right of First Offer shall be forfeited, subject to the terms of Subsection (D) below. If Holder determines that the Property is suitable for its needs, then the sale transaction shall be consummated in accordance with the terms of the Purchase Agreement. If Holder defaults in its obligation to close the transaction pursuant to the terms contained in the Purchase Agreement, then the Right of First Offer shall be deemed forfeited and of no further force or effect.

(ii) If Sunburst rejects, or is deemed to have rejected the Offer for failure to respond on a timely basis, then Sunburst and Holder will negotiate in good faith for a period of not more than ten (10) days after expiration of the Response Period, and attempt to agree upon terms of a sale and purchase mutually acceptable to both Sunburst and Holder. In the event that Sunburst and Holder, after negotiating in good faith, are unable to achieve terms of a sale and purchase of the Property and execute a mutually acceptable Purchase Agreement within such 10-day period, Holder's Right of First Offer shall be deemed waived and of no further force or effect. If Holder defaults in its obligation to close such transaction on the agreed-upon terms of a sale and purchase, then the Right of First Offer shall be deemed forfeited and of no further force or effect. I

D. Further Restrictions. If Holder fails to timely submit an Offer in accordance with Paragraph 1(B) above or if Sunburst and Holder are unable to reach an agreement within the time period set forth in Paragraph 1(C) (ii) above for a Modified Offer, Sunburst shall be free to consummate a sale or transfer to any party for any consideration and upon any terms, so long as the consideration is not less than the sales price stated in the Offer and all other Basic Terms of the sale or transfer are not materially more favorable to such buyer than the terms of the Offer. If Sunburst desires to sell the Property to any other party below the sales price stated in the Offer or on Basic Terms materially more favorable to such buyer than the terms of the Offer, the Right of First Offer contained herein shall be reinstated and Sunburst must first offer to sell the Property to Holder at the reduced price and under the more favorable Basic Terms, all on the same terms and conditions as set forth in this Section I.

E. Termination. If Sunburst wishes to convey title to a third party free and clear of the restrictions set forth in this Agreement in accordance with Subsections 1(B) and 1(D) above, Sunburst shall deliver to Holder a written certificate describing the Basic Terms of its proposed conveyance to such third party and certifying to Holder that the consideration is not less than the sales price stated in the Offer, that the lesser of the net proceeds of the Sale and the outstanding amount on the Amended Note (including any prepayment penalty) will be turned over to Holder when the sale transaction closes, and that the Basic Terms are not more favorable to the buyer than the terms of the Offer (the "**Termination Certificate**"). Within five (5) days of receipt of the Termination Certificate from Sunburst, Holder will execute and deliver a mutual termination of this Agreement and shall deliver to Sunburst a Release and Satisfaction of Mortgage sufficient in form and substance to release the Amended Mortgage of record to the effect that Sunburst shall be able to deliver title to the Property free and clear of the Amended Mortgage. This Agreement shall further terminate and be null and void upon the payment in full of all outstanding amounts under the Amended Note and immediately upon such payment, Holder will execute and deliver a mutual termination of this Agreement and shall deliver to Sunburst a Release and Satisfaction of Mortgage sufficient in form and substance to release the Amended Mortgage of record to the effect that Sunburst shall be able to deliver title to the Property free and clear of the Amended Mortgage. In the event Holder fails to execute a Release and Satisfaction of Mortgage within three (3) business days of the payment in full of the Amended Note, Holder: (i) agrees that Sunburst may record a copy of this Agreement confirming its consent to release the Amended Mortgage; and (ii) grants Sunburst a limited power of attorney for purposes of executing a Release and Satisfaction of the Amended Mortgage.

II. NOTICES

Notices. Any notice, request or demand required or permitted to be given pursuant to this Agreement shall be in writing and shall be deemed sufficiently given if addressed to the parties set forth below or as they may hereafter specify by written notice delivered in accordance herewith, and if (a) personally delivered by messenger, (b) sent prepaid by Federal Express (or a comparable guaranteed overnight delivery service), or (c) deposited in the United States first class mail (certified, postage prepaid), as follows:

If to Holder:

With a copy to:

If to Sunburst:

With a copy to:

Sunburst Hotels LLC

David Beck
Carpenter Lipps LLP
280 N. High St., Suite 1300
Columbus, OH 43215

The address(es) may be changed by any party by giving written notice thereof to the other party in accordance with the requirements of this Section. Such notices shall be deemed to have been given three (3) calendar days after having been deposited in the United States first class mail (certified, postage prepaid); upon receipt when delivered by messenger; or the next business day when sent guaranteed overnight delivery by Federal Express or another comparable overnight delivery service.

III. MISCELLANEOUS

A. Assignment. Neither party shall have the right to assign this Agreement without the prior written consent of the other party, which consent may be withheld in such party's sole discretion.

B. Time of Essence. Time is of the essence of each and every agreement, covenant and condition of this Agreement.

C. Successors and Assigns. Subject to the provisions of Subsection A above, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their heirs, successors, and assigns as the case may be.

D. Prevailing Party. In the event any claim is asserted by or against either of the parties hereto with respect to this Agreement or the subject matter hereof, the party or parties prevailing in any litigation resulting from such claim shall be entitled to receive reasonable attorneys' fees and expenses incurred by the prevailing party or parties in such litigation from the party or parties that do not prevail.

E. Enforcement by Sunburst. In the event of a breach of this Agreement by Holder, in addition to any other remedies available to Sunburst at law Sunburst shall be entitled to equitable relief to enforce the provisions of this Agreement.

F. No Brokers. Holder represents and warrants to Sunburst that Holder has not incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other like payment in connection with this Agreement and the transactions contemplated hereby for which Sunburst, its affiliates or the Property could be bound or liable, and Holder agrees to hold Sunburst harmless against and in respect to any obligation or liability (including, without limitation, reasonable attorneys' fees) based in any way upon agreements, arrangements or understandings made or claimed to have been made by Holder with any third person. Sunburst represents and warrants to Holder that Sunburst has not incurred any obligation or liability, contingent or otherwise, for brokerage or finder's fees or agent's commissions or other like payment in connection with this Agreement and the transactions contemplated hereby for which Holder, its affiliates or the Property could be bound or liable and Sunburst agrees to hold Holder harmless against and in respect to any obligation or liability (including, without limitation, reasonable attorneys' fees) based in any way upon agreements, arrangements or understandings made or claimed to have been made by Sunburst with any third person.

G. Entire Agreement. This Agreement together with the Plan, the Confirmation Order, the Amended Note, and the Amended Mortgage constitutes the entire agreement between Sunburst and Holder with respect to the subject matter hereof, and this Agreement may only be amended by an agreement in writing signed by Sunburst and Holder.

H. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Ohio without giving effect to the choice of law principles thereof.

I. Counterparts. This Agreement may be executed in two or more counterparts, all of which shall constitute but one and the same document. Documents obtained via electronic imaging sent by email or via facsimile machine shall also be considered as originals.

J. Severability of Terms. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this

Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

K. No Recording. Except as provided by Section I(F) hereof for failure to execute a Release and Satisfaction of Mortgage, neither party shall record this Agreement or a Memorandum thereof in the public records.

[Signature pages follow]

SUNBURST HOTELS LLC,
an Ohio limited liability company

By: S&G Hospitality, Inc., an Ohio corporation,
its sole managing member

By: _____
Name: _____
Title: _____

STATE OF _____)
)ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____, 2025 by Sunburst Hotels LLC, an Ohio limited liability company, by its sole managing member S&G Hospitality, Inc., an Ohio corporation, by _____, its President, on behalf of the company.

(SEAL)

Notary Public
My Commission Expires: _____

RSS COMM2015-PC1 - OH BL, LLC,
an Ohio limited liability company

By: _____

STATE OF _____)

COUNTY OF _____)ss: _____

The foregoing instrument was acknowledged before me this _____, 2025 by RSS
COMM2015-PC1 - OH BL, LLC, an Ohio limited liability company, by _____, its _____,
on behalf of the company.

(SEAL)

Notary Public
My Commission Expires: _____

Exhibit A

Legal Description

Situated in the City of Columbus, County of Franklin and State of Ohio, and being located in Section 2, Township 2,
Range 18, United States Military Lands, and being part of the 24.555 acre tract of land conveyed to Forty-One
Corporation, by deed of record in Official Records Volume 15500A06, all references being to records in the
Recorder's Office, Franklin County, Ohio, and bounded and described as follows:

Beginning for reference at the intersection of the Center Line of Vantage Drive (East and West) with Vantage Drive
(North and South) as dedicated by plat of record in Plat Book 60, Page 26;

Thence South 68 deg. 00'49" East, a distance of 30.00 feet to a point in the Easterly right-of-way of Vantage Drive;
Thence along said right-of-way line of Vantage Drive, being the arc of a curve to the left (Sub Delta - 4 deg. 38'40" ,
Radius - 370.0 feet), a chord bearing and distance of South 15 deg. 35'47" 30.00 feet to an iron pin set at the "true
point of beginning" and the Northwesterly corner of the tract herein intended to be described;

Thence South 80 deg. 36'39" East, a distance of 445.24 feet to an iron pin set;

Thence South 3 deg. 06'31" West, a distance of 165.00 feet to an iron pipe set;

Thence North 86 deg. 53'29" West, a distance of 465.00 feet to an iron pin set in the Easterly right-of-way line of
Vantage Drive;

Thence along said right-of-way line of Vantage Drive, being the arc of a curve to the right (Sub Delta - 0 deg. 07'25" ,
Radius - 5689.58 feet), a chord bearing and distance of North 10 deg. 32'32" East, 12.28 feet to an iron pin found;

Thence North 10 deg. 36'14" East, continuing along said right-of-way line of Vantage Drive, a distance of 87.88
feet to an iron pin found;

Thence North 6 deg. 30' 24" East, continuing along said right-of-way line, a distance of 71.17 feet to an iron pin
found;

Thence continuing along said right-of-way line, being the arc of a curve to the right, (Sub Delta - 6 deg. 45'58" ,
Radius - 370.00 feet), a chord bearing a distance of North 9 deg. 53'23" East, 43.67 feet to the place of beginning,
containing 1.975 acres, more or less.

LESS AND EXCEPT ANY AND ALL PROPERTY PREVIOUSLY RELEASED OF RECORD

This instrument was prepared by:

Joshua S. Peterson, Attorney at Law
Carpenter Lipps LLP
280 N. High St., 13th Floor
Columbus, OH 43215

AMENDED AND RESTATED MORTGAGE,

THIS AMENDED AND RESTATED OPEN-END MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (the “**Mortgage**”) is made as of [DATE], and hereby amends and restates in its entirety that certain mortgage made by Buckeye Lodging, LLC, an Ohio limited liability company having an office at the time of its original recording of 8960 Gilg Street, New Albany, Ohio 43054 but now of 5955 E. Dublin Granville Road, New Albany, OH 43054 (“**Borrower**”) to Jefferies Loancore LLC, a Delaware limited liability company, dated as of February 27, 2015 and recorded as Franklin County, Ohio Instrument Number 201503020025422, as assigned to Wilmington Trust, National Association, as Trustee for the benefit of the Holders of Comm 2015-PC1 Mortgage Trust Commercial Mortgage Pass-Through Certificates as Instrument Number 201509110127790, and as assigned to RSS COMM2015-PC1 - OH BL, LLC, an Ohio limited liability company (together with its successors and assigns, hereinafter referred to as “**Lender**”) having an address of 200 South Biscayne Boulevard, Suite 3550, Miami, FL 33131 by Instrument Number 202112070221614.

KNOW ALL MEN BY THESE PRESENTS, that Borrower, in consideration of the payments to Borrower which Lender, has made contemporaneously herewith or may hereafter make, does hereby GRANT, BARGAIN, SELL AND CONVEY unto Lender, its successors and assigns forever, certain real property described in Exhibit “A” attached hereto and by this reference made a part hereof (the “**Property**”). TOGETHER WITH Borrower’s interest in the following, whether now owned or hereafter acquired by Borrower:

- (a) all improvements now or hereafter attached to or placed, erected, constructed or developed on the Property (collectively the “**Improvements**”);
- (b) all fixtures, furnishings, equipment, inventory, and other articles of personal property (collectively the “**Personal Property**”) that are now or hereafter attached to or used in or about the Improvements for the purposes for which they were or are to be attached, placed, erected, constructed or developed and all renewals of or replacements or substitutions for any of the foregoing attached to the Improvements or the Property; it being agreed that all of said property owned by the Borrower and placed on the Property or on or in the Improvements (whether affixed or annexed thereto or not) shall, so far as permitted by law, conclusively be deemed to be real property and conveyed hereby for purposes of this Mortgage;

- (c) all water and water rights, timber, crops, and mineral interests pertaining to the Property;
- (d) all building materials and equipment now or hereafter delivered to and intended to be installed in or on the Improvements or the Property;
- (e) all contracts relating to the Property, the Improvements or the Personal Property;
- (f) all deposits, bank accounts, funds, deposit accounts, documents, contract rights, accounts, accounts receivable, commitments, construction agreements, architectural agreements, payment intangibles, promissory notes, investment property, letter of credit rights, supporting obligations, general intangibles (including, without limitation, trademarks, trade names and symbols), tax credits, instruments, notes and chattel paper arising from or by virtue of any transactions related to the Property, the Improvements or the Personal Property or relating directly or indirectly to the ownership, occupancy, use, operation and maintenance of the Property, Improvements, Personal Property or the construction of the Improvements;
- (g) all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property, the Improvements or the Personal Property;
- (h) all proceeds arising from or by virtue of the sale, lease or other disposition of the Property, the Improvements, the Personal Property or any portion thereof or interest therein;
- (i) all proceeds (including, without limitation, premium refunds) of each policy of insurance relating to the Property, the Improvements or the Personal Property;
- (j) all proceeds from the taking of any of the Property, the Improvements, the Personal Property or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof (including, without limitation, change of grade of streets, curb cuts or other rights of access), for any public or quasi-public use under any law;
- (k) all streets, roads, public places, easements and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Property;
- (l) all of the leases, royalties, bonuses, income, receipts, issues, profits, revenues or other benefits of the Property, the Improvements or the Personal Property, including, without limitation, cash or securities deposited pursuant to leases to secure performance by the lessees of their obligations thereunder;
- (m) all rights, hereditaments and appurtenances pertaining to the foregoing; and
- (n) other interests of every kind and character that Borrower now has or at any time hereafter acquires in and to the Property, Improvements, and Personal Property described herein, including rights of ingress and egress and all reversionary rights or interests of Borrower with respect thereto (all of the same, including the Property, collectively the “**Mortgaged Property**”).

TO HAVE AND TO HOLD the Mortgaged Property, together with the rights, privileges and appurtenances thereto belonging, unto Lender and its successors and assigns forever, and Borrower hereby binds itself and its successors and assigns to warrant and forever defend the Mortgaged Property unto Lender and its successors and assigns, against the claim or claims of all persons claiming or to claim the same or any part thereof, except as to those matters described in

Exhibit “B” attached hereto and by this reference made a part hereof (the “**Permitted Encumbrances**”).

This Mortgage is given in accordance with the provisions of the Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and its Debtor Subsidiaries (the “**Plan**”) and the associated Order Confirming the Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and its Debtor Subsidiaries (the “**Confirmation Order**”) entered by the United States Bankruptcy Court for the Southern District of Ohio on [Confirmation Date], 2025, which provide for the issuance of the Secured Promissory Note dated as of [Effective Date of Plan] (as amended, modified, restated, consolidated from time to time, the “**Note**”) in favor of Lender made by Borrower, Lancaster Hospitality LLC, an Ohio limited liability company (“**Lancaster**”), and Sunburst Hotels LLC, an Ohio limited liability company (“**Sunburst**”) (Borrower, Lancaster, and Sunburst are each individually a “**Maker**” and collectively the “**Makers**”). Under the Plan and the Confirmation Order, all obligations under any prior promissory note or other form of borrowing, or any other documents executed in connection therewith, were released and replaced by the obligations under the Note. This Mortgage no longer secures any of the released obligations.

THE MORTGAGE IS GIVEN TO SECURE: the full and prompt payment, whether at stated maturity, accelerated maturity or otherwise, of any and all indebtedness, whether fixed or contingent (collectively the “**Indebtedness**”) and the complete, faithful and punctual performance of any and all other obligations (collectively the “**Obligations**”) of Borrower to Lender under the terms and conditions of: (a) the Note, and any and all renewals, amendments, modifications, reductions and extensions thereof and substitutions thereof; and (b) the Mortgage (collectively the “**Loan Documents**”). The Indebtedness and Obligations do not include any indebtedness or obligations released or discharged pursuant to the Plan or the Confirmation Order.

Borrower, for itself and its successors and assigns, hereby covenants with Lender, its successors and assigns, that:

1. Title. Borrower represents that it has good and marketable title in fee simple to the Mortgaged Property, free and clear from all conditions, restrictions, easements, liens, encumbrances and adverse claims whatsoever, except the Permitted Encumbrances. If the interest of Lender in the Mortgaged Property or any part thereof shall be directly and materially endangered or shall be attacked, directly and materially, Borrower hereby authorizes Lender, at Borrower’s expense, to take all necessary and proper steps for the defense of such interest, including the employment of counsel, the prosecution or defense of litigation and the compromise or discharge of claims made against such interest, provided however, that Lender shall prior to taking any action itself, give reasonable notice to Borrower and Borrower shall have 30 days from and after notice to defend such interest on behalf of Lender. Any actual, reasonable, direct and out of pocket sums so expended by Lender shall be charged against Borrower and collectible in accordance with the terms of Section 11 hereof.

2. Subrogation for Further Security. Lender shall be subrogated for its further security to the lien, although released of record, of any and all encumbrances paid with any

advance of Indebtedness; provided, however, that the terms and provisions hereof shall govern the rights and remedies of Lender and shall supersede the terms, provisions, rights, and remedies under the lien or liens to which Lender is subrogated.

3. Status Quo. Except with the written consent of Lender, which consent may be withheld in Lender's reasonable discretion, Borrower shall not: (a) sell, assign, mortgage, pledge, lease or otherwise convey or further encumber the Mortgaged Property, or any portion thereof, or legal, equitable or beneficial interest therein; (b) sell, assign, pledge or otherwise transfer any beneficial interests in Borrower which individually or in the aggregate would have the effect of transferring the power to direct the operations of Borrower or the Mortgaged Property, provided, however, that the transfer of ownership interests in Borrower's parent company S & G Hospitality, LLC to SDGD Enterprises, LLC as provided for in the Plan is expressly permitted; (c) contract for any of the same; (d) permit the Mortgaged Property, or any portion thereof, or legal, equitable or beneficial interest therein, to be subject to any superior or inferior lien or encumbrance; (e) subdivide or resubdivide all or any portion of the Mortgaged Property, or any portion thereof; or (f) initiate or acquiesce in any change in the zoning classification of the Property or any portion thereof.

4. Payment of Indebtedness. Borrower shall promptly pay the Indebtedness as the same becomes due and payable under the Note.

5. Estoppel Certificate. Borrower shall furnish to Lender within ten (10) days of any written request of Lender, a written statement, duly acknowledged by Borrower, setting forth the sums secured by the Mortgage and any right of set-off, counterclaim or other defense which Borrower alleges to exist against such sums and obligations secured by the Mortgage. Lender shall similarly provide such information to Borrower within ten (10) days of written request.

6. Taxes and Other Impositions. Borrower shall promptly pay before delinquency all taxes, assessments, charges, fuses or impositions, general, local or special (collectively the "Impositions"), levied upon the Mortgaged Property, or any part thereof, or upon Lender's interest therein, or upon the Mortgage or the Indebtedness, by any duly or legally constituted public authority, municipality, township, county or state or the United States; provided that Borrower, at Borrower's own cost and expense may, if it shall in good faith so desire, contest the validity or amount of any Impositions, in which event Borrower may defer the payment thereof for such period as such contest shall be actively prosecuted and shall be pending undetermined; further provided, however, that Borrower shall not allow any such Impositions so contested to remain unpaid for such length of time as shall permit all or any portion of the Mortgaged Property, or the lien thereon created by such item, to be sold by federal, state, county or municipal authority for the nonpayment thereof. Pending any such contest, Borrower shall furnish to Lender an indemnity bond secured by a deposit in cash or other security reasonably acceptable to Lender, in the amount of the tax or assessment being contested by Borrower.

In the event that one or more of the Impositions on Lender's interest in the Mortgaged Property, the Mortgage or the Indebtedness cannot be lawfully paid by Borrower, then Borrower

shall repay the Indebtedness in full without penalty within 365 days after demand therefor by Lender.

7. Insurance and Indemnification. Borrower shall provide, maintain and keep in force at all times the following policies of insurance:

(a) Insurance against loss or damage to the Improvements and the Personal Property caused by fire and any of the risks covered by insurance of the type now known as "coverage against all risks of physical loss", in an amount equal to one hundred percent (100%) of the replacement cost of the Improvements and the Personal Property and sufficient to prevent Borrower and Lender from becoming co-insurers, and otherwise with terms and conditions reasonably acceptable to Lender;

(b) Comprehensive broad form general liability insurance, insuring against any and all claims for personal injury, death or property damage occurring on, in or about the Property, the Improvements and the adjoining streets, sidewalks and passageways, subject to a combined single limit of not less than Two Million Dollars (\$2,000,000.00) for personal injury, death or property damage arising out of any one accident and a general aggregate limit of not less than Five Million Dollars (\$5,000,000.00), and otherwise with terms and conditions reasonably acceptable to Lender;

(c) Worker's compensation insurance (including employer's liability insurance, if available and reasonably requested by Lender) for all employees of Borrower engaged on or with respect to the Property and the Improvements in the limits established by law or, if limits are not so established, in such amounts as are reasonably acceptable to Lender;

(d) During the course of any development or construction of the Improvements, builder's completed value risk insurance against "all risks of physical loss", including collapse and transit coverage, in the amounts set forth in Subsection 7(a) above, and otherwise with terms and conditions reasonably acceptable to Lender;

(e) Business interruption insurance and/or loss of "rental value" insurance in an amount not less than the appraised rentals or income for the Mortgaged Property for a minimum of twelve (12) months, and otherwise with terms reasonably acceptable to Lender.

(f) If the Improvements are located in a federally-designated flood hazard area, then flood hazard coverage, in the maximum amount available and otherwise with terms and conditions reasonably acceptable to Lender; and

(g) Such other insurance coverage, and in such amount, as may from time to time be reasonably required by Lender against the same or other hazards consistent with other insurance typically retained for similar properties similarly situated.

Each policy of liability insurance shall show Lender as an additional insured. Unless the policy so provides, each policy of insurance required by the terms of the Mortgage shall contain

an endorsement by the insurer, for the benefit of Lender: (i) that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Borrower which might otherwise result in forfeiture of said insurance; (ii) that any rights of set-off, counterclaim or deductions against Borrower are waived; and (iii) that such policy shall not be canceled or changed except upon not less than thirty (30) days prior written notice delivered to Lender.

Lender shall have the right to hold the policies, or certificates of the policies reasonably acceptable to Lender with certified copies of the policies, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty (30) days prior to the expiration date of any such policy, Borrower shall deliver to Lender a renewal policy, or certificate thereof, in form reasonably acceptable to Lender.

Borrower shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section unless Lender has approved the insurance company and the form and content of the insurance policy, including, without limitation, the naming thereon of Lender as a named insured with loss payable to Lender under a standard mortgage clause of the character above described. Borrower shall immediately notify Lender whenever any such separate insurance is taken out and shall promptly deliver to Lender copies of the certificates evidencing such insurance.

Nothing contained in this Section 7 shall prevent Borrower from keeping the Improvements and Personal Property insured or causing the same to be insured against the risks referred to in this Section 7 under a policy or policies of blanket insurance which may cover other property not subject to the lien of the Mortgage; provided, however, that any such policy of blanket insurance: (i) shall specify therein the amount of the total insurance allocated to the Improvements and Personal Property, which amount shall be not less than the amount otherwise required to be carried under the Mortgage; (ii) shall not contain any clause which would result in the insured thereunder becoming a co-insurer of any loss with the insurer under such policy; and (iii) shall in all other respects comply with the provisions of the Mortgage.

8. Waste; Repair. Borrower shall neither commit nor permit any actual physical and material waste on the Property and shall keep all Improvements now or hereafter erected on the Property in good condition and repair.

9. Alterations; Construction. Borrower shall not remove, demolish or alter any of the Improvements, now existing or hereafter constructed on the Property, or any of the Personal Property in or on the Property or Improvements, except when incident to the replacement of any of the items of Personal Property with items of like kind and value.

10. Advances Secured by Mortgage. Upon failure of Borrower to comply with any of these covenants and agreements as to the payment of taxes, assessments, insurance premiums, repairs, protection of the Mortgaged Property or Lender's lien thereon, and other charges and after giving Borrower 60 days' notice and Borrower's failure to pay same, the costs of procurement of title evidence and insurance as aforesaid, Lender may, at its option, pay the same, and any sums

so paid by Lender, together with the actual, direct, out of pocket reasonable fees of counsel employed by Lender in consultation and in connection therewith, shall be charged against Borrower, shall be immediately due and payable by Borrower, and shall be a lien upon the Mortgaged Property and be secured by the Mortgage and may be collected in the same manner as the principal debt hereby secured.

11. Use. Unless Lender otherwise agrees in writing, Borrower shall not allow changes in the nature of the occupancy for which the Property and Improvements were intended at the time the Mortgage was executed. Borrower shall comply in all material respects with the laws, ordinances, regulations and requirements of any governmental body applicable to the Mortgaged Property, both during the construction of any Improvements on the Property and subsequent to the completion thereof, and Borrower shall not permit the use thereof for any illegal purpose.

12. Inspection. Any person reasonably authorized by Lender shall have the right to enter upon and inspect the Mortgaged Property at all reasonable times with reasonable notice agreed to by the Borrower in writing. Lender shall have no duty, however, to make such inspections. Any inspection of the Mortgaged Property by Lender shall be entirely for its benefit, and Borrower shall in no way rely or claim reliance thereon.

13. Minerals. Without the prior written consent of Lender, there shall be no drilling or exploring for, or extraction, removal, or production of, minerals from the surface or subsurface of the Property. The term "minerals" as used herein shall include, without limitation, oil, gas, casinghead gas, coal, lignite, hydrocarbons, methane, carbon dioxide, helium, uranium and all other natural elements, compounds and substances, including sand and gravel.

14. Condemnation. If all or any part of the Property or Improvements are damaged, taken or acquired, either temporarily or permanently, in any condemnation proceeding or by exercise of the right of eminent domain or, with Lender's consent, by any conveyance in lieu thereof, the amount of any award or other payment for such taking, or conveyance or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid Indebtedness, is hereby assigned to Lender, and Lender is empowered to collect and receive the same and to give proper receipts therefor in the name of Borrower, and the same shall be paid forthwith to Lender. Any award or payment so received by Lender may at the reasonable option of Lender be retained and applied, in whole or in part, to the Indebtedness (whether or not then due and payable) in such manner as Lender may reasonably determine or released in whole or in part to Borrower upon terms reasonably satisfactory to Lender for the purpose of altering, restoring or rebuilding any part of the Mortgaged Property which may have been altered, damaged or destroyed as a result of such taking, alteration or proceedings, but Lender shall not be obligated to see to the application of any funds so released; provided, however that: (a) if at the time of such condemnation or conveyance in lieu thereof and at all times thereafter, no Event of Default, as hereinafter defined, has occurred and is continuing, (b) Borrower shall have deposited with Lender all additional funds necessary in the reasonable judgment of Lender to provide sufficient funds to alter, restore or rebuild the Mortgaged Property, and (c) the Mortgaged Property can be

altered restored and rebuilt not later than six (6) months prior to the Note Maturity Date, and Lender shall not apply the award or payment towards payment of the Indebtedness, but shall hold such award or payment as above provided to be applied towards altering, restoring or rebuilding the Mortgaged Property. Unless Borrower and Lender otherwise agree in writing, any such application of proceeds to the Indebtedness shall not extend or postpone the due date of the monthly installments referred to in the Note or change the amount of such installments. If Borrower receives notice, written or unwritten, of any actual, intended or threatened condemnation or eminent domain proceeding, Borrower shall forthwith furnish a copy of any written notice to Lender or inform Lender in writing if such notice was unwritten. If an Event of Default shall have occurred and is continuing, Borrower further authorizes Lender, at Lender's option and at Borrower's expense, as attorney-in-fact for Borrower, to commence, appear in and prosecute, in Borrower's or Lender's name, any action or proceeding relating to any condemnation or other taking of all or any part of the Mortgaged Property and to settle or compromise any claims in connection with such condemnation or other taking.

15. Assignment of Rents and Leases.

(a) Borrower hereby absolutely and unconditionally assigns, transfers and sets over unto Lender and Lender's successors and assigns all present and future leases covering all or any part of the Mortgaged Property (the "Leases"), together with any extensions or renewals thereof and any guaranties of any tenants' obligations thereunder, and all of the rents, royalties, bonuses, income, receipts, revenues, issues and profits now due or which may hereafter become due under the Leases or any extensions or renewals thereof, as well as all moneys due and to become due to Borrower under the Leases for services, materials or installations supplied whether or not the same were supplied under the terms of the Leases, all liquidated damages following default under the Leases and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Mortgaged Property (such rents, income, receipts, revenues, issues, profits and other moneys assigned hereby are hereinafter collectively called "Rents"), together with any and all rights and remedies which Borrower may have against any tenant under any of the Leases or others in possession of the Mortgaged Property or any part thereof for the collection or recovery of Rents so assigned. Prior to an Event of Default, as hereinafter defined, Borrower shall have a license to collect and receive all Rents as trustee for the benefit of Lender and Borrower.

(b) Borrower hereby represents, warrants and agrees that:

(i) Borrower has good title to the Leases and Rents hereby assigned and has the right, power and capacity to make this assignment. No person or entity other than Borrower has or will have any right, title or interest in or to the Leases or Rents, except for the Permitted Encumbrances.

(ii) Borrower shall, at Borrower's sole cost and expense, perform and discharge all of the obligations and undertakings of the landlord under the Leases and give prompt notice to Lender of any failure to do so. Borrower shall use all reasonable efforts to enforce or secure the performance of each and every obligation and undertaking of the tenants

under the Leases and shall appear in and prosecute or defend any action or proceeding arising under, or in any manner connected with, the Leases or the obligations and undertakings of the tenants thereunder.

(iii) Borrower shall not pledge, transfer, mortgage or otherwise encumber or assign the Leases or the Rents.

16. Security Agreement. The Mortgage is intended to be a security agreement pursuant to the Uniform Commercial Code as enacted in the State of Ohio (the "UCC") for any of the Mortgaged Property comprising personal property and fixtures which may be subject to a security interest pursuant to the UCC, and Borrower hereby grants to Lender a security interest in said personal property and fixtures, whether said property is now existing or hereafter acquired, together with replacements, replacement parts, additions, repairs and accessories incorporated therein or affixed thereto and, if sold or otherwise disposed of, the proceeds (including insurance proceeds) thereof. Borrower agrees that Lender may file UCC financing statements covering said personal property and fixtures from time to time to perfect or maintain the priority of Lender's security interest with respect to said personal property and fixtures, and Borrower shall bear all actual, reasonable, direct and out of pocket costs thereof, including all UCC searches reasonably required by Lender. Borrower shall not create or suffer to be created any other security interest in said personal property and fixtures, including replacements thereof and additions thereto. Upon the occurrence of any Event of Default as set forth in Section 18 hereof, Lender shall have the remedies of a secured party under the UCC and, at Lender's option, may also invoke the remedies provided in Section 18 hereof with respect to such property.

The Borrower acknowledges that Lender has taken and may take in the future, in connection with this Mortgage or other financing transactions with Borrower, multiple security interests and file multiple financing statements and otherwise take action to perfect security interests in the identical collateral as is covered by this Mortgage or any other agreement, document or instrument, and further acknowledges and agrees that such actions do not and are not intended in any fashion to cause a termination, substitution, or novation of any security interests, liens or encumbrances of whatsoever nature or kind, or any financing statements or any other acts of perfection of any such interest granted pursuant to this Mortgage or any other agreement, document or instrument, whether nor or hereafter existing.

17. Fixture Filing. This Mortgage is intended to be a financing statement within the provision of Section 9-502(b) of the UCC and will be recorded as a "fixture filing" in accordance with the UCC.

18. Default. The term "Event of Default" shall have the same meaning as set forth in the Note, which meanings are incorporated by this reference herein.

Upon the occurrence of any such Event of Default, at the option of Lender, with notice and a reasonable opportunity to cure having been provided as set forth in the Note, the entire amount shall become due and payable within 365 days after notice thereof from Lender, and, in

addition to any other right or remedy which Lender may now or hereafter have at law, in equity, or under the Loan Documents, Lender shall have the right and power subject to all notice and cure periods set forth in the Note: (a) to foreclose upon the Mortgage and the lien hereof; and (b) to sell the Mortgaged Property, in each case as permitted by law.

19. No Waiver. The failure of Lender to exercise any option to declare the maturity of the principal debt or any other sums hereby secured under any provision of any of the Loan Documents, or to forbear from exercising any right or remedy available to Lender under any provision of any of the other Loan Documents, shall not be deemed a waiver of the right to exercise such option, right or remedy or declare such maturity as to such past, continuing or subsequent violation of any of the covenants and agreements of the Loan Documents. Acceptance by Lender of partial payments shall not constitute a waiver of any Event of Default. From time to time, Lender may, at Lender's option, upon notice and agreement from Borrower, without liability on Lender's part and notwithstanding Borrower's breach of any covenant or agreement of Borrower in the Mortgage, extend the time for payment of the Indebtedness, or any part thereof, reduce the payments thereon, release anyone liable on any of said Indebtedness, accept a renewal note or notes therefor, release from the lien of the Mortgage any part of the Mortgaged Property, take or release other or additional security, reconvey any part of the Mortgaged Property, consent to any map or plan of the Mortgaged Property, consent to the granting of any easement, join in any extension or subordination agreement, or agree in writing with Borrower to modify the rate of interest or period of amortization of the Note or to change the amount of the monthly installments payable thereunder. Any actions taken by Lender pursuant to the terms of this Section 19 shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by the Mortgage and to observe the covenants of Borrower contained herein and shall not affect the lien or priority of lien of the Mortgage on the Mortgaged Property.

20. Parcels; Waiver of Marshalling. In the event of foreclosure of the Mortgage, the Mortgaged Property may be sold in one or more parcels or as an entirety as Lender may elect.

Notwithstanding the existence of any other security interests in the Mortgaged Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Mortgaged Property shall be subjected to the remedies provided herein. Lender shall have the right to determine the order in which any or all portions of the Indebtedness are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Borrower, any party who becomes liable for Borrower's obligations and covenants under the Mortgage, and any party who now or hereafter acquires a security interest in the Mortgaged Property, or any portion thereof, hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

21. Payoff Statement and other information. Within seven days of receiving a written request by Borrower, Lender shall provide a full and accurate payoff with per diem

statement to Borrower of all amounts required to release this Mortgage as of the date of the statement, which shall also include a per diem in the event that a closing occurs later than the date of that statement, that the Lender is obligated to accept. Lender shall in addition, within 7 days of receipt of written notice from Borrower, provide such information regarding Loan Documents and loan(s) as Borrower shall reasonably request. Lender shall, in addition, provide monthly statements to Borrower showing all amounts paid and all amounts due and payable under the Note.

22. Cooperation. Following the receipt of the funds required under the Note to release the obligations under this Mortgage, Lender shall cooperate with Borrower in providing any documents required to extinguish the lien created by this Mortgage.

23. Priority of Mortgage Lien. Lender, at Lender's option, is authorized and empowered to do all things provided to be done by a mortgagee under Section 1311.14 of the Ohio Revised Code, and any present or future amendments or supplements thereto, for the protection of Lender's interest in the Mortgaged Property.

24. Notice. Any notice required or permitted to be given hereunder shall be in writing and provided by first-class mail, overnight delivery, or hand delivery. If mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested notice shall be effective three business days after the deposit in the mail (or such later date as a recipient can document it received the notice or as shown by a registered or certified receipt is received). If notice is provided by overnight delivery, notice shall be effective on the business day of receipt. If notice is provided by hand delivery, notice shall be effective upon receipt. For purposes of notice, the addresses of Borrower and Lender shall be as set forth below; provided however, that either party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party.

If to Borrower:

Buckeye Lodging, LLC
Attn: Abhijit Vasani
5855 E. Dublin Gravelle Rd.
New Albany, OH 43054

With a copy to:

David Beck
Carpenter Lipps LLP
280 N. High Street, Suite 1300
Columbus, OH 43215

If to Lender:

25. Miscellaneous. The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. If any provision of the Mortgage is illegal, or hereafter rendered illegal, or is for any other reason void, voidable or otherwise unenforceable, or hereafter rendered void, voidable or otherwise unenforceable, the remainder of the Mortgage shall not be affected thereby, but shall be construed as if it does not contain such provision. Each right and remedy provided in the Mortgage is distinct and cumulative to all other rights or remedies under the Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively, in any order whatsoever. The Mortgage shall be governed by and construed under the laws of the State of Ohio. Recordation of this Mortgage constitutes Lender's acceptance of the terms of this Mortgage.

PROVIDED, HOWEVER, that these presents are upon the condition that if Borrower shall fully and promptly pay when due the Indebtedness and shall completely, faithfully and punctually perform all of the Obligations under the terms and conditions of the Loan Documents, then the Mortgage shall be void; otherwise it shall remain in full force and effect in law and equity forever.

[Signature Page Follows]

IN WITNESS WHEREOF, Mortgagor has executed this instrument as of the day and year first written above.

BORROWER:

BUCKEYE LODGING, LLC,
an Ohio limited liability company

By: S&G Hospitality, Inc., an Ohio corporation, its
sole managing member

By: _____
Name: _____
Title: _____

STATE OF _____)
COUNTY OF _____)ss:

The foregoing instrument was acknowledged before me this _____, 2025 by Buckeye Lodging, LLC, an Ohio limited liability company, by its sole managing member S&G Hospitality, Inc., an Ohio corporation, by _____, its President, on behalf of the company.

(SEAL)

Notary Public
My Commission Expires: _____

This instrument was prepared by:

Joshua S. Peterson, Attorney at Law
Carpenter Lipps LLP
280 Plaza, Suite 1300
280 N. High Street
Columbus, OH 43215

EXHIBIT A
Legal Description

Tract 1:

Situated in the State of Ohio, County of Franklin, City of Dublin, Virginia Military Survey No. 2542 and being a part of the original 40.325 acre tract conveyed to John L., John W. and Ann M. McKirrick, Trustees by deed of record in Deed Book 3357, Page 673, Records of the Recorder's Office, Franklin County, Ohio, and being more particularly described as follows:

Beginning at a P.K. Nail at Station 28 + 99.56 (FRA-270-7.47N) in the centerline of Post Road and the Northerly line of said original 40.325 acre tract at the Northeastly corner of the 2.892 acre tract conveyed to Dublin Investment Company by deed of record in Official Records Volume 4239, Page 017;

Thence the following two (2) courses and distances along the said centerline of Post Road and Northerly line of said original 40.325 acre tract:

1. Thence South 62 deg 49' 45" East, a distance of 118.24 feet to a P. K. Nail marking a point of curvature;
 2. Thence along a curve to the left having a radius of 1432.7 feet, and a central angle of 5 deg 14' 29", the chord to which bears South 65 deg 26' 57" East, a distance of 130.99 feet to a P.K. Nail;
- Thence South 8 deg 15' 00" West, a distance of 474.89 feet, across the said original 40.325 acre tract (passing an iron pin on line, in the Southerly right-of-way line, at a distance of 30.85 feet) to an iron pin in the Northerly limited access right-of-way line at Ohio Route 161 -U.S. Route 33 (FRA-270-7.47);

Thence the following two (2) courses and distances along the said Northerly limited access right-of-way line;

1. Thence South 89 deg 04' 04" West, a distance of 237.61 feet to an iron pin, said iron pin being 120.00 feet left of Survey Centerline Station 194+00;
2. Thence North 86 deg 38' 35" West, a distance of 35.56 feet, to an iron pin at the Southeastly corner of the said 2.892 acre tract;

Thence the following two (2) courses and distances along the Easterly line of said 2.892 acre tract;

1. Thence North 8 deg 15' 00" East, a distance of 496.35 feet, to an iron pin at an angle point;
2. Thence North 27 deg 10' 15" East, a distance of 100.00 feet (passing an iron pin on line in the said Southerly right-of-way line of Post Road at a distance of 50.00 feet) to the Point of Beginning, containing 3.292 acres, more or less, of which 0.202 acres, more or less, lies within the right-of-way of Post Road.

According to a survey prepared by RD. Zande & Associates, Ltd. by Larry W. Pennington, Registered Surveyor No. 6096, dated July 6, 1984.

And excepting therefrom the following described tract conveyed to the City of Dublin by General Warranty Deed recorded as Instrument Number 199807300191533, Recorder's Office, Franklin County, Ohio:

Situated in the State of Ohio, County of Franklin, Township of Washington and in the City of Dublin, being in V.M.S. 2542, being part of a 3.292 acre tract conveyed to Red Roof Inns, Inc., by Official Records Volume 4831, Page D07, of the Franklin County Recorder's Office, and being more particularly described as follows:

Beginning at a point in the centerline of Post Road said point being the Northwest corner of said 3.292 acre, said corner also being the Northeast corner of a 6.394 acre tract conveyed to Host Restaurants, Inc., by Official Records Volume 6367, Page E05 of the Franklin County Recorder's Office, said iron pipe being the true point of beginning;

Thence along the centerline of Post Road and the Grantor's Northerly property line South 62 deg 50' 57" East, a distance of 120.89 feet (South 62 deg 49' 45" East, a distance of 118.24 feet - per deed of record) to a point, said point being P.C. Station 30+19.79;

Thence continuing along the centerline of Post Road and the Grantor's Northerly property line Southeastly 130.30 feet along the arc of a curve deflecting to the left having a radius of 1432.70 feet and a chord which bears South 65 deg 27' 17" East, a distance of 130.25 feet (South 65 deg 26' 57" East, a distance of 130.99 feet - per deed of record) to a point on the Grantor's Easterly property line;

Thence leaving the centerline of Post Road and the Grantor's Northerly property line and along the Grantor's Easterly property line South 08 deg 15' 34" West, (South 08 deg 15' 00" West — per deed of record), a distance of 40.62 feet to a Point 39.50 feet right of centerline of Survey Station 31+59.40;

Thence leaving the Grantor's Easterly property line and across the Grantor's property Northwestly 143.50 feet along the arc of a curve deflecting to the right, having a radius of 1472.20 feet and a chord which bears North 65 deg 38' 30" West, a distance of 143.44 feet to a point 39.50 feet right of centerline of Survey Station 30+19.79;

Thence continuing across the Grantor's property South 27 deg 09' 03" West, a distance of 10.50 feet to a point, said point being 50.00 feet right of centerline of Survey Station 30+19.79;

Thence continuing across the Grantor's property North 62 deg 50' 57" West, a distance of 117.80 feet to a point 50.00 feet right of centerline of Survey Station 29+01.97;

Thence along the existing right-of-way line of Post Road, North 62 deg 50' 57" West, a distance of 3.15 feet to an iron pipe found on the Grantor's Westerly property line, said iron pipe being 50.00 feet right of centerline of Survey Station 23+95.88;

Thence leaving the existing right-of-way line of Post Road and along the Grantor's Westerly property line North 27 deg 12' 42" East, (North 27 deg 10' 15" East - per deed of record), a distance of 50.00 feet to the true point of beginning and containing 0.263 acres, more or less, from Auditor's Parcel Number 273-002463, including the present right-of-way which occupies 0.204 acres, more or less.

The basis of bearing of North 89 deg 04' 04" East, for this project is based on the centerline bearing of US 33/ SR 161, as shown on centerline plat for Franklin County FRA-270-7.47 N, on file with the Ohio Department of Transportation, District 6.

Being more particularly described as follows:

Commencing for reference at the intersection of the East right-of-way line of Interstate 270 with the centerline of Post Road;

Thence South 62 deg 49' 45" East, approximately 808.24 feet along the centerline of said road to a point of curvature in said centerline;

Thence Southeastly, along the arc of a curve deflecting to the left, having a radius of 1432.70 feet, a central angle of 05 deg 14' 29" and a chord which bears South 65 deg 26' 57" East, 130.99 feet to a point;

Thence South 08 deg 15' 00" West, leaving said centerline, 40.62 feet to a 1/2" rebar set in the South line of said Post Road at the principal place of beginning for the parcel of land herein being described;

Thence South 08 deg 15' 00" West, leaving said right-of-way, 434.27 feet to a 1/2" capped rebar set in the Northerly line of State Route 161 (a.k.a. U.S. No. 33);

Thence South 89 deg 04' 04" West, along said limited access right-of-way 237.61 feet to a 1/2" capped rebar set at an angle point in said limited access right-of-way;

Thence North 86 deg 38' 35" West, along said limited access right-of-way, 35.56 feet to a 1" iron pipe found;

Thence North 08 deg 15' 00" East, leaving said limited access right-of-way, 496.35 feet to a 1" iron pipe found;

Thence North 27 deg 10' 15" East, 50.00 feet to a 1/2" capped rebar set in the Southerly line of the aforesaid South right-of-way of Post Road;

Thence along the South right-of-way of Post Road the following courses and distances:

1. South 62 deg 49' 37" East, 117.80 feet to a 1/2" capped rebar set;
2. Thence North 27 deg 10' 23" East, 10.50 feet to a 1/2" capped rebar set;
3. Thence Southeasterly, 144.70 feet along the arc of a curve deflecting to the left, having a radius of 1472.20 feet, and a chord which bears South 65 deg 37' 10" East, 144.54 feet to the principal place of beginning for the above described parcel of land and containing 3.0317 acres (132,059 square feet) of land.

Surveyed by Timothy R. Durr P.S. No. S-7788 for Millman Surveying, Inc. in October of 1999.

Tract II - Ingress/Egress and Utilities Easement Area as described in Easement recorded in Volume 4831, Page D19, Recorder's Office, Franklin County, Ohio:

Situated in the State of Ohio, County of Franklin, City of Dublin, in Virginia Military Survey No. 2542, and being portions of the following two (2) tracts of land conveyed to John L., John W. and Ann M. McKittrick, Trustees:

1. An original 0.975 acre tract of land conveyed by deed of record in Deed Book 3557, Page 471, Recorder's Office, Franklin County, Ohio and
2. An original 40.325 acre tract of land conveyed by deed of record in Deed Book 3557, Page 673, Recorder's Office, Franklin County, Ohio, and bounded and described as follows:

Beginning at a P. K. Nail Set at Station 28+24.56 in the centerline of Post Road and in the North line of said original 40.325 acre tract, said point being South 62 deg 49' 45" East, a distance of approximately 615 feet from a point at the Northwest corner of said original 40.325 acre tract and at the intersection of the centerline of Post Road with the East right-of-way line of Interstate Route 270, the last said point also being 190.51 feet right of Centerline Station 697+89.93 of Interstate Route 270, all stationing being shown upon sheet 18 of 24 of Ohio Department of Transportation right-of-way plans for FRA-270-7.47 N;

Thence South 62 deg 49' 45" East, along the centerline of Post Road and along a portion of the North line of said original 40.325 acre tract, a distance of 50.00 feet to a P.K. Nail set (passing a P. K. Nail found in the centerline of "OCLC Drive" to the North at 25.00 feet);

Thence South 27 deg 10' 15" West, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to a point of curvature (passing a point in the South right-of-way line of Post Road at 50.00 feet);

Thence Southwesterly with a curve to the right, data of which is radius equals 25.00 feet and delta equals 71 deg 04' 45", a chord distance of 232.51 feet bearing South 62 deg 42' 38" West, to the point of tangency of said curve;

Thence North 81 deg 45' 00" West, a distance of 59.86 feet to a point;

Thence North 8 deg 15' 00" East, a distance of 50.00 feet to a 3/4 inch I.D. iron pipe set;

Thence South 81 deg 45' 00" East, a distance of 59.86 feet to a 3/4 inch I.D. iron pipe set at a point of curvature;

Thence Northeasterly with a curve to the left, data of which is radius equals 200.00 feet and delta equals 71 deg 04' 45", a chord distance of 232.51 feet bearing North 62 deg 42' 38" East, to a 3/4 inch I.D. iron pipe set at the point of tangency of said curve;

Thence North 27 deg 10' 15" East, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to the place of beginning (passing a 3/4 inch I.D. iron pipe set in the South right-of-way line of Post Road at 50.00 feet);

Containing 0.504 acre of land, more or less.

The above description was prepared by Ted L. Robinson, Ohio Surveyor No. 5361, of C. F. Bird and R.J. Bull, Ltd., Consulting Engineers and Surveyors, Worthington, Ohio, from an actual survey performed in the field in April, 1983.

Tract II ALSO DESCRIBED AS

Ingress/Egress and Utilities Easement Area as described in Easement recorded in Volume 4831, Page D19, Recorder's Office, Franklin County, Ohio:

Situated in the State of Ohio, County of Franklin, City of Dublin, in Virginia Military Survey No. 2542, and being portions of the following two (2) tracts of land conveyed to John L., John W. and Ann M. McKittrick, Trustees:

1. An original 0.975 acre tract of land conveyed by deed of record in Deed Book 3557, Page 471, Recorder's Office, Franklin County, Ohio and
2. An original 40.325 acre tract of land conveyed by deed of record in Deed Book 3557, Page 673, Recorder's Office, Franklin County, Ohio, and bounded and described as follows:

Beginning at a P. K. Nail Set at Station 28+24.56 in the centerline of Post Road and in the North line of said original 40.325 acre tract, said point being South 62 deg 49' 45" East, a distance of approximately 615 feet from a point at the Northwest corner of said original 40.325 acre tract and at the intersection of the centerline of Post Road with the East right-of-way line of Interstate Route 270, the last said point also being 190.51 feet right of Centerline Station 697+89.93 of Interstate Route 270, all stationing being shown upon sheet 18 of 24 of Ohio Department of Transportation right-of-way plans for FRA-270-7.47 N;

Thence South 62 deg 49' 45" East, along the centerline of Post Road and along a portion of the North line of said original 40.325 acre tract, a distance of 50.00 feet to a P.K. Nail set (passing a P. K. Nail found in the centerline of "OCLC Drive" to the North at 25.00 feet);

Thence South 27 deg 10' 15" West, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to a point of curvature (passing a point in the South right-of-way line of Post Road at 50.00 feet);

Thence Southwesterly with a curve to the right, data of which is radius equals 250.00 feet and delta equals 71 deg 04' 45", a chord distance of 230.63 feet bearing South 62 deg 42' 38" West, to the point of tangency of said curve;

Thence North 81 deg 45' 00" West, a distance of 59.86 feet to a point;

Thence North 8 deg 15' 00" East, a distance of 50.00 feet to a 3/4 inch I.D. iron pipe set;

Thence Northeasterly with a curve to the left, data of which is radius equals 200.00 feet and delta equals 71 deg 04' 45", a chord distance of 232.51 feet bearing North 62 deg 42' 38" East, to a 3/4 inch I.D. iron pipe set at the point of tangency of said curve;

Thence North 27 deg 10' 15" East, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to the place of beginning (passing a 3/4 inch I.D. iron pipe set in the South right-of-way line of Post Road at 50.00 feet);

Containing 0.504 acre of land, more or less.

EXHIBIT B

PERMITTED ENCUMBRANCES

[INSERT]

The above description was prepared by Ted L. Robinson, Ohio Surveyor No. 5361, of C. F. Bird and R.J. Bull, Ltd., Consulting Engineers and Surveyors, Worthington, Ohio, from an actual survey performed in the field in April, 1983.

Tract III - Ingress/Egress and Utilities Easement area as described in Easement recorded in Volume 4831, Page D19, Recorder's Office, Franklin County, Ohio:

Situated in the State of Ohio, County of Franklin, City of Dublin, in Virginia Military Survey No. 2542, and being a portion of an original 40.325 acre tract of land conveyed to John L., John W. and Ann M. McKirrick, Trustees, by deed of record in Deed Book 3557, Page 673, Recorder's Office, Franklin County, Ohio, and bounded and described as follows:

Beginning, for reference, at a P. K. Nail Set at Station 28+74.56 in the centerline of Post Road and in the North line of said original 40.325 acre tract, said point being South 62 deg 49' 45" East, a distance of approximately 665 feet from a point at the Northwest corner of said original 40.325 acre tract and at the intersection of the centerline of Post Road with the East right-of-way line of Interstate Route 270, the last said point also being 190.51 feet Right of Centerline Station 697+89.93 of Interstate Route 270, all stationing being shown upon sheet 18 of 24 of Ohio Department of Transportation right-of-way plans for FRA-270-7.47 N;

Thence South 62 deg 49' 45" East, along the centerline of Post Road and along a portion of the North line of said original 40.325 acre tract, a distance of 25.00 feet to a P. K. Nail Set;

Thence South 27 deg 10' 15" West, perpendicular to the centerline of Post Road and perpendicular to the North line of said original 40.325 acre tract, a distance of 100.00 feet to a 3/4 inch I.D. iron pipe set at the true place of beginning of the easement herein intended to be described (passing a point in the South right-of-way line of Post Road at 50.00 feet);

Thence South 8 deg 15' 00" West, a distance of 52.86 feet to a point;

Thence North 62 deg 49' 45" West, a distance of 47.19 feet to a point in a curve;

Thence Northeasterly with a curve to the left, data of which is radius equals 250.00 feet and sub-delta equals 11 deg 32' 13" , a sub-chord distance of 50.25 feet bearing North 32 deg 56' 22" East, to the point of tangency of said curve;

Thence South 62 deg 49' 45" East, a distance of 25.00 feet to the true place of beginning; Containing 0.040 acre of land, more or less.

The above description was prepared by Ted L. Robinson, Ohio Surveyor No. 5361, of C. F. Bird and R.J. Bull, Ltd., Consulting Engineers and Surveyors, Worthington, Ohio.

AMENDED AND RESTATED MORTGAGE,

THIS AMENDED AND RESTATED OPEN-END MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (the “**Mortgage**”) is made as of [DATE], and hereby amends and restates in its entirety that certain mortgage made by **Lancaster Hospitality, LLC**, an Ohio limited liability company having an office at the time of its original recording of 8960 Gilg Street, New Albany, Ohio 43054 but now of 5955 E. Dublin Granville Road, New Albany, OH 43054 (“**Borrower**”) to Jefferies Loancore LLC, a Delaware limited liability company, dated as of February 27, 2015 and recorded as Fairfield County, Ohio Instrument Number 20150003290, as assigned to Wilmington Trust, National Association, as Trustee, for the benefit of the holders of Comm 2015-PC1 Mortgage Trust Commercial Mortgage Pass-Through Certificates by Instrument Number 201500015686, and as assigned to RSS COMM2015-PC1 - OH BL, LLC, an Ohio limited liability company (together with its successors and assigns, hereinafter referred to as “**Lender**”) having an address of 200 South Biscayne Boulevard, Suite 3550, Miami, FL 33131 by Instrument Number 202100031957.

KNOW ALL MEN BY THESE PRESENTS that Borrower, in consideration of the payments to Borrower which Lender, has made contemporaneously herewith or may hereafter make, does hereby GRANT, BARGAIN, SELL AND CONVEY unto Lender, its successors and assigns forever, certain real property described in Exhibit “A” attached hereto and by this reference made a part hereof (the “**Property**”), TOGETHER WITH Borrower’s interest in the following, whether now owned or hereafter acquired by Borrower:

- (a) all improvements now or hereafter attached to or placed, erected, constructed or developed on the Property (collectively the “**Improvements**”);
- (b) all fixtures, furnishings, equipment, inventory, and other articles of personal property (collectively the “**Personal Property**”) that are now or hereafter attached to or used in or about the Improvements for the purposes for which they were or are to be attached, placed, erected, constructed or developed and all renewals or replacements or substitutions for any of the foregoing, attached to the Improvements or the Property; it being agreed that all of said property owned by the Borrower and placed on the Property or on or in the Improvements (whether affixed or annexed thereto or not) shall, so far as permitted by law, conclusively be deemed to be real property and conveyed hereby for purposes of this Mortgage;
- (c) all water and water rights, timber, crops, and mineral interests pertaining to the Property;
- (d) all building materials and equipment now or hereafter delivered to and intended to be installed in or on the Improvements or the Property;
- (e) all contracts relating to the Property, the Improvements or the Personal Property;

- (f) all deposits, bank accounts, funds, deposit accounts, documents, contract rights, accounts, accounts receivable, commitments, construction agreements, architectural agreements, payment intangibles, promissory notes, investment property, letter of credit rights, supporting obligations, general intangibles (including, without limitation, trademarks, trade names and symbols) tax credits, instruments, notes and chattel paper arising from or by virtue of any transactions related to the Property, the Improvements or the Personal Property or relating directly or indirectly to the ownership, occupancy, use, operation and maintenance of the Property, Improvements, Personal Property or the construction of the Improvements;

- (g) all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property, the Improvements or the Personal Property;

- (h) all proceeds arising from or by virtue of the sale, lease or other disposition of the Property, the Improvements, the Personal Property or any portion thereof or interest therein;

- (i) all proceeds (including, without limitation, premium refunds) of each policy of insurance relating to the Property, the Improvements or the Personal Property;

- (j) all proceeds from the taking of any of the Property, the Improvements, the Personal Property or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof (including, without limitation, change of grade of streets, curb cuts or other rights of access), for any public or quasi-public use under any law;

- (k) all streets, roads, public places, easements and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Property;

- (l) all of the leases, royalties, bonuses, income, receipts, issues, profits, revenues or other benefits of the Property, the Improvements or the Personal Property, including, without limitation, cash or securities deposited pursuant to leases to secure performance by the lessees of their obligations thereunder;

- (m) all rights, hereditaments and appurtenances pertaining to the foregoing; and

- (n) other interests of every kind and character that Borrower now has or at any time hereafter acquires in and to the Property, Improvements, and Personal Property described herein including rights of ingress and egress and all reversionary rights or interests of Borrower with respect thereto (all of the same, including the Property, collectively the “**Mortgaged Property**”).

TO HAVE AND TO HOLD the Mortgaged Property, together with the rights, privileges and appurtenances thereto belonging, unto Lender and its successors and assigns forever, and Borrower hereby binds itself and its successors and assigns to warrant and forever defend the Mortgaged Property unto Lender and its successors and assigns, against the claim or claims of all persons claiming or to claim the same or any part thereof, except as to those matters described in Exhibit “B” attached hereto and by this reference made a part hereof (the “**Permitted Encumbrances**”).

This Mortgage is given in accordance with the provisions of the Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and its Debtor Subsidiaries (the “**Plan**”) and the associated Order Confirming the Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries (the “**Confirmation Order**”) entered by the United States Bankruptcy Court for the Southern District of Ohio on [Confirmation Date], 2025, which provide for the issuance of the Secured Promissory Note, dated as of [Effective Date of Plan] (as amended, modified, restated,

consolidated from time to time, the "Note") in favor of Lender made by Borrower, Buckeye Lodging, LLC, an Ohio limited liability company ("Buckeye"), and Sunburst Hotels, LLC, an Ohio limited liability company ("Sunburst") (Borrower, Buckeye, and Sunburst are each individually a "Maker" and collectively the "Makers"). Under the Plan and the Confirmation Order, all obligations under any prior promissory note or other form of borrowings, or any other documents executed in connection therewith, were released and replaced by the obligations under the Note. This Mortgage no longer secures any of the released obligations.

THE MORTGAGE IS GIVEN TO SECURE: the full and prompt payment, whether at stated maturity, accelerated maturity or otherwise, of any and all indebtedness, whether fixed or contingent (collectively the "Indebtedness") and the complete, faithful and punctual performance of any and all other obligations (collectively the "Obligations") of Borrower to Lender under the terms and conditions of: (a) the Note, and any and all renewals, amendments, modifications, reductions and extensions thereof and substitutions therefor; and (b) the Mortgage (collectively the "Loan Documents"). The Indebtedness and Obligations do not include any indebtedness or obligations released or discharged pursuant to the Plan or the Confirmation Order.

Borrower, for itself and its successors and assigns, hereby covenants with Lender, its successors and assigns, that:

1. **Title.** Borrower represents that it has good and marketable title in fee simple to the Mortgaged Property, free and clear from all conditions, restrictions, easements, liens, encumbrances and adverse claims whatsoever, except the Permitted Encumbrances. If the interest of Lender in the Mortgaged Property or any part thereof shall be directly and materially endangered or shall be attacked, directly and materially, Borrower hereby authorizes Lender, at Borrower's expense, to take all necessary and proper steps for the defense of such interest, including the employment of counsel, the prosecution or defense of litigation and the compromise or discharge of claims made against such interest, provided however that Lender shall prior to taking any action itself, give reasonable notice to Borrower and Borrower shall have 30 days from and after notice to defend such interest on behalf of Lender. Any actual, reasonable, direct and out of pocket sums so expended by Lender shall be charged against Borrower and collectible in accordance with the terms of Section 11 hereof.

2. **Subrogation for Further Security.** Lender shall be subrogated for its further security to the lien, although released of record, of any and all encumbrances paid with any advance of Indebtedness; provided, however, that the terms and provisions hereof shall govern the rights and remedies of Lender and shall supersede the terms, provisions, rights, and remedies under the lien or liens to which Lender is subrogated.

3. **Status Quo.** Except with the written consent of Lender, which consent may be withheld in Lender's reasonable discretion, Borrower shall not: (a) sell, assign, mortgage, pledge, lease or otherwise convey or further encumber the Mortgaged Property, or any portion thereof, or legal, equitable or beneficial interest therein; (b) sell, assign, pledge or otherwise transfer any beneficial interests in Borrower which individually or in the aggregate would have the effect of transferring the power to direct the operations of Borrower or the Mortgaged Property, provided, however, that the transfer of the ownership interest in Borrower's parent company S&G Hospitality, LLC to SDGD Enterprises, LLC as provided for in the Plan is expressly permitted; (c) contract for any of the same; (d) permit the Mortgaged Property, or any portion thereof, or legal, equitable or beneficial interest therein, to be subject to any superior or inferior lien or encumbrance; (e) subdivide or resubdivide all

or any portion of the Mortgaged Property, or any portion thereof; or (f) initiate or acquiesce in any change in the zoning classification of the Property or any portion thereof.

4. **Payment of Indebtedness.** Borrower shall promptly pay the Indebtedness as the same becomes due and payable under the Note.

5. **Estoppel Certificate.** Borrower shall furnish to Lender within ten (10) days of any written request of Lender, a written statement, duly acknowledged by Borrower, setting forth the sums secured by the Mortgage and any right of set-off, counterclaim or other defense which Borrower alleges to exist against such sums and obligations secured by the Mortgage. Lender shall similarly provide such information to Borrower within ten (10) days of written request.

6. **Taxes and Other Impositions.** Borrower shall promptly pay before delinquency all taxes, assessments, charges, fines or impositions, general, local or special (collectively the "Impositions"), levied upon the Mortgaged Property, or any part thereof, or upon Lender's interest therein, or upon the Mortgage or the Indebtedness, by any duly or legally constituted public authority, municipality, township, county or state or the United States; provided that Borrower, at Borrower's own cost and expense may, if it shall in good faith so desire, contest the validity or amount of any Impositions, in which event Borrower may defer the payment thereof for such period as such contest shall be actively prosecuted and shall be pending undetermined; further provided, however, that Borrower shall not allow any such Impositions so contested to remain unpaid for such length of time as shall permit all or any portion of the Mortgaged Property, or the lien thereon created by such item, to be sold by federal, state, county or municipal authority for the nonpayment thereof. Pending any such contest, Borrower shall furnish to Lender an indemnity bond secured by a deposit in cash or other security reasonably acceptable to Lender, in the amount of the tax or assessment being contested by Borrower...

In the event that one or more of the Impositions on Lender's interest in the Mortgaged Property, the Mortgage or the Indebtedness cannot be lawfully paid by Borrower, then Borrower shall repay the Indebtedness in full without penalty within 365 days after demand therefor by Lender.

7. **Insurance and Indemnification.** Borrower shall provide, maintain and keep in force at all times the following policies of insurance:

(a) Insurance against loss or damage to the Improvements and the Personal Property caused by fire and any of the risks covered by insurance of the type now known as "coverage against all risks of physical loss", in an amount equal to one hundred percent (100%) of the replacement cost of the Improvements and the Personal Property and sufficient to prevent Borrower and Lender from becoming co-insurers, and otherwise with terms and conditions reasonably acceptable to Lender;

(b) Comprehensive broad form general liability insurance, insuring against any and all claims for personal injury, death or property damage occurring on, in or about the Property, the Improvements and the adjoining streets, sidewalks and passageways, subject to a combined single limit of not less than Two Million Dollars (\$2,000,000.00) for personal injury, death or property damage arising out of any one accident and a general aggregate limit of not less than Five Million Dollars (\$5,000,000.00), and otherwise with terms and conditions reasonably acceptable to Lender;

(c) Worker's compensation insurance (including employer's liability insurance, if

available and reasonably requested by Lender) for all employees of Borrower engaged on or with respect to the Property and the Improvements in the limits established by law or, if limits are not so established, in such amounts as are reasonably acceptable to Lender;

(d) During the course of any development or construction of the Improvements, builder's completed value risk insurance against "all risks of physical loss", including collapse and transit coverage, in the amounts set forth in Subsection 7(a) above, and otherwise with terms and conditions reasonably acceptable to Lender;

(e) Business interruption insurance and/or loss of "rental value" insurance in an amount not less than the appraised rentals or income for the Mortgaged Property for a minimum of twelve (12) months, and otherwise with terms reasonably acceptable to Lender.

(f) If the Improvements are located in a federally-designated flood hazard area, then flood hazard coverage, in the maximum amount available and otherwise with terms and conditions reasonably acceptable to Lender; and

(g) Such other insurance coverage, and in such amount, as may from time to time be reasonably required by Lender against the same or other hazards consistent with other insurance typically retained for similar properties similarly situated.

Each policy of liability insurance shall show Lender as an additional insured. Unless the policy so provides, each policy of insurance required by the terms of the Mortgage shall contain an endorsement by the insurer, for the benefit of Lender: (i) that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Borrower which might otherwise result in forfeiture of said insurance; (ii) that any rights of set-off, counterclaim or deductions against Borrower are waived; and (iii) that such policy shall not be canceled or changed except upon not less than thirty (30) days prior written notice delivered to Lender.

Lender shall have the right to hold the policies, or certificates of the policies reasonably acceptable to Lender with certified copies of the policies, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty (30) days prior to the expiration date of any such policy, Borrower shall deliver to Lender a renewal policy, or certificate thereof, in form reasonably acceptable to Lender.

Borrower shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section unless Lender has approved the insurance company and the form and content of the insurance policy, including, without limitation, the naming thereof of Lender as a named insured with loss payable to Lender under a standard mortgage clause of the character above described. Borrower shall immediately notify Lender whenever any such separate insurance is taken out and shall promptly deliver to Lender copies of the certificates evidencing such insurance.

Nothing contained in this Section 7 shall prevent Borrower from keeping the Improvements and Personal Property insured or causing the same to be insured against the risks referred to in this Section 7 under a policy or policies of blanket insurance which may cover other property not subject to the lien of the Mortgage; provided, however, that any such policy of blanket insurance: (i) shall specify therein the amount of the total insurance allocated to the Improvements and Personal Property,

which amount shall be not less than the amount otherwise required to be carried under the Mortgage; (ii) shall not contain any clause which would result in the insured thereunder becoming a co-insurer of any loss with the insurer under such policy; and (iii) shall in all other respects comply with the provisions of the Mortgage.

8. **Waste; Repair.** Borrower shall neither commit nor permit any actual physical and material waste on the Property and shall keep all Improvements now or hereafter erected on the Property in good condition and repair.

9. **Alterations; Construction.** Borrower shall not remove, demolish or alter any of the Improvements, now existing or hereafter constructed on the Property, or any of the Personal Property in or on the Property or Improvements, except when incident to the replacement of any of the items of Personal Property with items of like kind and value.

10. **Advances Secured by Mortgage.** Upon failure of Borrower to comply with any of these covenants and agreements as to the payment of taxes, assessments, insurance premiums, repairs, protection of the Mortgaged Property or Lender's lien thereon, and other charges and after giving Borrower 60 days' notice and Borrower's failure to pay same, the costs of procurement of title evidence and insurance as aforesaid, Lender may, at its option, pay the same, and any sums so paid by Lender, together with the actual, direct, out of pocket reasonable fees of counsel employed by Lender in consultation and in connection therewith, shall be charged against Borrower, shall be immediately due and payable by Borrower, and shall be a lien upon the Mortgaged Property and be secured by the Mortgage and may be collected in the same manner as the principal debt hereby secured.

11. **Use.** Unless Lender otherwise agrees in writing, Borrower shall not allow changes in the nature of the occupancy for which the Property and Improvements were intended at the time the Mortgage was executed. Borrower shall comply in all material respects with the laws, ordinances, regulations and requirements of any governmental body applicable to the Mortgaged Property, both during the construction of any Improvements on the Property and subsequent to the completion thereof, and Borrower shall not permit the use thereof for any illegal purpose.

12. **Inspection.** Any person reasonably authorized by Lender shall have the right to enter upon and inspect the Mortgaged Property at all reasonable times with reasonable notice agreed to by the Borrower in writing. Lender shall have no duty, however, to make such inspections. Any inspection of the Mortgaged Property by Lender shall be entirely for its benefit, and Borrower shall in no way rely or claim reliance thereon.

13. **Minerals.** Without the prior written consent of Lender, there shall be no drilling or exploring for, or extraction, removal, or production of, minerals from the surface or subsurface of the Property. The term "minerals" as used herein shall include, without limitation, oil, gas, casinghead gas, coal, lignite, hydrocarbons, methane, carbon dioxide, helium, uranium and all other natural elements, compounds and substances, including sand and gravel.

14. **Condemnation.** If all or any part of the Property or Improvements are damaged, taken or acquired, either temporarily or permanently, in any condemnation proceeding or by exercise of the right of eminent domain or, with Lender's consent, by any conveyance in lieu thereof, the amount of any award or other payment for such taking, or conveyance or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid Indebtedness, is hereby assigned to

Lender, and Lender is empowered to collect and receive the same and to give proper receipts therefor in the name of Borrower, and the same shall be paid forthwith to Lender. Any award or payment so received by Lender may at the reasonable option of Lender be retained and applied, in whole or in part, to the Indebtedness (whether or not then due and payable) in such manner as Lender may reasonably determine or released in whole or in part to Borrower upon terms reasonably satisfactory to Lender for the purpose of altering, restoring or rebuilding any part of the Mortgaged Property which may have been altered, damaged or destroyed as a result of such taking, alteration or proceedings, but Lender shall not be obligated to see to the application of any funds so released; provided, however that: (a) if at the time of such condemnation or conveyance in lieu thereof and at all times thereafter, no Event of Default, as hereinafter defined, has occurred and is continuing, (b) Borrower shall have deposited with Lender all additional funds necessary in the reasonable judgment of Lender to provide sufficient funds to alter, restore or rebuild the Mortgaged Property, and (c) the Mortgaged Property can be altered restored and rebuilt not later than six (6) months prior to the Note Maturity Date, and Lender shall not apply the award or payment towards payment of the Indebtedness, but shall hold such award or payment as above provided to be applied towards altering, restoring or rebuilding the Mortgaged Property. Unless Borrower and Lender otherwise agree in writing, any such application of proceeds to the Indebtedness shall not extend or postpone the due date of the monthly installments referred to in the Note or change the amount of such installments. If Borrower receives notice, written or unwritten, of any actual, intended or threatened condemnation or eminent domain proceeding, Borrower shall forthwith furnish a copy of any written notice to Lender or inform Lender in writing if such notice was unwritten. If an Event of Default shall have occurred and is continuing, Borrower further authorizes Lender, at Lender's option and at Borrower's expense, as attorney-in-fact for Borrower, to commence, appear in and prosecute, in Borrower's or Lender's name, any action or proceeding relating to any condemnation or other taking of all or any part of the Mortgaged Property and to settle or compromise any claims in connection with such condemnation or other taking.

15. Assignment of Rents and Leases.

(a) Borrower hereby absolutely and unconditionally assigns, transfers and sets over unto Lender and Lender's successors and assigns all present and future leases covering all or any part of the Mortgaged Property (the "**Leases**"), together with any extensions or renewals thereof and any guaranties of any tenants' obligations thereunder, and all of the rents, royalties, bonuses, income, receipts, revenues, issues and profits now due or which may hereafter become due under the Leases or any extensions or renewals thereof, as well as all moneys due and to become due to Borrower under the Leases for services, materials or installations supplied whether or not the same were supplied under the terms of the Leases, all liquidated damages following default under the Leases and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Mortgaged Property (such rents, income, receipts, revenues, issues, profits and other moneys assigned hereby are hereinafter collectively called "**Rents**"), together with any and all rights and remedies which Borrower may have against any tenant under any of the Leases or others in possession of the Mortgaged Property or any part thereof for the collection or recovery of Rents so assigned. Prior to an Event of Default, as hereinafter defined, Borrower shall have a license to collect and receive all Rents as trustee for the benefit of Lender and Borrower.

(b) Borrower hereby represents, warrants and agrees that:

(i) Borrower has good title to the Leases and Rents hereby assigned and has the right, power and capacity to make this assignment. No person or entity other than Borrower has

or will have any right, title or interest in or to the Leases or Rents, except for the Permitted Encumbrances.

(ii) Borrower shall, at Borrower's sole cost and expense, perform and discharge all of the obligations and undertakings of the landlord under the Leases and give prompt notice to Lender of any failure to do so. Borrower shall use all reasonable efforts to enforce or secure the performance of each and every obligation and undertaking of the tenants under the Leases and shall appear in and prosecute or defend any action or proceeding arising under, or in any manner connected with, the Leases or the obligations and undertakings of the tenants thereunder.

(iii) Borrower shall not pledge, transfer, mortgage or otherwise encumber or assign the Leases or the Rents.

16. **Security Agreement.** The Mortgage is intended to be a security agreement pursuant to the Uniform Commercial Code as enacted in the State of Ohio (the "**UCC**") for any of the Mortgaged Property comprising personal property and fixtures which may be subject to a security interest pursuant to the UCC, and Borrower hereby grants to Lender a security interest in said personal property and fixtures, whether said property is now existing or hereafter acquired, together with replacements, replacement parts, additions, repairs and accessories incorporated therein or affixed thereto and, if sold or otherwise disposed of, the proceeds (including insurance proceeds) thereof. Borrower agrees that Lender may file UCC financing statements covering said personal property and fixtures from time to time to perfect or maintain the priority of Lender's security interest with respect to said personal property and fixtures, and Borrower shall bear all actual, reasonable, direct and out of pocket costs thereof, including all UCC searches reasonably required by Lender. Borrower shall not create or suffer to be created any other security interest in said personal property and fixtures, including replacements thereof and additions thereto. Upon the occurrence of any Event of Default as set forth in Section 18 hereof, Lender shall have the remedies of a secured party under the UCC and, at Lender's option, may also invoke the remedies provided in Section 18 hereof with respect to such property.

The Borrower acknowledges that Lender has taken and may take in the future, in connection with this Mortgage or other financing transactions with Borrower, multiple security interests and file multiple financing statements and otherwise take action to perfect security interests in the identical collateral as is covered by this Mortgage or any other agreement, document or instrument, and further acknowledges and agrees that such actions do not and are not intended in any fashion to cause a termination, substitution, or novation of any security interests, liens or encumbrances of whatsoever nature or kind, or any financing statements or any other acts of perfection of any such interest granted pursuant to this Mortgage or any other agreement, document or instrument, whether now or hereafter existing.

17. **Fixture Filing.** This Mortgage is intended to be a financing statement within the provision of Section 9-502(b) of the UCC and will be recorded as a "fixture filing" in accordance with the UCC.

18. **Default.** The term "Event of Default" shall have the same meaning as set forth in the Note, which meanings are incorporated by this reference herein.

Upon the occurrence of any such Event of Default, at the option of Lender, with notice and a reasonable opportunity to cure having been provided as set forth in the Note, the entire amount shall become due and payable within 365 days after the notice thereof from Lender, and, in addition to any

other right or remedy which Lender may now or hereafter have at law, in equity, or under the Loan Documents, Lender shall have the right and power subject to all notice and cure periods set forth in the Note: (a) to foreclose upon the Mortgage and the lien hereof; and (b) to sell the Mortgaged Property, in each case as permitted by law.

19. **No Waiver.** The failure of Lender to exercise any option to declare the maturity of the principal debt or any other sums hereby secured under any provision of any of the Loan Documents, or to forebear from exercising any right or remedy available to Lender under any provision of any of the other Loan Documents, shall not be deemed a waiver of the right to exercise such option, right or remedy or declare such maturity as to such past, continuing or subsequent violation of any of the covenants and agreements of the Loan Documents. Acceptance by Lender of partial payments shall not constitute a waiver of any Event of Default. From time to time, Lender may, at Lender's option, upon notice and agreement from Borrower, without liability on Lender's part and notwithstanding Borrower's breach of any covenant or agreement of Borrower in the Mortgage, extend the time for payment of the Indebtedness, or any part thereof, reduce the payments thereon, release anyone liable on any of said Indebtedness, accept a renewal note or notes therefor, release from the lien of the Mortgage any part of the Mortgaged Property, take or release other or additional security, reconvey any part of the Mortgaged Property, consent to any map or plan of the Mortgaged Property, consent to the granting of any easement, join in any extension or subordination agreement, or agree in writing with Borrower to modify the rate of interest or period of amortization of the Note or to change the amount of the monthly installments payable thereunder. Any actions taken by Lender pursuant to the terms of this Section 19 shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by the Mortgage and to observe the covenants of Borrower contained herein and shall not affect the lien or priority of lien of the Mortgage on the Mortgaged Property.

20. **Parcels; Waiver of Marshalling.** In the event of foreclosure of the Mortgage, the Mortgaged Property may be sold in one or more parcels or as an entirety as Lender may elect. Notwithstanding the existence of any other security interests in the Mortgaged Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Mortgaged Property shall be subjected to the remedies provided herein. Lender shall also have the right to determine the order in which any or all portions of the Indebtedness are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Borrower, any party who now or hereafter for Borrower's obligations and covenants under the Mortgage, and any party who now or hereafter acquires a security interest in the Mortgaged Property, or any portion thereof, hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

21. **Payoff Statement and other information:** Within seven days of receiving a written request by Borrower, Lender shall provide a full and accurate payoff with per diem statement to Borrower of all amounts required to release this Mortgage as of the date of the statement, which shall also include a per diem in the event that a closing occurs later than the date of that statement that the Lender is obligated to accept. Lender shall in addition, within 7 days of receipt of written notice from Borrower, provide such other information regarding Loan Documents and loan/s as Borrower shall reasonably request. Lender shall, in addition, provide monthly statements to Borrower showing all amounts paid and all amounts due and payable under the Note.

22. **Cooperation.** Following the receipt of the funds required under the Note to release the obligations under this Mortgage, Lender shall cooperate with Borrower in providing any documents

required to extinguish the lien created by this Mortgage.

23. **Priority of Mortgage Lien.** Lender, at Lender's option, is authorized and empowered to do all things provided to be done by a mortgagee under Section 1311.14 of the Ohio Revised Code, and any present or future amendments or supplements thereto, for the protection of Lender's interest in the Mortgaged Property.

24. **Notice.** Any notice required or permitted to be given hereunder shall be in writing and provided by first-class mail, overnight delivery, or hand-delivery. If mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested shall be effective three business days after the deposit in the mail (or such later date as a recipient can document it received the notice or as shown by a registered or certified receipt is received). If notice is provided by overnight delivery notice shall be effective on the business day or receipt. If notice is provided by hand-delivery, notice shall be effective upon receipt. For purposes of notice, the addresses of Borrower and Lender shall be as set forth below; provided however, that either party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party.

If to Borrower:

Lancaster Hospitality, LLC
Attn: Abhijit Vasani
5855 E. Dublin Gravelle Rd.
New Albany, OH 43054

With a copy to:

David Beck
Carpenter Lipps LLP
280 N. High Street, Suite 1300
Columbus, OH 43215

If to Lender:

25. **Miscellaneous.** The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. If any provision of the Mortgage is illegal, or hereafter rendered illegal, or is for any other reason void, voidable or otherwise unenforceable, or hereafter rendered void, voidable or otherwise unenforceable, the remainder of the Mortgage shall not be affected thereby, but shall be construed as if it does not contain such provision. Each right and remedy provided in the Mortgage is distinct and cumulative to all other rights or remedies under the Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively, in any order whatsoever. The Mortgage shall be governed by and construed under the laws of the State of Ohio. Recordation of this Mortgage constitutes Lender's acceptance of the terms of this Mortgage.

PROVIDED, HOWEVER, that these presents are upon the condition that if Borrower shall fully and

promptly pay when due the Indebtedness and shall completely, faithfully and punctually perform all of the Obligations under the terms and conditions of the Loan Documents, then the Mortgage shall be void; otherwise it shall remain in full force and effect in law and equity forever.

[Signature Page Follows]

IN WITNESS WHEREOF, Mortgagor has executed this instrument as of the day and year first written above.

BORROWER:

LANCASTER HOSPITALITY, LLC,
an Ohio limited liability company

By: S&G Hospitality, Inc.,
an Ohio corporation, its sole managing member

By:
Name:
Title:

STATE OF _____)
)ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____, 2025 by Lancaster Hospitality, an Ohio limited liability company, by its sole managing member S&G Hospitality, Inc., an Ohio corporation, by _____, its President, on behalf of the company.

(SEAL)

Notary Public
My Commission Expires:

This instrument was prepared by:

Joshua S. Peterson, Attorney at Law
Carpenter Lipps LLP
280 Plaza, Suite 1300
280 N. High Street
Columbus, OH 43215

EXHIBIT A

Legal Description

Situated in the City of Lancaster, County of Fairfield, State of Ohio, described as follows:

And known as being in Township 15, Range 19, Northeast Quarter of Section 35 and being part of the property described in a deed to Harold Schorr as recorded in Volume 373, Page 53, and being more fully described as follows:

Beginning at a 5/8 inch rebar set in Southerly line of Schorway Drive, said point being South 59 deg. 40' 53" East a distance of 313.00 feet from the intersection of the Southerly line of Schorway Drive and the Easterly line of Hillcrest Drive (60' R/W);

Thence South 59 deg. 40' 53" East a Distance of 234.08 feet to a 5/8 inch rebar set on the Southerly line of Schorway Drive;

Thence with a curve to the left having a radius of 1175.92 feet, arc of 183.05 feet, central angle of 08 deg. 55' 07", and a chord bearing South 64 deg. 08' 27" East a distance of 182.86 feet to a 5/8 inch rebar set on the Southerly line of Schorway Drive;

Thence South 68 deg. 36' 00" East a distance of 96.07 feet to a 5/8 inch rebar set on the Southerly line of Schorway Drive and the Westerly line of 1.092 acre tract;

Thence South 15 deg. 05' 43" West a distance of 162.02 feet to a 5/8 inch rebar set on the North line of U.S. Route 33;

Thence with said line of Route 33 and the following three (3) courses:

(1) Along a curve to the right having a radius of 5639.58 feet, arc of 97.92 feet, central angle of 00 deg. 59' 41", and a chord bearing North 68 deg. 47' 38" West, a distance of 97.92 feet to a concrete monument found at a point 90.00 feet right of station 89+00 in the centerline of U.S. Route 33;

(2) North 53 deg. 30' 51" West a distance of 101.34 feet to a 5/8 inch rebar set at a point of 115.0 feet right of station 90+00;

(3) Along a curve to the right having a radius of 5614.58 feet, arc of 353.64 feet, central angle of 03 deg. 36' 32", and a chord bearing North 65 deg. 27' 20" West a distance of 353.58 feet to a 5/8 inch rebar set;

Thence North 28 deg. 44' 18" East a distance of 167.48 feet to a point of beginning containing 1.8689 acres;

Bearings are based on the South line of Schorway Drive and are used for denoting angles only. Rebars set are 5/8 inch by 36 inches and have a yellow plastic identification cap labeled "Tobin-McFarland". For additional information see plat of survey made in conjunction with and considered an integral part of this description.

Description is based on a survey made in January of 1995 by Tobin-McFarland Surveying Inc., and was prepared by Rodney McFarland, Registered professional Surveyor No. 6416.

Together with a non-exclusive, cross-access easement as set forth in the Declaration of Easements and Covenants and Reciprocal Easement Agreement recorded on October 6, 1995 in Deed book 640, Page 927.

EXHIBIT B

PERMITTED ENCUMBRANCES

[INSERT]

AMENDED AND RESTATED MORTGAGE.

THIS AMENDED AND RESTATED OPEN-END MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (the "**Mortgage**") is made as of [DATE], and hereby amends and restates in its entirety that certain mortgage made by Sunburst Hotels LLC, an Ohio limited liability company having an office at the time of its original recording of 8960 Gilg Street, New Albany, Ohio 43054 but now of 5955 E. Dublin Granville Road, New Albany, OH 43054 ("**Borrower**") to Jefferies Loancore LLC, a Delaware limited liability company, dated as of February 27, 2015 and recorded as Franklin County, Ohio Instrument Number 201503020025426, as assigned to Wilmington Trust, National Association, as Trustee for the benefit of the Holders of Comm 2015-PC1 Mortgage Trust Commercial Mortgage Pass-Through Certificates as Instrument Number 201509140128490, and as assigned to RSS COMM2015-PC1 - OH BL, LLC, an Ohio limited liability company (together with its successors and assigns, hereinafter referred to as "**Lender**") having an address of 200 South Biscayne Boulevard, Suite 3550, Miami, FL 33131 by Instrument 202112070221648.

KNOW ALL MEN BY THESE PRESENTS, that Borrower, in consideration of the payments to Borrower which Lender, has made contemporaneously herewith or may hereafter make, does hereby GRANT, BARGAIN, SELL AND CONVEY unto Lender, its successors and assigns forever, certain real property described in Exhibit "A" attached hereto and by this reference made a part hereof (the "**Property**"). TOGETHER WITH Borrower's interest in the following, whether now owned or hereafter acquired by Borrower:

- (a) all improvements now or hereafter attached to or placed, erected, constructed or developed on the Property (collectively the "**Improvements**");
- (b) all fixtures, furnishings, equipment, inventory, and other articles of personal property (collectively the "**Personal Property**") that are now or hereafter attached to or used in or about the Improvements for the purposes for which they were or are to be attached, placed, erected, constructed or developed and all renewals or replacements or substitutions for any of the foregoing attached to the Improvements or the Property; it being agreed that all of said property owned by the Borrower and placed on the Property or on or in the Improvements (whether affixed or annexed thereto or not) shall, so far as permitted by law, conclusively be deemed to be real property and conveyed hereby for purposes of this Mortgage;

- (c) all water and water rights, timber, crops, and mineral interests pertaining to the Property;
- (d) all building materials and equipment now or hereafter delivered to and intended to be installed in or on the Improvements or the Property;
- (e) all contracts relating to the Property, the Improvements or the Personal Property;
- (f) all deposits, bank accounts, funds, deposit accounts, documents, contract rights, accounts, accounts receivable, commitments, construction agreements, architectural agreements, payment intangibles, promissory notes, investment property, letter of credit rights, supporting obligations, general intangibles (including, without limitation, trademarks, trade names and symbols), tax credits, instruments, notes and chattel paper arising from or by virtue of any transactions related to the Property, the Improvements or the Personal Property or relating directly or indirectly to the ownership, occupancy, use, operation and maintenance of the Property, Improvements, Personal Property or the construction of the Improvements;
- (g) all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property, the Improvements or the Personal Property;
- (h) all proceeds arising from or by virtue of the sale, lease or other disposition of the Property, the Improvements, the Personal Property or any portion thereof or interest therein;
- (i) all proceeds (including, without limitation, premium refunds) of each policy of insurance relating to the Property, the Improvements or the Personal Property;
- (j) all proceeds from the taking of any of the Property, the Improvements, the Personal Property or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof (including, without limitation, change of grade of streets, curb cuts or other rights of access), for any public or quasi-public use under any law;
- (k) all streets, roads, public places, easements and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Property;
- (l) all of the leases, royalties, bonuses, income, receipts, issues, profits, revenues or other benefits of the Property, the Improvements or the Personal Property, including, without limitation, cash or securities deposited pursuant to leases to secure performance by the lessees of their obligations thereunder;
- (m) all rights, hereditaments and appurtenances pertaining to the foregoing; and
- (n) other interests of every kind and character that Borrower now has or at any time hereafter acquires in and to the Property, Improvements, and Personal Property described herein, including rights of ingress and egress and all reversionary rights or interests of Borrower with respect thereto (all of the same, including the Property, collectively the "**Mortgaged Property**").

TO HAVE AND TO HOLD the Mortgaged Property, together with the rights, privileges and appurtenances thereto belonging, unto Lender and its successors and assigns forever, and Borrower hereby binds itself and its successors and assigns to warrant and forever defend the Mortgaged Property unto Lender and its successors and assigns, against the claim or claims of all persons claiming or to claim the same or any part thereof, except as to those matters described in

Exhibit "B" attached hereto and by this reference made a part hereof (the "**Permitted Encumbrances**").

This Mortgage is given in accordance with the provisions of the Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and its Debtor Subsidiaries (the "**Plan**") and the associated Order Confirming the Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries (the "**Confirmation Order**") entered by the United States Bankruptcy Court for the Southern District of Ohio on [Confirmation Date], 2025, which provide for the issuance of the Secured Promissory Note, dated as of [Effective Date of Plan] (as amended, modified, restated, consolidated from time to time, the "**Note**") in favor of Lender made by Borrower, Buckeye Lodging, LLC, an Ohio limited liability company ("**Buckeye**"), and Lancaster Hospitality, LLC, an Ohio limited liability company ("**Lancaster**") (Borrower, Buckeye, and Lancaster are each individually a "**Maker**" and collectively the "**Makers**"). Under the Plan and the Confirmation Order, all obligations under any prior promissory note or other form of borrowing, or any other documents executed in connection therewith, were released and replaced by the obligations under the Note. This Mortgage no longer secures any of the released obligations.

THE MORTGAGE IS GIVEN TO SECURE: the full and prompt payment, whether at stated maturity, accelerated maturity or otherwise, of any and all indebtedness, whether fixed or contingent (collectively the "**Indebtedness**") and the complete, faithful and punctual performance of any and all other obligations (collectively the "**Obligations**") of Borrower to Lender under the terms and conditions of: (a) the Note, and any and all renewals, amendments, modifications, reductions and extensions thereof and substitutions therefor; and (b) the Mortgage (collectively the "**Loan Documents**"). The Indebtedness and Obligations do not include any indebtedness or obligations released or discharged pursuant to the Plan or the Confirmation Order.

Borrower, for itself and its successors and assigns, hereby covenants with Lender, its successors and assigns, that:

1. **Title.** Borrower represents that it has good and marketable title in fee simple to the Mortgaged Property, free and clear from all conditions, restrictions, easements, liens, encumbrances and adverse claims whatsoever, except the Permitted Encumbrances. If the interest of Lender in the Mortgaged Property or any part thereof shall be directly and materially endangered or shall be attacked, directly and materially, Borrower hereby authorizes Lender, at Borrower's expense, to take all necessary and proper steps for the defense of such interest, including the employment of counsel, the prosecution or defense of litigation and the compromise or discharge of claims made against such interest, provided however, that Lender shall prior to taking any action itself, give reasonable notice to Borrower and Borrower shall have 30 days from and after notice to defend such interest on behalf of Lender. Any actual, reasonable, direct and out of pocket sums so expended by Lender shall be charged against Borrower and collectible in accordance with the terms of Section 11 hereof.

2. **Subrogation for Further Security.** Lender shall be subrogated for its further security to the lien, although released of record, of any and all encumbrances paid with any

advance of Indebtedness; provided, however, that the terms and provisions hereof shall govern the rights and remedies of Lender and shall supersede the terms, provisions, rights, and remedies under the lien or liens to which Lender is subrogated.

3. **Status Quo.** Except with the written consent of Lender, which consent may be withheld in Lender's reasonable discretion, Borrower shall not: (a) sell, assign, mortgage, pledge, lease or otherwise convey or further encumber the Mortgaged Property, or any portion thereof, or legal, equitable or beneficial interest therein; (b) sell, assign, pledge or otherwise transfer any beneficial interests in Borrower which individually or in the aggregate would have the effect of transferring the power to direct the operations of Borrower or the Mortgaged Property, provided, however that the transfer of ownership interest in Borrower's parent company S & G Hospitality, LLC to SDGD Enterprises, LLC as provided for in the Plan is expressly permitted; (c) contract for any of the same; (d) permit the Mortgaged Property, or any portion thereof, or legal, equitable or beneficial interest therein, to be subject to any superior or inferior lien or encumbrance; (e) subdivide or resubdivide all or any portion of the Mortgaged Property, or any portion thereof; or (f) initiate or acquiesce in any change in the zoning classification of the Property or any portion thereof.

4. **Payment of Indebtedness.** Borrower shall promptly pay the Indebtedness as the same becomes due and payable under the Note.

5. **Estoppel Certificate.** Borrower shall furnish to Lender within ten (10) days of any written request of Lender, a written statement, duly acknowledged by Borrower, setting forth the sums secured by the Mortgage and any right of set-off, counterclaim or other defense which Borrower alleges to exist against such sums and obligations secured by the Mortgage. Lender shall similarly provide such information to Borrower within ten (10) days of written request.

6. **Taxes and Other Impositions.** Borrower shall promptly pay before delinquency all taxes, assessments, charges, fines or impositions, general, local or special (collectively the "**Impositions**"), levied upon the Mortgaged Property, or any part thereof, or upon Lender's interest therein, or upon the Mortgage or the Indebtedness, by any duly or legally constituted public authority, municipality, township, county or state or the United States; provided that Borrower, at Borrower's own cost and expense may, if it shall in good faith so desire, contest the validity or amount of any Impositions, in which event Borrower may defer the payment thereof for such period as such contest shall be actively prosecuted and shall be pending undetermined; further provided, however, that Borrower shall not allow any such Impositions so contested to remain unpaid for such length of time as shall permit all or any portion of the Mortgaged Property, or the lien thereon created by such item, to be sold by federal, state, county or municipal authority for the nonpayment thereof. Pending any such contest, Borrower shall furnish to Lender an indemnity bond secured by a deposit in cash or other security reasonably acceptable to Lender, in the amount of the tax or assessment being contested by Borrower.

In the event that one or more of the Impositions on Lender's interest in the Mortgaged Property, the Mortgage or the Indebtedness cannot be lawfully paid by Borrower, then Borrower

shall repay the Indebtedness in full without penalty within 365 days after demand therefor by Lender.

7. Insurance and Indemnification. Borrower shall provide, maintain and keep in force at all times the following policies of insurance:

- (a) Insurance against loss or damage to the Improvements and the Personal Property caused by fire and any of the risks covered by insurance of the type now known as "coverage against all risks of physical loss", in an amount equal to one hundred percent (100%) of the replacement cost of the Improvements and the Personal Property and sufficient to prevent Borrower and Lender from becoming co-insurers, and otherwise with terms and conditions reasonably acceptable to Lender;
- (b) Comprehensive broad form general liability insurance, insuring against any and all claims for personal injury, death or property damage occurring on, in or about the Property, the Improvements and the adjoining streets, sidewalks and passageways, subject to a combined single limit of not less than Two Million Dollars (\$2,000,000.00) for personal injury, death or property damage arising out of any one accident and a general aggregate limit of not less than Five Million Dollars (\$5,000,000.00), and otherwise with terms and conditions reasonably acceptable to Lender;
- (c) Worker's compensation insurance (including employer's liability insurance, if available and reasonably requested by Lender) for all employees of Borrower engaged on or with respect to the Property and the Improvements in the limits established by law or, if limits are not so established, in such amounts as are reasonably acceptable to Lender;
- (d) During the course of any development or construction of the Improvements, builder's completed value risk insurance against "all risks of physical loss", including collapse and transit coverage, in the amounts set forth in Subsection 7(a) above, and otherwise with terms and conditions reasonably acceptable to Lender;
- (e) Business interruption insurance and/or loss of "rental value" insurance in an amount not less than the appraised rentals or income for the Mortgaged Property for a minimum of twelve (12) months, and otherwise with terms reasonably acceptable to Lender;
- (f) If the Improvements are located in a federally-designated flood hazard area, then flood hazard coverage, in the maximum amount available and otherwise with terms and conditions reasonably acceptable to Lender; and
- (g) Such other insurance coverage, and in such amount, as may from time to time be reasonably required by Lender against the same or other hazards consistent with other insurance typically retained for similar properties similarly situated.

Each policy of liability insurance shall show Lender as an additional insured. Unless the policy so provides, each policy of insurance required by the terms of the Mortgage shall contain

an endorsement by the insurer, for the benefit of Lender: (i) that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Borrower which might otherwise result in forfeiture of said insurance; (ii) that any rights of set-off, counterclaim or deductions against Borrower are waived; and (iii) that such policy shall not be canceled or changed except upon not less than thirty (30) days prior written notice delivered to Lender.

Lender shall have the right to hold the policies, or certificates of the policies reasonably acceptable to Lender with certified copies of the policies, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty (30) days prior to the expiration date of any such policy, Borrower shall deliver to Lender a renewal policy, or certificate thereof, in form reasonably acceptable to Lender.

Borrower shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section unless Lender has approved the insurance company and the form and content of the insurance policy, including, without limitation, the naming thereon of Lender as a named insured with loss payable to Lender under a standard mortgage clause of the character above described. Borrower shall immediately notify Lender whenever any such separate insurance is taken out and shall promptly deliver to Lender copies of the certificates evidencing such insurance.

Nothing contained in this Section 7 shall prevent Borrower from keeping the Improvements and Personal Property insured or causing the same to be insured against the risks referred to in this Section 7 under a policy or policies of blanket insurance which may cover other property not subject to the lien of the Mortgage; provided, however, that any such policy of blanket insurance: (i) shall specify therein the amount of the total insurance allocated to the Improvements and Personal Property, which amount shall be not less than the amount otherwise required to be carried under the Mortgage; (ii) shall not contain any clause which would result in the insured thereunder becoming a co-insurer of any loss with the insurer under such policy; and (iii) shall in all other respects comply with the provisions of the Mortgage.

8. Waste; Repair. Borrower shall neither commit nor permit any actual physical and material waste on the Property and shall keep all Improvements now or hereafter erected on the Property in good condition and repair.

9. Alterations; Construction. Borrower shall not remove, demolish or alter any of the Improvements, now existing or hereafter constructed on the Property, or any of the Personal Property in or on the Property or Improvements, except when incident to the replacement of any of the items of Personal Property with items of like kind and value.

10. Advances Secured by Mortgage. Upon failure of Borrower to comply with any of these covenants and agreements as to the payment of taxes, assessments, insurance premiums, repairs, protection of the Mortgaged Property or Lender's lien thereon, and other charges and after giving Borrower 60 days' notice and Borrower's failure to pay same, the costs of procurement of title evidence and insurance as aforesaid, Lender may, at its option, pay the same, and any sums

so paid by Lender, together with the actual, direct, out of pocket reasonable fees of counsel employed by Lender in consultation and in connection therewith, shall be charged against Borrower, shall be immediately due and payable by Borrower, and shall be a lien upon the Mortgaged Property and be secured by the Mortgage and may be collected in the same manner as the principal debt hereby secured.

11. Use. Unless Lender otherwise agrees in writing, Borrower shall not allow changes in the nature of the occupancy for which the Property and Improvements were intended at the time the Mortgage was executed. Borrower shall comply in all material respects with the laws, ordinances, regulations and requirements of any governmental body applicable to the Mortgaged Property, both during the construction of any Improvements on the Property and subsequent to the completion thereof, and Borrower shall not permit the use thereof for any illegal purpose.

12. Inspection. Any person reasonably authorized by Lender shall have the right to enter upon and inspect the Mortgaged Property at all reasonable times with reasonable notice agreed to by the Borrower in writing. Lender shall have no duty, however, to make such inspections. Any inspection of the Mortgaged Property by Lender shall be entirely for its benefit, and Borrower shall in no way rely or claim reliance thereon.

13. Minerals. Without the prior written consent of Lender, there shall be no drilling or exploring for, or extraction, removal, or production of, minerals from the surface or subsurface of the Property. The term "minerals" as used herein shall include, without limitation, oil, gas, casinghead gas, coal, lignite, hydrocarbons, methane, carbon dioxide, helium, uranium and all other natural elements, compounds and substances, including sand and gravel.

14. Condemnation. If all or any part of the Property or Improvements are damaged, taken or acquired, either temporarily or permanently, in any condemnation proceeding or by exercise of the right of eminent domain or, with Lender's consent, by any conveyance in lieu thereof, the amount of any award or other payment for such taking, or conveyance or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid Indebtedness, is hereby assigned to Lender, and Lender is empowered to collect and receive the same and to give proper receipts therefor in the name of Borrower, and the same shall be paid forthwith to Lender. Any award or payment so received by Lender may at the reasonable option of Lender be retained and applied, in whole or in part, to the Indebtedness (whether or not then due and payable) in such manner as Lender may reasonably determine or released in whole or in part to Borrower upon terms reasonably satisfactory to Lender for the purpose of altering, restoring or rebuilding any part of the Mortgaged Property which may have been altered, damaged or destroyed as a result of such taking, alteration or proceedings, but Lender shall not be obligated to see to the application of any funds so released; provided, however that: (a) if at the time of such condemnation or conveyance in lieu thereof and at all times thereafter, no Event of Default, as hereinafter defined, has occurred and is continuing, (b) Borrower shall have deposited with Lender all additional funds necessary in the reasonable judgment of Lender to provide sufficient funds to alter, restore or rebuild the Mortgaged Property, and (c) the Mortgaged Property can be

altered restored and rebuilt not later than six (6) months prior to the Note Maturity Date, and Lender shall not apply the award or payment towards payment of the Indebtedness, but shall hold such award or payment as above provided to be applied towards altering, restoring or rebuilding the Mortgaged Property. Unless Borrower and Lender otherwise agree in writing, any such application of proceeds to the Indebtedness shall not extend or postpone the due date of the monthly installments referred to in the Note or change the amount of such installments. If Borrower receives notice, written or unwritten, of any actual, intended or threatened condemnation or eminent domain proceeding, Borrower shall forthwith furnish a copy of any written notice to Lender or inform Lender in writing if such notice was unwritten. If an Event of Default shall have occurred and is continuing, Borrower further authorizes Lender, at Lender's option and at Borrower's expense, as attorney-in-fact for Borrower, to commence, appear in and prosecute, in Borrower's or Lender's name, any action or proceeding relating to any condemnation or other taking of all or any part of the Mortgaged Property and to settle or compromise any claims in connection with such condemnation or other taking.

15. Assignment of Rents and Leases.

(a) Borrower hereby absolutely and unconditionally assigns, transfers and sets over unto Lender and Lender's successors and assigns all present and future leases covering all or any part of the Mortgaged Property (the "Leases"), together with any extensions or renewals thereof and any guaranties of any tenants' obligations thereunder, and all of the rents, royalties, bonuses, income, receipts, revenues, issues and profits now due or which may hereafter become due under the Leases or any extensions or renewals thereof, as well as all moneys due and to become due to Borrower under the Leases for services, materials or installations supplied whether or not the same were supplied under the terms of the Leases, all liquidated damages following default under the Leases and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Mortgaged Property (such rents, income, receipts, revenues, issues, profits and other moneys assigned hereby are hereinafter collectively called "**Rents**"), together with any and all rights and remedies which Borrower may have against any tenant under any of the Leases or others in possession of the Mortgaged Property or any part thereof for the collection or recovery of Rents so assigned. Prior to an Event of Default, as hereinafter defined, Borrower shall have a license to collect and receive all Rents as trustee for the benefit of Lender and Borrower.

(b) Borrower hereby represents, warrants and agrees that:

(i) Borrower has good title to the Leases and Rents hereby assigned and has the right, power and capacity to make this assignment. No person or entity other than Borrower has or will have any right, title or interest in or to the Leases or Rents, except for the Permitted Encumbrances.

(ii) Borrower shall, at Borrower's sole cost and expense, perform and discharge all of the obligations and undertakings of the landlord under the Leases and give prompt notice to Lender of any failure to do so. Borrower shall use all reasonable efforts to enforce or secure the performance of each and every obligation and undertaking of the tenants

under the Leases and shall appear in and prosecute or defend any action or proceeding arising under, or in any manner connected with, the Leases or the obligations and undertakings of the tenants thereunder.

(iii) Borrower shall not pledge, transfer, mortgage or otherwise encumber or assign the Leases or the Rents.

16. Security Agreement. The Mortgage is intended to be a security agreement pursuant to the Uniform Commercial Code as enacted in the State of Ohio (the "UCC") for any of the Mortgaged Property comprising personal property and fixtures which may be subject to a security interest pursuant to the UCC, and Borrower hereby grants to Lender a security interest in said personal property and fixtures, whether said property is now existing or hereafter acquired, together with replacements, replacement parts, additions, repairs and accessories incorporated therein or affixed thereto and, if sold or otherwise disposed of, the proceeds (including insurance proceeds) thereof. Borrower agrees that Lender may file UCC financing statements covering said personal property and fixtures from time to time to perfect or maintain the priority of Lender's security interest with respect to said personal property and fixtures, and Borrower shall bear all actual, reasonable, direct and out of pocket costs thereof, including all UCC searches reasonably required by Lender. Borrower shall not create or suffer to be created any other security interest in said personal property and fixtures, including replacements thereof and additions thereto. Upon the occurrence of any Event of Default as set forth in Section 18 hereof, Lender shall have the remedies of a secured party under the UCC and, at Lender's option, may also invoke the remedies provided in Section 18 hereof with respect to such property.

The Borrower acknowledges that Lender has taken and may take in the future, in connection with this Mortgage or other financing transactions with Borrower, multiple security interests and file multiple financing statements and otherwise take action to perfect security interests in the identical collateral as is covered by this Mortgage or any other agreement, document or instrument, and further acknowledges and agrees that such actions do not and are not intended in any fashion to cause a termination, substitution, or novation of any security interests, liens or encumbrances of whatsoever nature or kind, or any financing statements or any other acts of perfection of any such interest granted pursuant to this Mortgage or any other agreement, document or instrument, whether nor or hereafter existing.

17. Fixture Filing. This Mortgage is intended to be a financing statement within the provision of Section 9-502(b) of the UCC and will be recorded as a "fixture filing" in accordance with the UCC.

18. Default. The term "Event of Default" shall have the same meaning as set forth in the Note, which meanings are incorporated by this reference herein.

Upon the occurrence of any such Event of Default, at the option of Lender, with notice and a reasonable opportunity to cure having been provided as set forth in the Note, the entire amount shall become due and payable within 365 days after the notice thereof from Lender, and,

in addition to any other right or remedy which Lender may now or hereafter have at law, in equity, or under the Loan Documents, Lender shall have the right and power subject to all notice and cure periods set forth in the Note: (a) to foreclose upon the Mortgage and the lien hereof; and (b) to sell the Mortgaged Property, in each case as permitted by law..

19. No Waiver. The failure of Lender to exercise any option to declare the maturity of the principal debt or any other sums hereby secured under any provision of any of the Loan Documents, or to forbear from exercising any right or remedy available to Lender under any provision of any of the other Loan Documents, shall not be deemed a waiver of the right to exercise such option, right or remedy or declare such maturity as to such past, continuing or subsequent violation of any of the covenants and agreements of the Loan Documents. Acceptance by Lender of partial payments shall not constitute a waiver of any Event of Default. From time to time, Lender may, at Lender's option, upon notice and agreement from Borrower, without liability on Lender's part and notwithstanding Borrower's breach of any covenant or agreement of Borrower in the Mortgage, extend the time for payment of the Indebtedness, or any part thereof, reduce the payments thereon, release anyone liable on any of said Indebtedness, accept a renewal note or notes therefor, release from the lien of the Mortgage any part of the Mortgaged Property, take or release other or additional security, reconvey any part of the Mortgaged Property, consent to any map or plan of the Mortgaged Property, consent to the granting of any easement, join in any extension or subordination agreement, or agree in writing with Borrower to modify the rate of interest or period of amortization of the Note or to change the amount of the monthly installments payable thereunder. Any actions taken by Lender pursuant to the terms of this Section 19 shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by the Mortgage and to observe the covenants of Borrower contained herein and shall not affect the lien or priority of lien of the Mortgage on the Mortgaged Property.

20. Parcels; Waiver of Marshalling. In the event of foreclosure of the Mortgage, the Mortgaged Property may be sold in one or more parcels or as an entirety as Lender may elect.

Notwithstanding the existence of any other security interests in the Mortgaged Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Mortgaged Property shall be subjected to the remedies provided herein. Lender shall have the right to determine the order in which any or all portions of the Indebtedness are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Borrower, any party who becomes liable for Borrower's obligations and covenants under the Mortgage, and any party who now or hereafter acquires a security interest in the Mortgaged Property, or any portion thereof, hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

21. Payoff Statement and other information. Within seven days of receiving a written request by Borrower, Lender shall provide a full and accurate payoff with per diem

statement to Borrower of all amounts required to release this Mortgage as of the date of the statement, which shall also include a per diem in the event that a closing occurs later than the date of that statement, that the Lender is obligated to accept. Lender shall in addition, within 7 days of receipt of written notice from Borrower, provide such information regarding Loan Documents and loan(s) as Borrower shall reasonably request. Lender shall, in addition, provide monthly statements to Borrower showing all amounts paid and all amounts due and payable under the Note.

22. Cooperation. Following the receipt of the funds required under the Note to release the obligations under this Mortgage, Lender shall cooperate with Borrower in providing any documents required to extinguish the lien created by this Mortgage.

23. Priority of Mortgage Lien. Lender, at Lender's option, is authorized and empowered to do all things provided to be done by a mortgagee under Section 1311.14 of the Ohio Revised Code, and any present or future amendments or supplements thereto, for the protection of Lender's interest in the Mortgaged Property.

24. Notice. Any notice required or permitted to be given hereunder shall be in writing and provided by first-class mail, overnight delivery, or hand delivery. If mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested notice shall be effective three business days after the deposit in the mail (or such later date as a recipient can document it received the notice or as shown by a registered or certified receipt is received). If notice is provided by overnight delivery, notice shall be effective on the business day of receipt. If notice is provided by hand delivery, notice shall be effective upon receipt. For purposes of notice, the addresses of Borrower and Lender shall be as set forth below; provided however, that either party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party.

If to Borrower:

Sunburst Hotels LLC
Attn: Abhijit Vasani
5855 E. Dublin Gravlille Rd.
New Albany, OH 43054

With a copy to:

David Beck
Carpenter Lipps LLP
280 N. High Street, Suite 1300
Columbus, OH 43215

If to Lender:

25. Miscellaneous. The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. If any provision of the Mortgage is illegal, or hereafter rendered illegal, or is for any other reason void, voidable or otherwise unenforceable, or hereafter rendered void, voidable or otherwise unenforceable, the remainder of the Mortgage shall not be affected thereby, but shall be construed as if it does not contain such provision. Each right and remedy provided in the Mortgage is distinct and cumulative to all other rights or remedies under the Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively, in any order whatsoever. The Mortgage shall be governed by and construed under the laws of the State of Ohio. Recordation of this Mortgage constitutes Lender's acceptance of the terms of this Mortgage.

PROVIDED, HOWEVER, that these presents are upon the condition that if Borrower shall fully and promptly pay when due the Indebtedness and shall completely, faithfully and punctually perform all of the Obligations under the terms and conditions of the Loan Documents, then the Mortgage shall be void; otherwise it shall remain in full force and effect in law and equity forever.

[Signature Page Follows]

IN WITNESS WHEREOF, Mortgagor has executed this instrument as of the day and year first written above.

BORROWER:

SUNBURST HOTELS LLC,
an Ohio limited liability company

By: S&G Hospitality, Inc., an Ohio corporation, its
sole managing member

By: _____
Name:
Title:

STATE OF _____)
COUNTY OF _____)ss:

The foregoing instrument was acknowledged before me this _____, 2025 by Sunburst
Hotels LLC, an Ohio limited liability company, by its sole managing member S&G Hospitality, Inc.,
an Ohio corporation, by _____, its President, on behalf of the company.

(SEAL)

Notary Public
My Commission Expires: _____

This instrument was prepared by:

Joshua S. Peterson, Attorney at Law
Carpenter Lipps LLP
280 Plaza, Suite 1300
280 N. High Street
Columbus, OH 43215

EXHIBIT A
Legal Description

Situated in the City of Columbus, County of Franklin and State of Ohio, and being located in Section 2, Township 2,
Range 18, United States Military Lands, and being part of the 24.555 acre tract of land conveyed to Forty-One
Corporation, by deed of record in Official Records Volume 15500A06, all references being to records in the
Recorder's Office, Franklin County, Ohio, and bounded and described as follows:

Beginning for reference at the intersection of the Center Line of Vantage Drive (East and West) with Vantage Drive
(North and South) as dedicated by plat of record in Plat Book 60, Page 26;

Thence South 68 deg. 00'49" East, a distance of 30.00 feet to a point in the Easterly right-of-way of Vantage Drive;

Thence along said right-of-way line of Vantage Drive, being the arc of a curve to the left (Sub Delta - 4 deg. 38'40",
Radius - 370.0 feet), a chord bearing and distance of South 15 deg. 35'47" 30.00 feet to an iron pin set at the "true
point of beginning" and the Northwesterly corner of the tract herein intended to be described;

Thence South 80 deg. 36'39" East, a distance of 445.24 feet to an iron pin set:

Thence South 3 deg. 06'31" West, a distance of 165.00 feet to an iron pipe set;

Thence North 86 deg. 53'29" West, a distance of 465.00 feet to an iron pin set in the Easterly right-of-way line of
Vantage Drive;

Thence along said right-of-way line of Vantage Drive, being the arc of a curve to the right (Sub Delta - 0 deg. 07'25",
Radius - 5689.58 feet), a chord bearing and distance of North 10 deg. 32'32" East, 12.28 feet to an iron pin found;

Thence North 10 deg. 36'14" East, continuing along said right-of-way line of Vantage Drive, a distance of 87.88
feet to an iron pin found;

Thence North 6 deg. 30' 24" East, continuing along said right-of-way line, a distance of 71.17 feet to an iron pin
found;

Thence continuing along said right-of-way line, being the arc of a curve to the right, (Sub Delta - 6 deg. 45'58",
Radius - 370.00 feet), a chord bearing a distance of North 9 deg. 53'23" East, 43.67 feet to the place of beginning,
containing 1.975 acres, more or less.

LESS AND EXCEPT ANY AND ALL PROPERTY PREVIOUSLY RELEASED OF RECORD

EXHIBIT B

PERMITTED ENCUMBRANCES

[INSERT]

SECURED PROMISSORY NOTE

\$[NOTE AMOUNT]

Columbus, Ohio
[DATE MADE – Effective Date of Plan]

FOR VALUE RECEIVED, **BUCKEYE LODGING, LLC**, an Ohio limited liability company (“*Buckeye*”), **LANCASTER HOSPITALITY, LLC**, an Ohio limited liability company (“*Lancaster*”), and **SUNBURST HOTELS, LLC**, an Ohio limited liability company (“*Sunburst*”), collectively as maker, each having its principal place of business at 5955 E. Dublin Granville Road, New Albany, OH 43054 (collectively, “*Maker*”), hereby unconditionally promises to pay to the order of **RSS COMM2015-PC1 - OH BL, LLC**, as lender, having an address at [HOLDER ADDRESS] (together with its successors and/or assigns, “*Holder*”), or at such other place as the holder hereof may from time to time designate in writing, the principal sum of [NOTE AMOUNT] (\$XXX.XXX.XX), in lawful money of the United States of America, with interest thereon to be computed from the date of this Promissory Note (this “*Note*”), payable in installments as set forth on **Exhibit A** attached hereto and incorporated herein by reference, so as to fully satisfy the principal balance and interest within a term of [] months, to be paid in accordance with the terms of this Note.

This Note is made pursuant to that *Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and its Debtor Subsidiaries*, Case No. 2:23-bk-52859, United States Bankruptcy Court, Southern District of Ohio, Eastern Division (the “*Plan*”) and order of the Court approving the Plan dated [ORDER DATE]. This Note replaces that certain Promissory Note made by Sunburst, Buckeye, and Lancaster payable to the order of Jefferies Loancore LLC in the amount of \$11,550,000.00 dated as of February 27, 2015, as assigned, the obligations under which are being released pursuant to the Plan (the “*Original Note*”). All capitalized terms not defined herein shall have the respective meanings set forth in the Plan.

ARTICLE 1: SECURITY INTEREST

In conjunction with the delivery of this Note, the Maker is executing [Amended and Restated] Mortgages (the “*Mortgages*”) restating and replacing the terms of the security documents that secured the Original Note, which Mortgages will secure the payment of this Note. The property described in the Mortgages are collectively referred to collectively herein as the “*Property*”. The covenants of the Mortgages given to secure the payment of this Note are hereby made a part of this instrument as if fully written herein.

ARTICLE 2: PAYMENT TERMS

Maker agrees to pay the principal sum of this Note and interest on the unpaid principal sum of this Note and all other amounts due under this Note from time to time outstanding, at the rate and time specified herein, beginning [FIFTH DAY OF THE MONTH IMMEDIATELY FOLLOWING THE EFFECTIVE DATE AS DEFINED BY THE PLAN], and continuing on the same day of each month thereafter for a period of [] ([] months (“*Due Date*”), where all outstanding principal and interest shall be due as indicated in **Exhibit A**. Maker may pay any monthly installment in advance of the Due Date, provided, however, that in the event Maker should pay the full outstanding balance of this Note prior to the Due Date, Holder shall be entitled to the a prepayment penalty equal to the amount as set forth on **Exhibit A**. Maker shall be have the right to sell the Hampton Inn Lancaster, the Red Roof Dublin, or the Quality Inn North that together comprise the Property singly or in any combination so long as the net proceeds from the sale are used to paydown this Note and Holder receives the opportunity to purchase the properties provided for

in the Rights of First Refusal being provided in connection with this Note. In the event of a sale of only one or two of the hotels before the maturity of the 1111(b) Note, Maker shall pay a partial prepayment penalty equal to the then applicable prepayment penalty as set forth on Exhibit A multiplied by the percentage equal to the net sale proceeds from that property divided by the remaining outstanding principal balance on the 1111(b) Note. After that sale, the interest and principal payment amounts on Exhibit A shall be adjusted to reflect the reduced principal outstanding on the Note while keeping the maturity of this Note the same. Within seven business days of receiving a written request by Holder, Lender shall provide a payoff statement to Maker of all amounts required to satisfy the obligations under this Note and release the mortgages and other security instruments securing it, which shall also include a per diem in the event that a closing occurs later than the date of that statement, that the Holder is obligated to accept.

ARTICLE 3: DEFAULT AND ACCELERATION

So long as any obligations are outstanding hereunder, each of the following shall be considered an event of default under this Note (each, an *“Event of Default”*):

- a. Maker’s failure to pay any installment on this Note when the same is due, or any part of such installment and Maker’s failure to pay same within 10 days of notice thereof;
- b. Maker’s breach of any provision of the Mortgages for the Property, and Maker’s failure to cure same within 60 days of notice thereof; provided, however, that if such breach cannot be cured within such 60 day period, then Maker shall have a reasonable period of time, not to exceed 180 days, to cure such breach;
- c. Any permanent suspension or revocation of any license, accreditation, or regulatory approval required to conduct the business of Maker which would result in cessation of operations of the business and Maker’s failure to cure same within 60 days of notice thereof; provided, however, that if such breach cannot be cured within such 60 day period, then Maker shall have a reasonable period of time, not to exceed 180 days, to cure such breach;
- d. Dissolution of or discontinuation of the active conduct of business of the Maker;
- e. Subject to the provisions of this Note (including the right to sell individual hotels in accordance with the requirements set forth in Article 2 above), a sale or other transfer of the ownership interest of Maker (by way of merger, consolidation, or other business combination or purchase of more than 50% of the membership interests of any of the foregoing); provided, however that the ownership interests of Maker may be transferred to SDGID Enterprises LLC, as provided in the Plan.

Upon the occurrence of an Event of Default and at any time and from time to time thereafter, in addition to any other rights or remedies available to it at law or in equity, Holder may take such action, upon notice, that Holder deems advisable to protect and enforce its rights against Maker and in and to the Property; including declaring the Note to be immediately due and payable with reasonable notice and cure period (including unpaid interest). Upon acceleration of this Note by Holder, the Maker shall have 360 days to pay this Note in full.

ARTICLE 4: SAVINGS CLAUSE

Notwithstanding anything to the contrary contained herein: (a) all agreements and communications between Maker and Holder are hereby and shall automatically be limited so that, after taking into account all amounts deemed to constitute interest, the interest contracted for, charged or received by Lender shall never exceed the maximum non-usurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the indebtedness evidenced by this Note and as provided for herein, under the laws of the state of Ohio (the *“Maximum Legal Rate”*); (b) in calculating whether any interest exceeds the Maximum Legal Rate, all such interest shall be amortized, prorated, allocated and spread over the full amount and term of all principal indebtedness of Maker to Holder; and (c) if through any contingency or event, Holder receives or is deemed to receive interest in excess of the Maximum Legal Rate, any such excess shall be deemed to have been applied toward the payment of the principal of any and all then outstanding indebtedness of Maker to Holder, or if there is no such indebtedness, shall immediately be returned to Maker.

ARTICLE 5: NO ORAL CHANGE

This Note may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Maker or Holder, but only by an agreement in writing signed by both parties.

ARTICLE 6: WAIVERS

Subject to the terms of this Note, Maker and all others who may become liable for the payment of all or any part of the obligations hereunder do hereby jointly and severally waive present and demand for payment, notice of dishonor, notice of intention to accelerate, notice of acceleration, protest and notice of protest and non-payment and all other notice of any kind. No release of any security for the obligations hereunder or extension of time for payment of this Note or any installment hereof, and no alteration, amendment or waiver of any provision of this Note, shall modify, amend, waive, extend, change, discharge, terminate or affect the liability of Maker or any other person who may become liable for payment of all or any part of the obligations under this Note. No notice to or demand on Maker shall be deemed to be a waiver of the obligation of Maker or of the right of Holder to take further action without further notice or demand as provided for in this Note. If Maker is a partnership or limited liability company, the agreements herein contained shall remain in force and be applicable, notwithstanding any changes in the individuals or entities comprising the partnership or limited liability company, and the term “Maker” as used herein shall include any alternate or successor partnership or limited liability company, but any predecessor partnership or limited liability company and its partners or members (to the extent such partners or members have liability) shall not thereby be released from any liability. If Maker is a corporation the agreements contained herein shall remain in full force and be applicable, notwithstanding any changes in the shareholders comprising, or the officers and directors relating to, the corporation, and the term “Maker” as used herein, shall include any alternate or successor corporation, but any predecessor corporation shall not be relieved of liability hereunder. Nothing in the foregoing two sentences shall be construed as a consent to, or a waiver of, any prohibition or restriction or transfers of interests in such partnership, limited liability company a party to this Note.

ARTICLE 7: TRANSFER

Upon the transfer of this Note by Holder, Holder shall give prior written notice to Maker and Holder may deliver all the collateral mortgaged, granted, pledged or assigned pursuant to the mortgages, assignments of rent, and UCC filings related to the Property, or any part thereof, to the transferee who shall thereupon become vested with all the rights herein or under applicable law given to Holder with respect thereto, and Holder shall thereafter forever be relieved and fully discharged from any liability or

responsibility in the matter; but Holder shall retain all rights hereby given to it with respect to any liabilities and the collateral not so transferred.

ARTICLE 8: GOVERNING LAW; JURISDICTION; SERVICE OF PROCESS

(a) THIS NOTE WAS NEGOTIATED IN THE STATE OF OHIO, AND MADE MY MAKER AND ACCEPTED BY HOLDER IN THE STATE OF OHIO, AND THE PROCEEDS OF THIS NOTE DELIVERED PURSUANT HERETO WERE DISBURSED FROM THE STATE OF OHIO, WHICH STATE THE PARTIES AGREE HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND THE UNDERLYING TRANSACTION EMBODIED HEREBY, AND IN ALL RESPECTS, INCLUDING MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS NOTE AND OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUCTED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF OHIO APPLICABLE TO CONTRACT MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS) AND ANY APPLICABLE LAW OF THE UNITED STATES OF AMERICA. TO THE FULLEST EXTENT PERMITTED BY LAW, MAKER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS NOTE, AND THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OHIO.

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST HOLDER OR MAKER ARISING OUT OF OR RELATING TO THIS NOTE SHALL BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN FRANKLIN COUNTY, OHIO AND MAKER WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND BORROWER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING.

ARTICLE 9: SUCCESSORS AND ASSIGNS

This Note shall be binding upon and shall inure to the benefit of Maker and Holder and their respective successors and permitted assigns. Holder shall the right to assign or transfer its rights under this Note in connection with any assignment of the obligations under this Note. Any assignee or transferee of Holder shall be entitled to all the benefits afforded to Holder under this Note. Except as provided herein for a sale or refinancing of the obligations in compliance with Article 2, Section B and in Article 3, paragraph (c) hereof, Maker shall not have the right to assign or transfer its rights or obligations under this Note without the prior written consent of Holder, and any attempted assignment without such consent shall be null and void.

ARTICLE 10: NOTICES

Any notice required or permitted to be given hereunder shall be in writing and provided by first-class mail, overnight delivery, or hand-delivery. If mailed by first class United States mail, postage prepaid, registered or certified with return receipt requested, notice shall be effective three business days after the deposit in the mail (or such later date as a recipient can document it received the notice or as shown by a registered or certified receipt is received). If notice is provided by overnight delivery notice shall be effective on the business day of receipt. If notice is provided by hand-delivery, notice shall be effective upon receipt. For purposes of notice, the addresses of Borrower and Lender shall be as set forth below; provided, however, that either party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party.

If to Holder:

With a copy to:

If to Maker:

Buckeye Lodging LLC, Lancaster Hospitality,
LLC, Sunburst Hotels, LLC
Attn: Abhijit Vasani
5955 E. Dublin Granville Road
New Albany, OH 43054

With a copy to:

David Beck
Carpenter Lipps LLP
280 N. High St., Suite 1300
Columbus, OH 43215

ARTICLE 11: JOINT AND SEVERAL LIABILITY

If Maker consists of more than one person, the obligations and liabilities of each such person constituting Maker hereunder and under the Property shall be joint and several.

ARTICLE 12: HOLDER OBLIGATIONS

In the event of any potential refinancing or sale in compliance with Article 2, Section B, Holder shall submit a payoff amount within three (3) business days of any written request therefor and shall submit a release of mortgage to be held in escrow by the title agent within five (5) business days of a written request therefor.

Within seven days of receiving a written request by Maker, Holder shall provide a full and accurate payoff to Maker of all amounts required to release a Mortgage as of the date of the statement, which shall also include a per diem. Holder shall in addition, within 7 days of receipt of written notice from Maker, provide such other information regarding the Loan Documents and loan/s as Maker shall reasonably request. Holder shall, in addition, provide to Maker monthly statements, showing amount paid and amounts that are due and payable. Acceptance of this Note by Holder constitutes Holder's agreement to the terms of this Note.

ARTICLE 13: BUSINESS PURPOSE

The undersigned, in addition to other consideration, hereby avers that in incurring the within obligation, Maker is engaged in a business purpose and is currently so engaged with respect to this transaction.

[Remainder of Page Intentionally Left Blank – Signature Page Follows]

IN WITNESS WHEREOF, Maker has duly executed this Note as of the day and year first written above.

BUCKEYE LODGING, LLC
an Ohio limited liability company

By: _____
Its: _____

LANCASTER HOSPITALITY, LLC
an Ohio limited liability company

By: _____
Its: _____

SUNBURST HOTELS, LLC
an Ohio limited liability company

By: _____
Its: _____

EXHIBIT A

Principal Amount of Note at Issuance Plus Amount of Prepayment Penalty shall equal the Allowed Amount of RSS's Allowed Claim. Prepayment Penalty reduces over time such that, at the time of prepayment, the total amount of the payments made to date, plus the payoff of the outstanding principal, plus the prepayment penalty will equal the Allowed Amount of RSS's Claim.

Month	Outstanding Principal	Interest Payment	Principal Payment	Cumulative Interest Payments	Cumulative Principal Payments	Cumulative P&I Payments	Prepayment Penalty
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S&G Hospitality, Inc. Third Amended Plan Exhibit II

[Identification of Claims in Each Class]

Class 1 - Priority Claims

Debtor	Proof of Claim Number in that case	Date Filed	Scheduled Claim Number (if no Proof of Claim filed)	Creditor Name	Asserted Priority Amount	Is portion of claim in another class?	Mailing Street Address	City	State	Zip
Buckeye Lodging, LLC	3	10/3/2023		Department of Treasury-Internal Revenue Service	\$600.00	Yes - Class 7 Convenience Claims	P.O. Box 7346	Philadelphia	PA	19101-7346
Lancaster Hospitality, LLC	3	9/6/2023		Department of Treasury-Internal Revenue Service	\$1,234.19	Yes - Class 7 Convenience Claims	P.O. Box 7346	Philadelphia	PA	19101-7346
Sunburst Hotels, LLC	2-2	2/21/2024		Department of Treasury-Internal Revenue Service	\$6,509.01	Yes - Class 7 Convenience Claims	P.O. Box 7346	Philadelphia	PA	19101-7346

Class 1 - Priority Claims

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Class 2 Other Secured Claims

Debtor	Proof of Claim Number in that case	Date Filed	Class 2 Other Secured Claims						
			Scheduled Claim Number (if no Proof of Claim filed)	Creditor Name	Asserted Secured Amount	Is portion of claim in another class?	Mailing Street Address	City	State
None currently identified									

Class 3A and 3B - RSS Claims

Debtor	Proof of Claim Number in that		Scheduled Claim Number (if no Proof of Claim filed)	Creditor Name	Asserted	Asserted	Mailing Street Address	City	State	Zip
	case	Date Filed			Secured Amount	Unsecured Amount				
Buckeye Lodging, LLC	5	12/15/2023		RSS COMM2015-PC1-OH BL, LLC	\$5,300,000.00	\$10,813,352.75	200 S. Biscayne Blvd., Suite 3550	Miami	FL	33131
Lancaster Hospitality, LLC	6	12/15/2023		RSS COMM2015-PC1-OH BL, LLC	\$10,500,000.00	\$5,613,352.75	200 S. Biscayne Blvd., Suite 3550	Miami	FL	33131
Sunburst Hotels, LLC	9	12/15/2023		RSS COMM2015-PC1-OH BL, LLC	\$3,400,000.00	\$12,713,352.75	200 S. Biscayne Blvd., Suite 3550	Miami	FL	33131

Class 4 Itria Claims

Debtor	Proof of Claim		Scheduled Claim Number (if no Proof of Claim filed)	Creditor Name	Asserted		Mailing Street Address	City	State	Zip
	Number in that case	Date Filed			Asserted Amount	Unsecured Amount				
S&G Hospitality, Inc.	8	12/15/2023		Itria Ventures, LLC	\$1,225,665.23	\$0.00	c/o C. Kevin Kobbe DLA Piper LLP 650 South Exeter Street, Suite 1100	Baltimore	MD	21202
Buckeye Lodging LLC	6	12/15/2023		Itria Ventures, LLC	\$1,225,665.23	\$0.00	c/o C. Kevin Kobbe DLA Piper LLP 650 South Exeter Street, Suite 1100	Baltimore	MD	21202
Lancaster Hospitality, LLC	8	12/15/2023		Itria Ventures, LLC	\$1,225,665.23	\$0.00	c/o C. Kevin Kobbe DLA Piper LLP 650 South Exeter Street, Suite 1100	Baltimore	MD	21202
Sunburst Hotels, LLC	10	12/15/2023		Itria Ventures, LLC	\$1,225,665.23	\$0.00	c/o C. Kevin Kobbe DLA Piper LLP 650 South Exeter Street, Suite 1100	Baltimore	MD	21202

Class 5 SBA Claims

Debtor	Proof of Claim Number	Date Filed	Scheduled Claim Number (if no Proof of Claim filed)	Creditor Name	Asserted Secured Amount	Asserted Unsecured Amount	Mailing Street Address	City	State	Zip
Sunburst Hotels LLC	7	12/6/2023		U.S. Small Business Administration	\$74,508.00	\$0.00	65 E. State Street, Suite 1350	Columbus	OH	43215

Class 6- General Unsecured Claims

Debtor	Proof of Claim Number	Date Filed	Scheduled Claim Number (if no Proof of Claim filed)	Creditor Name	Unsecured Amount	Is portion of claim in another class?	Mailing Street Address Attn: Bill D. Bensinger 1800 Financial Center 505 North 20th Street	City	State	Zip
Sunburst Hotels, LLC	4	11/28/2023		Choice Hotels International, Inc.	\$135,520.32	No		Birmingham	AL	35203

Class 7 - Convenience Claims

Debtor	Proof of Claim Number	Date Filed	Scheduled Claim Number (if no Proof of Claim filed)	Creditor Name	Unsecured Amount	Is portion of claim in another class?	Mailing Street Address	City	State	Zip
S&G Hospitality, Inc.	2	10/4/2023		Holiday Inn Express Lancaster	\$19,733.17	No	1861 Riverway Drive	Lancaster	OH	43130
S&G Hospitality, Inc.	3	11/10/2023		Ohio Power Company d/b/a AEP Ohio	\$9,905.56	No	1 Riverside Plaza, 13th Floor	Columbus	OH	43215
S&G Hospitality, Inc.	4	11/20/2023		Plunkett's Pest Control	\$1,517.66	No	40 52nd Street Attn: William M. Vermette	Fridley	MN	55421
S&G Hospitality, Inc.	5	12/8/2023		Cellco Partnership d/b/a Verizon Wireless	\$1,241.92	No	22001 Loudon County Parkway	Ashburn	VA	20147
S&G Hospitality, Inc.	6	12/11/2023		Lexly Travel Technologies, LLC	\$323.50	No	205 Datura Street, 10th Floor	West Palm Beach	FL	33401
S&G Hospitality, Inc.	7	12/11/2023		Lexly Travel Technologies, LLC	\$97.24	No	205 Datura Street, 10th Floor	West Palm Beach	FL	33401
Buckeye Lodging, LLC	1	8/24/2023		Charter Communications	\$2,351.07	No	P.O. Box 6030	Carol Stream	IL	60197
Buckeye Lodging, LLC	2	9/5/2023		City of Columbus DPU	\$3,996.96	No	910 Dublin Road, 4th Floor	Columbus	OH	43215
Buckeye Lodging, LLC	3	10/3/2023		Department of Treasury-Internal Revenue Service	\$300.00	Yes - Class 1 Priority Claims	P.O. Box 7346	Philadelphia	PA	19101-7346
Buckeye Lodging, LLC	4	10/5/2023		Capital One N.A. by American InfoSource as Agent	\$200.00	No	4515 N. Santa Fe Avenue	Oklahoma City	OK	73118
Buckeye Lodging, LLC		9/13/2023	3.1	American Electric Power	\$4,105.99	No	P.O. Box 371496	Pittsburgh	PA	
Buckeye Lodging, LLC		9/13/2023	3.2	Columbia Gas of Ohio	\$816.70	No	P.O. Box 117	Columbus	OH	
Buckeye Lodging, LLC		9/13/2023	3.3	Group Housing	\$129.60	No	125 Clairemont Ave., Suite 210	Decatur	GA	30030
Buckeye Lodging, LLC		9/13/2023	3.4	HD Supply Facilities Maintenance, Ltd.	\$2,503.88	No	P.O. Box 509058	San Diego	CA	
Buckeye Lodging, LLC		9/13/2023	3.6	ITG Networks	\$146.28	No	132 Wisconsin Avenue	Cranberry Twp.	PA	16066
Buckeye Lodging, LLC		9/13/2023	3.8	Plunkett's Pest Control	\$397.62	No	40 52nd Street	Fridley	MN	55421
Buckeye Lodging, LLC		9/13/2023	3.9	Pro Lighting LLC	\$3,315.00	No	P.O. Box 1201	Hilliard	OH	
Lancaster Hospitality, LLC	1	8/28/2023		Charter Communications	\$662.73	No	P.O. Box 6030	Carol Stream	IL	60197
Lancaster Hospitality, LLC	2	8/28/2023		Uline	\$3,561.27	No	12575 Uline Drive	Pleasant Prairie	WI	53158
Lancaster Hospitality, LLC	3	9/6/2023		Department of Treasury-Internal Revenue Service	\$0.00	Yes - Class 1 Priority Claims	P.O. Box 7346	Philadelphia	PA	19101-7346
Lancaster Hospitality, LLC	5	11/17/2023		Sysco Cincinnati (for Notices)	\$9,162.53	No	655 Buttercup Trace	Alpharetta	GA	30022
Lancaster Hospitality, LLC		9/13/2023	3.10	AT&T	\$1.91	No	P.O. Box 5005	Carol Stream	IL	60197-5005
Lancaster Hospitality, LLC		9/13/2023	3.20	AT&T-Phone 8080-24969-29	\$5.65	No	P.O. Box 5095	Carol Stream	IL	60197-5095
Lancaster Hospitality, LLC		9/13/2023	3.30	AT Plus LLC	\$159.00	No	P.O. Box 555	Sidney	OH	45365
Lancaster Hospitality, LLC		9/13/2023	3.40	AT&T 831-001-0879 397	\$1,594.96	No	P.O. Box 5019	Carol Stream	IL	60197
Lancaster Hospitality, LLC		9/13/2023	3.50	Buckeye Carpet Care, Inc.	\$1,061.07	No	1132 N. Hill Road	Pickerington	OH	43147
Lancaster Hospitality, LLC		9/13/2023	3.60	Coca Cola Consolidated	\$183.40	No	P.O. Box 602937	Charlotte	NC	48260-2937
Lancaster Hospitality, LLC		9/13/2023	3.80	Farmer Brothers Co.	\$563.54	No	P.O. Box 934237	Atlanta	GA	31193-4237
Lancaster Hospitality, LLC		9/13/2023	3.90	HD Supply Facilities Maintenance, Ltd.	\$3,392.61	No	P.O. Box 509058	San Diego	CA	92150-9058
Lancaster Hospitality, LLC		9/13/2023	3.10	Heartland Food Products	\$720.00	No	P.O. Box 1147	Concordville	PA	19331
Lancaster Hospitality, LLC		9/13/2023	3.12	Kipsu, Inc.	\$955.92	No	P.O. Box 671494	Dallas	TX	75267-1494
Lancaster Hospitality, LLC		9/13/2023	3.13	Lancaster Utility Collection	\$5,754.75	No	104 East Main Street, P.O Box 1099	Lancaster	OH	43130
Lancaster Hospitality, LLC		9/13/2023	3.14	Laundry One	\$212.43	No	60 Elm Street	Canal Winchester	OH	43110
Lancaster Hospitality, LLC		9/13/2023	3.15	Mailender	\$43.13	No	P.O. Box 23158	New York	NY	10087-3158
Lancaster Hospitality, LLC		9/13/2023	3.16	Mood Media	\$85.39	No	P.O. Box 602777	Charlotte	NC	28260-2777
Lancaster Hospitality, LLC		9/13/2023	3.17	Nessley's Lawn Care	\$854.00	No	P.O. Box 143	Sugar Grove	OH	43155
Lancaster Hospitality, LLC		9/13/2023	3.18	Plunkett's Pest Control	\$160.00	No	40 52nd Way Northwest	Fridley	MN	55421
Lancaster Hospitality, LLC		9/13/2023	3.19	ScentAir Technologies, Inc.	\$235.06	No	P.O. Box 978754	Dallas	TX	75397-8754
Lancaster Hospitality, LLC		9/13/2023	3.23	U.S. Hospitality Publishers, Inc.	\$730.96	No	P.O. Box 306225	Nashville	TN	37230-6225
Lancaster Hospitality, LLC		9/13/2023	3.24	USA Today	\$101.76	No	P.O. Box 677446	Dallas	TX	75267-7446
Lancaster Hospitality, LLC		9/13/2023	3.25	Windstream Enterprise	\$3,787.10	No	P.O. Box 9001013	Louisville	KY	40290-1013
Lancaster Hospitality, LLC		9/13/2023	3.26	Xpress Management Solutions	\$427.70	No	P.O. Box 910801	Lexington	KY	40591
Sunburst Hotels, LLC	1	8/28/2023		Charter Communications	\$1,524.58	No	P.O. Box 6030	Carol Stream	IL	60197
Sunburst Hotels, LLC	2-2	2/21/2024		Department of Treasury-Internal Revenue Service	\$568.84	Yes - Class 1 Priority Claims	P.O. Box 7346	Philadelphia	PA	19101-7346

Class 7 - Convenience Claims

Sunburst Hotels, LLC	3	9/5/2023	City of Columbus DPU	\$3,844.12	No	910 Dublin Road, 4th Floor	Columbus	OH	43215
Sunburst Hotels, LLC	5	11/27/2023	HD Supply Facilities Maintenance, Ltd.	\$1,483.55	No	P.O. Box 509058	San Diego	CA	92150-9058
Sunburst Hotels, LLC	6	11/27/2023	HD Supply Facilities Maintenance, Ltd.	\$3,626.88	No	P.O. Box 509058 Brian Shaw, c/o Cozen O'Connor	San Diego	CA	92150-9058
Sunburst Hotels, LLC	8	12/14/2023	US Foods, Inc.	\$1,711.92	No	123 North Wacker Drive, Suite 1800	Chicago	IL	60606
Sunburst Hotels, LLC		9/13/2023	3.1 AIR2DATA	\$450.00	No	725 W. 1200 South, Suite A	Perry	UT	94302
Sunburst Hotels, LLC		9/13/2023	3.2 American Electric Power	\$2,577.31	No	P.O. Box 371496	Pittsburgh	PA	15250
Sunburst Hotels, LLC		9/13/2023	3.4 Carbon's Golden Malted	\$395.00	No	P.O. Box 129	Concordville	PA	19331
Sunburst Hotels, LLC		9/13/2023	3.5 HD Supply Facilities Maintenance, Ltd.	\$1,604.65	No	P.O. Box 509058	San Diego	CA	92150-9058
Sunburst Hotels, LLC		9/13/2023	3.8 Laundry One	\$261.23	No	60 Elm Street	Canal Winchester	OH	43110
Sunburst Hotels, LLC		9/13/2023	3.9 Lexyl Travel Technologies	\$71.04	No	P.O. Box 645452	Pittsburgh	PA	45264-5452
Sunburst Hotels, LLC		9/13/2023	3.10 Plunkett's Pest Control	\$80.56	No	40 52nd Way Northwest	Fridley	MN	55421
Sunburst Hotels, LLC		9/13/2023	3.13 Yellowstone Landscape	\$1,171.35	No	P.O. Box 786187	Philadelphia	PA	19178

Class 8 - Innvite Claims

Debtor	Proof of	Scheduled		Creditor Name	Unsecured	Is portion	Mailing Street Address	City	State	Zip
	Claim	Date Filed	Claim Number (if no Proof of Claim filed)			of claim in another class?				
Buckeye Lodging LLC	Number	9/13/2023	3.5	Innvite Hospitality	Amount	No	7500 Vantage Drive	Columbus	OH	43235
Lancaster Hospitality, LLC		9/13/2023	3.11	Innvite Hospitality	Unliquidated	No	7500 Vantage Drive	Columbus	OH	43235
Sunburst Hotels, LLC		9/13/2023	3.6	Innvite Hospitality	Unliquidated	No	7500 Vantage Drive	Columbus	OH	43235

Class 9 - Intercompany Claims

Debtor	Proof of Claim Number	Date Filed	Scheduled Claim Number (if no Proof of Claim filed)	Creditor Name	Unsecured Amount	Is portion of claim in another class?	Mailing Street Address	City	State	Zip
Buckeye Lodging LLC		9/13/2023	3.7	Lancaster Hospitality, LLC	Unliquidated	No	2041 Schorrway	Lancaster	OH	43130
Lancaster Hospitality, LLC		9/13/2023	3.20	Sunburst Hotels, LLC	Unliquidated	No	7500 Vantage Drive	Columbus	OH	43235
Sunburst Hotels, LLC		9/13/2023	3.7	Lancaster Hospitality, LLC	Unliquidated	No	2041 Schorrway	Lancaster	OH	43130

Class 10 - Hilton Claims

Debtor	Proof of Claim Number	Date Filed	Schedule d Claim Number (if no Proof of Claim filed)	Creditor Name	Unsecured Amount	Is portion of claim in another class?	Mailing Street Address	City	State	Zip
Lancaster Hospitality, LLC	4	10/31/2023		Hilton Franchise Holding LLC	See Plan	No	One Newark Center, 10th Floor	Newark	NJ	07102

RELEASE

This Release (the “Release”) is executed by Abhijit Vasani (“Mr. Vasani”) and is effective as of _____, 2025.

RECITALS:

Whereas, effective as of February 27, 2015, Sunburst Hotels LLC, Buckeye Lodging LLC, and Lancaster Hospitality, LLC (together, the “Hotel Borrowers”) entered into a Loan Agreement (the “Loan Agreement”) with Jeffries Loan core, LLC (“Jeffries”);

Whereas, in connection with the Loan Agreement, the Hotel Borrowers executed a \$11,500,000 promissory note (the “Original Note”) and also executed mortgages for each of the real properties owned by the Hotel Borrowers;

Whereas, in connection with the borrowings under the Loan Agreement and the Original Note, Mr. Vasani executed a Guaranty of Recourse Obligations (the “Guaranty”) in favor of Jeffries, which provided that he would guaranty the Borrower’s Recourse Obligations (as such term was defined in the Loan Agreement) and, from and after the date that any Springing Recourse Event (as such term was defined in the Loan Agreement), payment of all Debt under the Loan Agreement and the Original Note;

Whereas, Jeffries subsequently assigned all of its interests in the Original Note, the Loan Agreement, and the related documents, to Wilmington Trust, National Association as Trustee for the Benefit of the Holders of COMM 2015-PC1 Mortgage Trust Commercial Mortgage Pass-Through Certificates (the “Second Noteholder”);

Whereas, the Second Noteholder subsequently assigned all of its interests in the Original Note, the Loan Agreement, and the related documents to RSS COMM2015-PC1 OH, LLC (“RSS”);

Whereas, on December 10, 2021, RSS filed a case in the Franklin County Court of Common Pleas captioned as *RSS COMM2015-PC1-OH, LLC v. Sunburst Hotels, LLC*; Case Number 21-cv-007694 (the “Franklin County Action”) seeking, among other things, to foreclose on the hotels owned by each of the Hotel Borrowers and to collect certain amounts that RSS alleged were owed under the Guaranty because of the alleged occurrence of a Springing Recourse Event from Mr. Vasani (who disputed that a Springing Recourse Event had occurred or that he otherwise owed any amounts under the Guaranty);

Whereas, on August 18, 2023, S&G Hospitality, Inc. and the Hotel Borrowers (together, the “Debtors”) filed chapter 11 petitions in the United States Bankruptcy Court for the Southern District of Ohio (the “Bankruptcy Court”) initiating the chapter 11 cases which are being jointly administered as *In re S&G Hospitality*; Case No. 2:23-bk-52859 (the “Cases”);

Whereas, on May 16, 2025, the Debtors filed the *Second Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and its Debtor Subsidiaries* (the “Plan”);

Whereas, the Plan provides for Mr. Vasani and the entities that he owns that are not Debtors in the Cases or are Debtors in the jointly administered bankruptcy cases also pending in Bankruptcy Court captioned as *In re Welcome Group 2, LLC et al.*, Case No. 2:23-bk-53043 to provide a release of RSS and certain related parties if it agrees to a settlement with the Debtors and certain other conditions are satisfied when the Plan becomes effective;

Whereas, on _____, 2025, the Bankruptcy Court entered an order confirming the Plan;

Whereas, RSS has agreed to contemporaneously with the execution of this Release to release of Mr. Vasani and any non-debtor of any claims related to the Debtors, including, but not limited to, any claims asserted in the Franklin County Action and any and all other claims arising under or related to the Guaranty, the Loan Agreement, the Original Note, or the mortgages executed by the Hotel Borrowers;

Whereas, the other conditions under the Plan for RSS to receive this release from Mr. Vasani and his non-debtor entities has been satisfied.

For good and valuable consideration, the undersigned agrees as follows:

1. Capitalized terms not otherwise defined herein have the meaning given to them in the Plan.
2. For and in consideration of RSS's vote in favor of the Plan and its release of any claims related to the Debtors against Mr. Vasani and/or any non-debtor entities he owns, Mr. Vasani, individually and as the holder of a controlling equity interest will direct the entities he owns a majority equity interest in other than Welcome Group 2, LLC, Hilliard Hotels, LLC, Elite Hospitality, LLC, Dayton Hotels, LLC, and Dayton Hotels 2, LLC, to release the RSS Related Parties of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce RSS's obligations under the New Secured Promissory Note or under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases, the Plan, or the Disclosure Statement.

Dated: _____, 2025

Abhjit Vasani, individually and as holder of a controlling equity interest on behalf of himself and the entities he owns a majority equity interest in other than Welcome Group 2, LLC, Hilliard Hotels, LLC, Elite Hospitality, LLC, Dayton Hotels, LLC, and Dayton Hotels 2, LLC.

CODE OF REGULATIONS
OF
S&G HOSPITALITY INC.

[Code of Regulations of Reorganized S&G Hospitality, Inc.]

ARTICLE I
SHARES

Section 1.1 **Certificates.** Certificates for shares, certifying the number of fully paid shares owned, shall be issued to each shareholder in such form as shall be approved by the Board of Directors. Such certificates shall be signed by the President, or a Vice President, if applicable and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer. A full record of each certificate so issued shall be maintained. The Board of Directors, however, may not authorize the issuance of any non-voting equity shares of the corporation.

Section 1.2 **Registration of Transfer.** Certificates shall be transferable in person or by written power of attorney, but no transfer shall be entered upon the record until the previous certificate for such shares has been surrendered to the corporation; provided, however, that the directors shall have authority to enact such rules as they shall deem expedient from time to time concerning the issuance or transfer of certificates.

Section 1.3 **Lost, Destroyed, or Stolen Certificates.** A new share certificate or certificates may be issued in place of any certificate theretofore issued by the corporation which is alleged to have been lost, destroyed or wrongfully taken upon: (a) the execution and delivery to the corporation by the person claiming the certificate to have been lost, destroyed or wrongfully taken of an affidavit or affirmation of that fact, in a form satisfactory to the corporation, specifying whether or not, at the time of such alleged loss, destruction or taking, the certificate was endorsed; and (b) the furnishing to the corporation of indemnity and other assurances satisfactory to the corporation against any and all losses, damages, costs, expenses or liabilities to which they or any of them may be subjected by reason of the issue and delivery of such new certificate or certificates or in respect of the original certificate. In its discretion, the corporation may require a bond of indemnity, in such form and with one or more sureties satisfactory to the corporation, from the person claiming the certificate to have been lost, destroyed or wrongfully taken.

Section 1.4 **Registered Shareholders.** A person in whose name shares are of record on the books of the corporation shall conclusively be deemed the unqualified owner and holder thereof for all purposes and to have capacity to exercise all rights of ownership. The corporation shall not be bound to recognize any equitable interest in or claim to such shares on the part of any other person, whether disclosed upon such certificate or otherwise, nor shall they be obliged to see to the execution of any trust or obligation.

ARTICLE II
SHAREHOLDERS

Section 2.1 **Annual Meetings.** An annual meeting of the shareholders of the corporation shall be held at such time and on such date within two (2) months before or four (4) months after the

close of the business year of the corporation, as may be fixed by the directors and stated in the notice of the meeting.

Section 2.2 **Special Meetings.** Special meetings of the shareholders shall be called upon the written request of the chairman of the board, the president, the directors by action at a meeting, a majority of the directors acting without a meeting, or of the holders of shares entitling them to exercise more than twenty-five percent (25%) of the voting power of the corporation entitled to vote thereat. Calls for such meetings shall specify the purposes thereof. No business other than that specified in the call shall be considered at any special meeting.

Section 2.3 **Notice of Meetings.** A written or printed notice of the annual or any special meetings of the Shareholders, stating the time and place, and in case of special meetings, the objects thereof, shall be given to the Shareholders by mailing same to the Shareholders' address as same appears on the records of the corporation, at least ten (10) days before any such meeting. It shall be the responsibility of the Secretary to mail such notice. A shareholder may waive in writing such notice either before or after the meeting, and notice shall be waived by attendance at the meeting unless lack of proper notice is alleged prior to the commencement of the meeting. Any written waiver shall be filed with or entered upon the records of the meeting.

Section 2.4 **Place of Meetings.** The annual or any special meetings of shareholders may be held at such place or places within or without the State of Ohio, as may be specified in the notice of any such meetings.

Section 2.5 **Action without a Meeting.** Any action which may be authorized or taken at a meeting of shareholders may be authorized or taken without a meeting by a writing or writings signed by all of the shareholders who would be entitled to notice of a meeting of the shareholders held for the purpose of such action, which writings or writing shall be filed with or entered upon the records of the corporation.

ARTICLE III DIRECTORS

Section 3.1 **General Powers.** The business, power and authority of the corporation shall be exercised, conducted and controlled by a Board of Directors, except where applicable law, the Articles or these Regulations require action to be authorized or taken by the shareholders. Notwithstanding anything to the contrary set forth herein, as set forth in the Articles, the corporation has not, and without the unanimous consent of all of its directors, will not, issue any non-voting equity securities of the corporation.

Section 3.2 **Number and Term.** The number of members of the Board of Directors shall be determined pursuant to applicable law, or by resolution of the Shareholders, but shall not be less than the lesser of three (3) directors, or the number of Shareholders. The Directors shall hold office until the expiration of the term for which they were elected and shall continue in office

until their respective successors shall have been duly elected and qualified or until their earlier death, resignation, or removal from office.

Section 3.3 **Vacancies.** A resignation from the Board of Directors shall be deemed to take effect upon its receipt by the Secretary, unless some other time is specified therein. The acceptance of any resignation shall not be necessary to make it effective unless so specified in the resignation. Any Director may be removed at any time, with or without cause, by a majority of the Shareholders. In case of any vacancy in the Board of Directors, the remaining Directors, even though they may be less than a quorum of the entire number of Directors constituting a full Board, may at any duly convened meeting, except as hereinafter provided, elect a successor to hold office for the unexpired portion of the term of the Director whose place shall be vacant, and until the election and qualification of a successor.

Section 3.4 **Regular Meetings.** Regular meetings of the Board of Directors shall be held annually on such dates as the Board may designate.

Section 3.5 **Special Meetings.** Special meetings of the Board of Directors shall be called by the Secretary and held at the request of the President or two (2) of the Directors, if there is more than one Director.

Section 3.6 **Notice of Meetings.** The Secretary shall give notice of each meeting of the Board of Directors, whether regular or special, to each member of the Board.

Section 3.7 **Quorum.** A majority of the Directors in office at the time shall constitute a quorum at all meetings thereof.

Section 3.8 **Voting.** Unless otherwise required by applicable law or the Articles of Incorporation, all decisions of the Board of Directors shall be decided by a majority of the Directors present at a meeting at which a quorum is present. Each Director shall be entitled to one (1) vote.

Section 3.9 **Place of Meetings.** The Board of Directors may hold its meetings at such place or places within or without the State of Ohio as the Board may, from time to time, determine.

Section 3.10 **Action without a Meeting.** Any action which may be taken at a meeting of directors may be taken without a meeting if authorized by a writing or writings signed by all of the directors, which writing or writings shall be filed with or entered upon the records of the corporation.

ARTICLE IV OFFICERS

Section 4.1 **General Provisions.** The officers of this corporation shall include, and the Board of Directors shall elect a President, a Secretary, a Treasurer, and the Board of Directors may

elect a Chairman of the Board, one or more vice presidents, and such other officers as the Board of Directors may, from time to time, elect, all of whom may or may not be Directors. The officers shall hold office until the expiration of the term for which they were elected and shall continue in office until their respective successors shall have been duly elected and qualified or until their earlier death, resignation, or removal from office.

Section 4.2 Powers and Duties Generally. All officers, as between themselves and the corporation, shall respectively have such authority and perform such duties as are customarily incident to their respective offices, as set forth herein, and as may be specified from time to time by the directors, regardless of whether such authority and duties are customarily incident to such office. In the absence of any officer of the corporation, or for any other reason the directors may deem sufficient, the directors may delegate for the time being, the powers or duties of such officer, or any of them, to any other officer or to any director.

Section 4.3 President. The President shall preside at all meetings of shareholders and Board of Directors. The President shall exercise, subject to the control of the Board of Directors and the shareholders of the corporation, a general supervision over the affairs of the corporation, and shall perform generally all duties incident to the office and such other duties as may be assigned to the President from time to time by the Board of Directors.

Section 4.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Board of Directors and the shareholders and make a proper record of same, which shall be attested to by the Secretary, and shall have such further duties as may be assigned to the Secretary by the Board of Directors.

Section 4.5 Treasurer. The Treasurer shall have the custody of the funds and securities of the corporation which may come into the Treasurer's hands, and shall do with the same as may be ordered by the Board of Directors. When necessary or proper, the Treasurer may endorse on behalf of the corporation, for collection, checks, notes and other obligations. The Treasurer shall deposit the funds of the corporation to its credit in such hands and depositories as the Board of Directors may, from time to time, designate. The Treasurer shall also have such further duties as may be assigned to the Treasurer by the Board of Directors.

Section 4.6 Removal. Any officer or employee elected or appointed by the Board of Directors may be removed at any time for any reason upon vote of the majority of the whole Board of Directors. Resignation as an officer of this corporation shall be deemed to take effect upon its receipt by the Secretary, unless some other time is specified therein. The acceptance of any resignation shall not be necessary to make it effective unless so specified in the resignation.

ARTICLE V INDEMNIFICATION

Section 5.1 Mandatory Indemnification. The corporation shall indemnify, to the fullest extent now or hereafter permitted by law, any director or officer who was or is a party or is threatened to be made a party to, or is involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereafter, a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the legal representative, is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, partner, trustee, employee or agent or in any other capacity while serving as a director, officer, partner, trustee, employee or agent, against all expense, liability and loss (including attorneys' fees), judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement, reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, partner, trustee, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in Section 5.4 hereof, the corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the corporation.

Section 5.2 Permissive Indemnification. The corporation may indemnify any employee or agent of the corporation to an extent greater than that required by law only if and to the extent that the directors may, in their discretion, so determine.

Section 5.3 Payment of Expenses. The provisions of Section 1701.13(E)(5)(a) of the Ohio Revised Code do not apply to the corporation. Expenses, including attorneys' fees, incurred by a director or officer of the corporation in defending any proceeding referred to in this Article V shall be paid by the corporation only after final disposition of such proceeding and upon a determination by a court of competent jurisdiction that such officer or director is entitled to indemnification.

Section 5.4 Action to Compel Payment. If a claim under Section 5.1 hereof is not paid in full by the corporation within thirty (30) days after a written claim therefor has been received by the corporation, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to also be paid the expenses of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the corporation) that the claimant has not met the standards of conduct which makes it permissible under the Ohio General Corporation Law for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its directors, independent legal

counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Ohio General Corporation Law, nor an actual determination by the corporation (including its directors, independent legal counsel, or its shareholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 5.5 **Nonexclusive Remedy.** The indemnification and advancement of expenses provided under this Section 5 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any law, the Articles, these Regulations, any agreement, vote of shareholders or of disinterested directors or otherwise, both as to action in their official capacity and as to action in another capacity while holding such office.

Section 5.6 **Contractual Obligation.** This Section 5 shall be deemed to be a contract between the corporation and each director or officer of the corporation, or individual who is or was serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, who serves in such capacity at any time while this Section 5 is in effect, and any repeal, amendment or other modification of this Section 5 shall not affect any rights or obligations then existing with respect to any state of facts then or thereafter existing or any action, suit or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

Section 5.7 **Savings Clause.** If this Section 5 or any portion thereof shall be invalidated or found unenforceable on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director, officer, employee or agent of the corporation against expenses (including attorneys' fees), judgments, fines, excise taxes, penalties and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, to the full extent permitted by any applicable portion of this Section 5 that shall not have been invalidated or found unenforceable, or by any other applicable law.

Section 5.8 **Insurance.** The corporation may maintain insurance, at its expense, to protect itself and on behalf of any director, officer, employee or agent of the corporation or individual serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the corporation would have the power to indemnify such person against such expense, liability or loss under the Ohio General Corporation Law.

Section 5.9 **Subject to the Articles.** The foregoing provisions of this Article 5 notwithstanding, any obligation of the Company to indemnify any person pursuant to this Article 5 shall be at all times be subject to the restrictions set forth in the Articles.

ARTICLE VI SECURITIES HELD BY THE CORPORATION

Section 6.1 **Transfer of Securities Owned by the Corporation.** All endorsements, assignments, transfers, stock powers, share powers or other instruments of transfer of securities standing in the name of the corporation shall be executed for and in the name of the corporation by the President, a vice president, the secretary or the treasurer or any other person or persons as may be thereunto authorized by the Board of Directors.

Section 6.2 **Voting Securities Held by the Corporation.** The chairman of the board, president, any vice president, secretary or treasurer, in person or by another person thereunto authorized by the directors, in person or by proxy or proxies appointed by him or her, shall have full power and authority on behalf of the corporation to vote, act and consent with respect to any securities issued by other corporations which the corporation may own.

ARTICLE VII CONSISTENCY WITH ARTICLES OF INCORPORATION

Section 7.1 If any provisions of these Regulations shall be inconsistent with the corporation's Articles (and as they may be amended from time to time), the Articles (as so amended at the time) shall govern.

ARTICLE VIII AMENDMENTS

Section 8.1 These Regulations may be amended or new regulations may be enacted: (a) by the affirmative vote of the holders of shares entitling them to exercise a majority of the voting power of the corporation at any meeting called for such purpose; or (b) without a meeting, by the written approval of the holders of two-thirds of the voting shares of the corporation. In the event of amendment or enactment of new regulations by such written consent, the Secretary of the corporation shall mail a copy of such amendment or new regulations to each shareholder who did not participate in the approval thereof.

**AMENDED AND RESTATED
DECLARATION OF SOLE MEMBER OF
BUCKEYE LODGING, LLC**
an Ohio Limited Liability Company

MEMBER: **S&G Hospitality, Inc.**, an Ohio corporation (the "**Member**")

THE COMPANY: **Buckeye Lodging, LLC** (the "**Company**")

EFFECTIVE DATE: _____, **2025** (the "**Effective Date**")

The Company was formed as a single member limited liability company under Chapter 1705 of the Ohio Revised Code, as superseded by Chapter 1706 of the Ohio Revised Code, as amended from time to time (the "**Ohio LLC Act**"), and will be governed and operated accordingly. On November 7, 2012, an authorized representative filed the Articles of Organization (the "**Articles**") with the Ohio Secretary of State, which completed the steps necessary to form the Company. The Member made an amended and restated limited liability declaration as of January 1, 2015 (the "**Previous Declaration**"). Now, the Member makes this "**Declaration**" to amend and restate in its entirety the Previous Declaration, and govern the organization and operation of the Company's business, to be effective as of the Effective Date provided above.

I. General Provisions.

- A. Purpose.** The Company has been formed for the purpose of engaging in and taking any and all lawful acts concerning any and all lawful businesses for which limited liability companies may be organized pursuant to the Ohio LLC Act.
- B. Name.** The Company will carry on business under the name stated above, or under such other name as the Member determines, from time to time.
- C. Principal Office.** The principal office of the Company will be at 5125 Post Road, Dublin, Ohio 43017, unless and until the Member determines otherwise.
- D. Membership Interest.** The Company shall be authorized to issue a single class of Membership Interest (as defined in the Ohio LLC Act) (the "**Membership Interest**", including any and all benefits to which the holder of such Membership Interest may be entitled in this Declaration, together with all obligations of such person to comply with the terms and provisions of this Declaration).
- E. Capital Contribution.** The Member has made an initial capital contribution of \$100.00 cash to the Company in exchange for its Membership Interest. The Member may contribute such additional cash or property to the capital of the Company as the Member may from time to time decide, but the Member shall have no obligation to contribute or otherwise to transfer to the Company any cash or non-cash property for any other reason. The Member's liability for

the obligations of the Company as the sole Member and its manager shall be limited to the value of the capital contribution.

F. **Statutory Agent.** The Company's statutory agent shall be maintained as required by Section 1706.09 of the Ohio LLC Act. It may be changed at the discretion of the Member.

II. **Distributions and Allocations.**

A. **Distributions.** The Member may cause the Company to distribute any cash held by it which is not reasonably necessary for the operation of the Company to the Member at any time. Upon the occurrence of an event set forth in Article VII hereof, the Member shall be entitled to receive, after paying or making reasonable provision for all of the Company's creditors to the extent required by Section 1706.475 of the Ohio LLC Act, the remaining funds of the Company.

B. **Allocations.** All the profits, losses, income, gains, deductions, credits or similar items of the Company are allocated solely in the Member, absent a contemporaneous or subsequent written declaration of the Member to the contrary.

III. **Management Authority.**

A. **Reserved to Member.** The Company shall be managed by the Member, who may act on behalf of the Company with or without a meeting and regardless of any financial interest the Member may have in such action. For convenience, to demonstrate the Member's authority to third parties, the Member adopts the title of Managing Member of the Company. Subject to the Ohio LLC Act, the Articles and this Agreement, the Member shall have authority to do every act consistent with the law. The Member shall have all powers and duties as set forth in the Ohio LLC Act. No person shall have any duty or obligation to inquire into the authority or power of the Member regarding the Member's actions on behalf of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Agreement or the Act shall not be grounds for imposing liability on the Member for liabilities, debts and obligations of the Company solely for being the sole Member of the Company, or for being the Managing Member of the Company.

B. **Agents.** The Member may designate in writing any agent(s) who will have actual authority as the Member determines, and will serve at the Member's pleasure. Unless provided otherwise in writing, such agents' authority will be non-exclusive and the Member will retain full concurrent authority with respect thereto.

IV. **Transfers of Membership Interest.**

A. **Permitted Transferees.** The Member may assign all or any part of its Membership Interest (an assignee of such Membership Interest is hereinafter referred to as a "Permitted Transferee"). The Member has the authority to give a Permitted Transferee the right to be admitted

as a substituted member upon such assignment and Permitted Transferee's agreement in writing to assume all obligations of the transferring Member as a Member under, and to be bound by, this Agreement, to the extent of the transferred Membership Interest. The following transferee(s) shall be Permitted Transferees who have been given the right to become substituted members by the Member upon assignment in accordance with this Section IV(A):

I. **Dissolution of a Partnership, Limited Liability Company, Corporation.** Upon the dissolution of a partnership, limited liability company, corporation, or other entity that is a member, or the revocation of the charter of a corporation that is a member, the transferee(s) of such entity's Membership Interest by reason of such dissolution or revocation.

In any event where more than one person admitted as a member, such members shall endeavor to promptly adopt an appropriate operating agreement.

B. **Withdrawal.** The Ohio LLC Act provides for the automatic dissociation of a member upon the occurrence of certain events listed at Sections 1706.411 (C) and (D), the occurrence of such events shall not cause the withdrawal of a member.

V. **Tax Matters.**

A. **Accounting Method.** The Company will adopt a method of accounting in compliance with the requirements of the Internal Revenue Code.

B. **Tax Year.** The Company adopts a calendar year for financial accounting and tax purposes.

C. **Disregarded Status.** Absent a future written declaration of the Member or agreement with the Member to the contrary, the Company intends to qualify for federal taxation as a sole proprietorship, disregarding the entity as separate from its owner for purposes of federal taxation only, and has relied on such tax treatment in accordance with the default provisions of Treas. Reg. section 301.7701-1. The Company will take the action necessary to provide similar state and local treatment, to the extent available. The Member and the Company intend that the terms and undertakings of the Declaration be construed liberally in favor of this expressed intent.

VI. **Indemnification.** It is the Company's intention to and it hereby agrees to indemnify the Member and agents for their conduct, to the fullest extent possible under the Ohio LLC Act. In addition, it is the Company's intention, and it hereby agrees to pay for or reimburse the reasonable expenses (including attorney fees, judgments, fines, and amounts paid in settlement) ("Expenses") to the fullest extent possible under the Ohio LLC Act. The indemnification and reimbursement of Expenses authorized herein shall not be exclusive to any other rights to which any person may be entitled.

VII. **Dissolution.** The Company will dissolve only upon the occurrence of any of the following events:

A. Agreement. The dissolution of the Company by the Member;

B. Judicial Dissolution. The entry of a decree of judicial dissolution under Section 1706.47 of the Ohio LLC Act.

VIII. Miscellaneous Provisions.

A. Choice of Law. This Declaration for all purposes shall be construed under and governed by the laws of the State of Ohio.

B. Successor, Assigns. The term and provisions of this Declaration inure to the benefit of, are binding upon and are enforceable by the heirs, personal representatives, successors and assigns of the Member and the Company.

C. Rights and Remedies. Nothing express or implied in this Declaration is intended or is to be construed to confer upon or give to any person or entity (other than the Member or the Member's successors-in-interest, if any, in accordance with the provisions of this Declaration), any rights or remedies hereunder or by reason hereof.

D. Additional Interests. Unless otherwise provided by the Member, the terms and conditions of this Declaration shall apply to any Membership Interest in the Company now owned or hereafter acquired by the Member. The Member hereby agrees that the Company shall not, and this Declaration does prohibit the issuance of non-voting equity securities in the Company. No non-voting Membership Interests in the Company shall be issued.

E. Securities Disclosures. The Member represents to the Company that the Member has purchased or holds its membership interest in the Company for long-term investment purposes and not for resale, and intends to hold such membership interest for investment for the Member's own account and does not intend to dispose of such membership interest or any part thereof or any interest therein. THE MEMBER REPRESENTS TO THE COMPANY THAT THE MEMBER IS AWARE THAT ITS MEMBERSHIP INTEREST WAS NOT REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAWS, AND THAT THE MEMBER MAY NOT SELL OR OTHERWISE TRANSFER ALL OR ANY PART OF ITS MEMBERSHIP INTEREST EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO APPLICABLE AND PERFECTED EXEMPTIONS THEREFROM.

F. Meetings. Except as otherwise required by the Ohio LLC Act, (a) the Company will not be required to hold meetings of the Member; and (b) if a meeting of the Member is required or desired, any action which may be authorized or taken at such meeting, may be authorized or taken without a meeting in a writing or writings signed by the Member.

G. Third Party Beneficiaries. The provisions of this Declaration are intended only for the regulation of the relations between the Member and the Company and are not intended for the benefit of nonmember creditors and does not grant any rights to, or confer any benefits on, nonmember creditors or any other person who is not a member of the Company.

IN WITNESS WHEREOF, the Member has made this Declaration effective the day and year first written above.

MEMBER

S&G HOSPITALITY, INC.

By: _____

**AMENDED AND RESTATED
DECLARATION OF SOLE MEMBER OF
LANCASTER HOSPITALITY, LLC**
an Ohio Limited Liability Company

MEMBER: **S&G Hospitality, Inc.**, an Ohio corporation (the "**Member**")

THE COMPANY: **Lancaster Hospitality, LLC** (the "**Company**")

EFFECTIVE DATE: _____, 2025 (the "**Effective Date**")

The Company was formed as a single member limited liability company under Chapter 1705 of the Ohio Revised Code, as superseded by Chapter 1706 of the Ohio Revised Code, as amended from time to time (the "**Ohio LLC Act**"), and will be governed and operated accordingly. On January 16, 2015, an authorized representative filed the Articles of Organization (the "**Articles**") with the Ohio Secretary of State, which completed the steps necessary to form the Company. The Member made a limited liability declaration as of January 16, 2015 (the "**Previous Declaration**"). Now, the Member makes this "**Declaration**" to amend and restate in its entirety the Previous Declaration, and govern the organization and operation of the Company's business, to be effective as of the Effective Date provided above.

I. General Provisions.

A. Purpose. The Company has been formed for the purpose of engaging in and taking any and all lawful acts concerning any and all lawful businesses for which limited liability companies may be organized pursuant to the Ohio LLC Act.

B. Name. The Company will carry on business under the name stated above, or under such other name as the Member determines, from time to time.

C. Principal Office. The principal office of the Company will be at 5125 Post Road, Dublin, Ohio 43017, unless and until the Member determines otherwise.

D. Membership Interest. The Company shall be authorized to issue a single class of Membership Interest (as defined in the Ohio LLC Act) (the "**Membership Interest**"), including any and all benefits to which the holder of such Membership Interest may be entitled in this Declaration, together with all obligations of such person to comply with the terms and provisions of this Declaration).

E. Capital Contribution. The Member has made an initial capital contribution of \$100.00 cash to the Company in exchange for its Membership Interest. The Member may contribute such additional cash or property to the capital of the Company as the Member may from time to time decide, but the Member shall have no obligation to contribute or otherwise to transfer to the Company any cash or non-cash property for any other reason. The Member's liability for

the obligations of the Company as the sole Member and its manager shall be limited to the value of the capital contribution.

F. Statutory Agent. The Company's statutory agent shall be maintained as required by Section 1706.09 of the Ohio LLC Act. It may be changed at the discretion of the Member.

II. Distributions and Allocations.

A. Distributions. The Member may cause the Company to distribute any cash held by it which is not reasonably necessary for the operation of the Company to the Member at any time. Upon the occurrence of an event set forth in Article VII hereof, the Member shall be entitled to receive, after paying or making reasonable provision for all of the Company's creditors to the extent required by Section 1706.475 of the Ohio LLC Act, the remaining funds of the Company.

B. Allocations. All the profits, losses, income, gains, deductions, credits or similar items of the Company are allocated solely in the Member, absent a contemporaneous or subsequent written declaration of the Member to the contrary.

III. Management Authority.

A. Reserved to Member. The Company shall be managed by the Member, who may act on behalf of the Company with or without a meeting and regardless of any financial interest the Member may have in such action. For convenience, to demonstrate the Member's authority to third parties, the Member adopts the title of Managing Member of the Company. Subject to the Ohio LLC Act, the Articles and this Agreement, the Member shall have authority to do every act consistent with the law. The Member shall have all powers and duties as set forth in the Ohio LLC Act. No person shall have any duty or obligation to inquire into the authority or power of the Member regarding the Member's actions on behalf of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Agreement or the Act shall not be grounds for imposing liability on the Member for liabilities, debts and obligations of the Company solely for being the sole Member of the Company, or for being the Managing Member of the Company.

B. Agents. The Member may designate in writing any agent(s) who will have actual authority as the Member determines, and will serve at the Member's pleasure. Unless provided otherwise in writing, such agents' authority will be non-exclusive and the Member will retain full concurrent authority with respect thereto.

IV. Transfers of Membership Interest.

A. Permitted Transferees. The Member may assign all or any part of its Membership Interest (an assignee of such Membership Interest is hereinafter referred to as a "**Permitted Transferee**"). The Member has the authority to give a Permitted Transferee the right to be admitted

as a substituted member upon such assignment and Permitted Transferee's agreement in writing to assume all obligations of the transferring Member as a Member under, and to be bound by, this Agreement, to the extent of the transferred Membership Interest. The following transferee(s) shall be Permitted Transferees who have been given the right to become substituted members by the Member upon assignment in accordance with this Section IV(A):

1. Dissolution of a Partnership, Limited Liability Company, Corporation. Upon the dissolution of a partnership, limited liability company, corporation, or other entity that is a member, or the revocation of the charter of a corporation that is a member, the transferee(s) of such entity's Membership Interest by reason of such dissolution or revocation.

In any event where more than one person admitted as a member, such members shall endeavor to promptly adopt an appropriate operating agreement.

B. Withdrawal. The Ohio LLC Act provides for the automatic dissociation of a member upon the occurrence of certain events listed at Sections 1706.411 (C) and (D), the occurrence of such events shall not cause the withdrawal of a member.

V. Tax Matters.

A. Accounting Method. The Company will adopt a method of accounting in compliance with the requirements of the Internal Revenue Code.

B. Tax Year. The Company adopts a calendar year for financial accounting and tax purposes.

C. Disregarded Status. Absent a future written declaration of the Member or agreement with the Member to the contrary, the Company intends to qualify for federal taxation as a sole proprietorship, disregarding the entity as separate from its owner for purposes of federal taxation only, and has relied on such tax treatment in accordance with the default provisions of Treas. Reg. section 301.7701-1. The Company will take the action necessary to provide similar state and local treatment, to the extent available. The Member and the Company intend that the terms and undertakings of the Declaration be construed liberally in favor of this expressed intent.

VI. Indemnification. It is the Company's intention to and it hereby agrees to indemnify the Member and agents for their conduct, to the fullest extent possible under the Ohio LLC Act. In addition, it is the Company's intention, and it hereby agrees to pay for or reimburse the reasonable expenses (including attorney fees, judgments, fines, and amounts paid in settlement) ("Expenses") to the fullest extent possible under the Ohio LLC Act. The indemnification and reimbursement of Expenses authorized herein shall not be exclusive to any other rights to which any person may be entitled.

VII. Dissolution. The Company will dissolve only upon the occurrence of any of the following events:

A. Agreement. The dissolution of the Company by the Member;

B. Judicial Dissolution. The entry of a decree of judicial dissolution under Section 1706.47 of the Ohio LLC Act.

VIII. Miscellaneous Provisions.

A. Choice of Law. This Declaration for all purposes shall be construed under and governed by the laws of the State of Ohio.

B. Successor, Assigns. The term and provisions of this Declaration inure to the benefit of, are binding upon and are enforceable by the heirs, personal representatives, successors and assigns of the Member and the Company.

C. Rights and Remedies. Nothing express or implied in this Declaration is intended or is to be construed to confer upon or give to any person or entity (other than the Member or the Member's successors-in-interest, if any, in accordance with the provisions of this Declaration), any rights or remedies hereunder or by reason hereof.

D. Additional Interests. Unless otherwise provided by the Member, the terms and conditions of this Declaration shall apply to any Membership Interest in the Company now owned or hereafter acquired by the Member. The Member hereby agrees that the Company shall not, and this Declaration does prohibit the issuance of non-voting equity securities in the Company. No non-voting Membership Interests in the Company shall be issued.

E. Securities Disclosures. The Member represents to the Company that the Member has purchased or holds its membership interest in the Company for long-term investment purposes and not for resale, and intends to hold such membership interest for investment for the Member's own account and does not intend to dispose of such membership interest or any part thereof or any interest therein. THE MEMBER REPRESENTS TO THE COMPANY THAT THE MEMBER IS AWARE THAT ITS MEMBERSHIP INTEREST WAS NOT REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAWS, AND THAT THE MEMBER MAY NOT SELL OR OTHERWISE TRANSFER ALL OR ANY PART OF ITS MEMBERSHIP INTEREST EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO APPLICABLE AND PERFECTED EXEMPTIONS THEREFROM.

F. Meetings. Except as otherwise required by the Ohio LLC Act, (a) the Company will not be required to hold meetings of the Member; and (b) if a meeting of the Member is required or desired, any action which may be authorized or taken at such meeting, may be authorized or taken without a meeting in a writing or writings signed by the Member.

G. Third Party Beneficiaries. The provisions of this Declaration are intended only for the regulation of the relations between the Member and the Company and are not intended for the benefit of nonmember creditors and does not grant any rights to, or confer any benefits on, nonmember creditors or any other person who is not a member of the Company.

IN WITNESS WHEREOF, the Member has made this Declaration effective the day and year first written above.

MEMBER

S&G HOSPITALITY, INC.

By: _____

**AMENDED AND RESTATED
DECLARATION OF SOLE MEMBER OF
SUNBURST HOTELS LLC**
an Ohio Limited Liability Company

MEMBER: **S&G Hospitality, Inc.**, an Ohio corporation (the "Member")

THE COMPANY: **Sunburst Hotels LLC** (the "Company")

EFFECTIVE DATE: _____, **2025** (the "Effective Date")

The Company was formed as a single member limited liability company under Chapter 1705 of the Ohio Revised Code, as superseded by Chapter 1706 of the Ohio Revised Code, as amended from time to time (the "Ohio LLC Act"), and will be governed and operated accordingly. On January 26, 2007, an authorized representative filed the Articles of Organization (the "Articles") with the Ohio Secretary of State, which completed the steps necessary to form the Company. The Member made an amended and restated limited liability declaration as of January 1, 2015 (the "Previous Declaration"). Now, the Member makes this "Declaration" to amend and restate in its entirety the Previous Declaration, and govern the organization and operation of the Company's business, to be effective as of the Effective Date provided above.

I. General Provisions.

A. Purpose. The Company has been formed for the purpose of engaging in and taking any and all lawful acts concerning any and all lawful businesses for which limited liability companies may be organized pursuant to the Ohio LLC Act.

B. Name. The Company will carry on business under the name stated above, or under such other name as the Member determines, from time to time.

C. Principal Office. The principal office of the Company will be at 5125 Post Road, Dublin, Ohio 43017, unless and until the Member determines otherwise.

D. Membership Interest. The Company shall be authorized to issue a single class of Membership Interest (as defined in the Ohio LLC Act) (the "Membership Interest", including any and all benefits to which the holder of such Membership Interest may be entitled in this Declaration, together with all obligations of such person to comply with the terms and provisions of this Declaration).

E. Capital Contribution. The Member has made an initial capital contribution of \$100.00 cash to the Company in exchange for its Membership Interest. The Member may contribute such additional cash or property to the capital of the Company as the Member may from time to time decide, but the Member shall have no obligation to contribute or otherwise to transfer to the Company any cash or non-cash property for any other reason. The Member's liability for

the obligations of the Company as the sole Member and its manager shall be limited to the value of the capital contribution.

F. **Statutory Agent.** The Company's statutory agent shall be maintained as required by Section 1706.09 of the Ohio LLC Act. It may be changed at the discretion of the Member.

II. **Distributions and Allocations.**

A. **Distributions.** The Member may cause the Company to distribute any cash held by it which is not reasonably necessary for the operation of the Company to the Member at any time. Upon the occurrence of an event set forth in Article VII hereof, the Member shall be entitled to receive, after paying or making reasonable provision for all of the Company's creditors to the extent required by Section 1706.475 of the Ohio LLC Act, the remaining funds of the Company.

B. **Allocations.** All the profits, losses, income, gains, deductions, credits or similar items of the Company are allocated solely in the Member, absent a contemporaneous or subsequent written declaration of the Member to the contrary.

III. **Management Authority.**

A. **Reserved to Member.** The Company shall be managed by the Member, who may act on behalf of the Company with or without a meeting and regardless of any financial interest the Member may have in such action. For convenience, to demonstrate the Member's authority to third parties, the Member adopts the title of Managing Member of the Company. Subject to the Ohio LLC Act, the Articles and this Agreement, the Member shall have authority to do every act consistent with the law. The Member shall have all powers and duties as set forth in the Ohio LLC Act. No person shall have any duty or obligation to inquire into the authority or power of the Member regarding the Member's actions on behalf of the Company. The failure of the Company to observe any formalities or requirements relating to the exercise of its powers or the management of its business or affairs under this Agreement or the Act shall not be grounds for imposing liability on the Member for liabilities, debts and obligations of the Company solely for being the sole Member of the Company, or for being the Managing Member of the Company.

B. **Agents.** The Member may designate in writing any agent(s) who will have actual authority as the Member determines, and will serve at the Member's pleasure. Unless provided otherwise in writing, such agents' authority will be non-exclusive and the Member will retain full concurrent authority with respect thereto.

IV. **Transfers of Membership Interest.**

A. **Permitted Transferees.** The Member may assign all or any part of its Membership Interest (an assignee of such Membership Interest is hereinafter referred to as a "Permitted Transferee"). The Member has the authority to give a Permitted Transferee the right to be admitted

as a substituted member upon such assignment and Permitted Transferee's agreement in writing to assume all obligations of the transferring Member as a Member under, and to be bound by, this Agreement, to the extent of the transferred Membership Interest. The following transferee(s) shall be Permitted Transferees who have been given the right to become substituted members by the Member upon assignment in accordance with this Section IV(A):

I. **Dissolution of a Partnership.** Limited Liability Company, Corporation. Upon the dissolution of a partnership, limited liability company, corporation, or other entity that is a member, or the revocation of the charter of a corporation that is a member, the transferee(s) of such entity's Membership Interest by reason of such dissolution or revocation.

In any event where more than one person admitted as a member, such members shall endeavor to promptly adopt an appropriate operating agreement.

B. **Withdrawal.** The Ohio LLC Act provides for the automatic dissociation of a member upon the occurrence of certain events listed at Sections 1706.411 (C) and (D), the occurrence of such events shall not cause the withdrawal of a member.

V. **Tax Matters.**

A. **Accounting Method.** The Company will adopt a method of accounting in compliance with the requirements of the Internal Revenue Code.

B. **Tax Year.** The Company adopts a calendar year for financial accounting and tax purposes.

C. **Disregarded Status.** Absent a future written declaration of the Member or agreement with the Member to the contrary, the Company intends to qualify for federal taxation as a sole proprietorship, disregarding the entity as separate from its owner for purposes of federal taxation only, and has relied on such tax treatment in accordance with the default provisions of Treas. Reg. section 301.7701-1. The Company will take the action necessary to provide similar state and local treatment, to the extent available. The Member and the Company intend that the terms and undertakings of the Declaration be construed liberally in favor of this expressed intent.

VI. **Indemnification.** It is the Company's intention to and it hereby agrees to indemnify the Member and agents for their conduct, to the fullest extent possible under the Ohio LLC Act. In addition, it is the Company's intention, and it hereby agrees to pay for or reimburse the reasonable expenses (including attorney fees, judgments, fines, and amounts paid in settlement) ("Expenses") to the fullest extent possible under the Ohio LLC Act. The indemnification and reimbursement of Expenses authorized herein shall not be exclusive to any other rights to which any person may be entitled.

VII. **Dissolution.** The Company will dissolve only upon the occurrence of any of the following events:

A. Agreement. The dissolution of the Company by the Member;

B. Judicial Dissolution. The entry of a decree of judicial dissolution under Section 1706.47 of the Ohio LLC Act.

VIII. Miscellaneous Provisions.

A. Choice of Law. This Declaration for all purposes shall be construed under and governed by the laws of the State of Ohio.

B. Successor, Assigns. The term and provisions of this Declaration inure to the benefit of, are binding upon and are enforceable by the heirs, personal representatives, successors and assigns of the Member and the Company.

C. Rights and Remedies. Nothing express or implied in this Declaration is intended or is to be construed to confer upon or give to any person or entity (other than the Member or the Member's successors-in-interest, if any, in accordance with the provisions of this Declaration), any rights or remedies hereunder or by reason hereof.

D. Additional Interests. Unless otherwise provided by the Member, the terms and conditions of this Declaration shall apply to any Membership Interest in the Company now owned or hereafter acquired by the Member. The Member hereby agrees that the Company shall not, and this Declaration does prohibit the issuance of non-voting equity securities in the Company. No non-voting Membership Interests in the Company shall be issued.

E. Securities Disclosures. The Member represents to the Company that the Member has purchased or holds its membership interest in the Company for long-term investment purposes and not for resale, and intends to hold such membership interest for investment for the Member's own account and does not intend to dispose of such membership interest or any part thereof or any interest therein. THE MEMBER REPRESENTS TO THE COMPANY THAT THE MEMBER IS AWARE THAT ITS MEMBERSHIP INTEREST WAS NOT REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY APPLICABLE STATE SECURITIES LAWS, AND THAT THE MEMBER MAY NOT SELL OR OTHERWISE TRANSFER ALL OR ANY PART OF ITS MEMBERSHIP INTEREST EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO APPLICABLE AND PERFECTED EXEMPTIONS THEREFROM.

F. Meetings. Except as otherwise required by the Ohio LLC Act, (a) the Company will not be required to hold meetings of the Member; and (b) if a meeting of the Member is required or desired, any action which may be authorized or taken at such meeting, may be authorized or taken without a meeting in a writing or writings signed by the Member.

G. Third Party Beneficiaries. The provisions of this Declaration are intended only for the regulation of the relations between the Member and the Company and are not intended for the benefit of nonmember creditors and does not grant any rights to, or confer any benefits on, nonmember creditors or any other person who is not a member of the Company.

IN WITNESS WHEREOF, the Member has made this Declaration effective the day and year first written above.

MEMBER

S&G HOSPITALITY, INC.

By: _____

Plan Exhibit IV.C.2 – Initial Officers and Directors of Reorganized Debtors

I. S&G Hospitality, Inc.

Director(s) – Dave Vasani

President – Dave Vasani

Vice President, Secretary and Treasurer- Abhijit Vasani

II. Buckeye Lodging, LLC

Entity is a member managed LLC, with S&G Hospitality, LLC managing the entity

President, Secretary, and Treasurer – Abhijit Vasani

III. Lancaster Hospitality, LLC

Entity is a member managed LLC, with S&G Hospitality, LLC managing the entity

President, Secretary, and Treasure – Abhijit Vasani

IV. Sunburst Hotels, LLC

Entity is a member managed LLC, with S&G Hospitality, LLC managing the entity

President, Secretary, and Treasure – Abhijit Vasani

None of these entities currently plan to pay any compensation to these directors or officers for their service in these roles.

S&G Hospitality, Inc. Third Amended Plan Exhibit V.A

[List of Assumed Executory Contracts]

EXHIBIT V.A. - List of Assumed Executory Contracts								
<u>Debtor Name</u>	<u>Schedule Number</u>	<u>Contract Name/Description</u>	<u>Counterparty Name</u>	<u>1st Address Line</u>	<u>City</u>	<u>State</u>	<u>Zip</u>	<u>Cure Amount</u>
Buckeye Lodging, LLC	2.1	Cable, Internet and Phone Services	Charter Communications	P.O. Box 6030	Carol Stream	IL	60197	\$2,351.07
Buckeye Lodging, LLC	2.2	Fire Safety Services	Epro Services	1491 Polaris Parkway #217	Columbus	OH	43240	\$0.00
Buckeye Lodging, LLC	2.4	Franchise Agreement	Red Roof Franchising	7815 Walton Parkway	New Albany	OH	43054	\$17,577.83
Buckeye Lodging, LLC	2.5	Pest Control Services	Plunketts Pest Control	40 52nd Way, N.E.	Minneapolis	MN	55421	\$397.62
Lancaster Hospitality, LLC	2.1	Pest Control Services	Plunketts Pest Control	40 52nd Way, N.E.	Minneapolis	MN	55421	\$160.00
Lancaster Hospitality, LLC	2.2	Fire Safety & Inspection Services	Epro Services	1491 Polaris Parkway #217	Columbus	OH	43240	\$0.00
Lancaster Hospitality, LLC	2.4	Cable, Internet and Phone Services	Charter Communications	P.O. Box 6030	Carol Stream	IL	60197	\$662.73
Lancaster Hospitality, LLC	2.5	Franchise Agreement	Hilton Hotels	4649 Payshpere Circle	Chicago	IL	60674	As spelled out in Plan
Lancaster Hospitality, LLC	2.6	Food Delivery	Sysco Foods	10510 Evendale Drive	Cincinnati	OH	45241	\$10,905.66
Sunburst Hotels, LLC	2.1	Pest Control Services	Plunketts Pest Control	40 52nd Way, N.E.	Minneapolis	MN	55241	\$80.56
Sunburst Hotels, LLC	2.2	Fire Safety Services	Epro Services	1491 Polaris Parkway #217	Columbus	OH	43240	\$0.00
Sunburst Hotels, LLC	2.4	Cable, Internet and Phone Services	Charter Communications	P.O. Box 6030	Carol Stream	IL	60197	\$1,524.58
Sunburst Hotels, LLC	2.5	Franchise Agreement	Choice Hotels	P.O. Box 99992	Chicago	IL	60696	\$33,619.00
Sunburst Hotels, LLC	2.6	Food Services	U.S. Foods	98761 Collections Center Drive	Chicago	IL	60693	\$3,723.31
Sunburst Hotels, LLC	2.7	Trash Removal Services	Waste Management	P.O. Box 4648	Carol Stream	IL	60197	\$0.00

S&G Hospitality, Inc. Third Amended Plan Exhibit

IV.D.1 [Retained Actions]

Plan Exhibit IV.D.1 – Retained Actions

The following are the claims and causes of action are “Retained Actions” under the *Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (the “**Plan**”) and are being retained by the Debtors or conveyed to the Litigation Trust if such a transfer is contemplated by under the Plan.

1. Claims related to Jeffries Loan. Unless the RSS Settlement is agreed to, all claims and causes of action belonging to the Debtors against any party related to: (a) the Debtors’ borrowing under the Loan Agreement by and among Sunburst Hotels, LLC, Buckeye Lodging LLC, and Lancaster Hospitality, LLC, on the one hand, and Jeffries Loancore LLC, on the other hand, dated as of February 27, 2015; (b) the Promissory Note dated as of February 27, 2015 by Sunburst Hotels, LLC, Buckeye Lodging LLC, and Lancaster Hospitality, LLC in favor of Jeffries Loancore LLC or its assigns; (c) the mortgages, security agreements, assignments of leases and rents, fixture filings, and UCC filings related to the loan referenced in (a) and/or the promissory note referenced in (b); (d) the assignments of the Promissory Note referenced in (b) or the mortgages, security agreements, assignments of leases and rents, fixture filings, and UCC filings in (c) above; (e) the servicing of the mortgage loan documented by the foregoing; (f) the various proofs of claim filed by RSS COMM 2015-PC1-OH BL, LLC; or (g) the conduct of RSS COMM 2015-PC1-OH BL, LLC in the Debtors’ bankruptcy cases.
2. Claims against Itria. All claims and causes of action belonging to the Debtors against Itria, whether based on the financing provided by Itria to the Debtors or otherwise.
3. Insurance claims. All claims and causes of action belonging to the Debtors against Westfield Insurance or any other provider of insurance against the Debtors for failure to pay any claims that have been made, or may be made, based on the policies of insurance they have issued to the Debtors.
4. Tax Refunds. All claims that the Debtors might have for refunds of Taxes against any federal, state, or local taxing authority.
5. Other claims. Any other claims or causes of action that the Debtor have against any other party.

S&G Hospitality, Inc. Third Amended Plan Exhibit V.C

[List of Rejected Executory Contracts]

EXHIBIT V.C - List of Rejected Executory Contracts							
<u>Debtor Name</u>	<u>Schedule Number</u>	<u>Contract Name/Description</u>	<u>Counterparty Name</u>	<u>1st Address Line</u>	<u>City</u>	<u>State</u>	<u>Zip</u>
Buckeye Lodging, LLC	2.3	Trash Removal Services	Waste Management	P.O. Box 4648	Carol Stream	IL	60197
Buckeye Lodging, LLC	2.6	IT Equipment Lease Lessee	Donnell McCarthy Enterprises	10855 Medallion Drive	Cincinnati	OH	45241
Lancaster Hospitality, LLC	2.3	IT Lease & Supplies Lessee	Donnell McCarthy Enterprises	10855 Medallion Drive	Cincinnati	OH	45241
Sunburst Hotels, LLC	2.3	IT Equipment Lease Lessee	Donnell McCarthy Enterprises	10855 Medallion Drive	Cincinnati	OH	45241

S&G Hospitality, Inc. Third Amended Disclosure Statement Ex. II

[Disclosure Statement Order]

This document has been electronically entered in the records of the United States Bankruptcy Court for the Southern District of Ohio.

IT IS SO ORDERED.

Dated: September 2, 2025



Mina Nami Khorrami
Mina Nami Khorrami
United States Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re:	)	Case No. 2:23-bk-52859
	)	
S&G HOSPITALITY, INC., et al.,¹	)	Chapter 11
	)	
Debtors.	)	Judge Nami Khorrami
	)	
	)	(Jointly Administered)

ORDER APPROVING (A) THE ADEQUACY OF INFORMATION IN THE DEBTORS' PROPOSED DISCLOSURE STATEMENT, (B) THE FORMS OF BALLOTS AND OTHER SOLICITATION MATERIALS, (C) THE FORM OF NOTICE OF THE CONFIRMATION HEARING, AND (D) THE TABULATION PROCEDURES FOR BALLOTS [Related to Docket Nos. 266, 267, 277, 283, 290, 294, 300, 321, 322, 337, 342, 346, 348, 361, 363, 364, 367, 368, 369, 373, 381, 419, 499, 504, 505, 530, 531, 539, 540, 541]

Upon the *Motion of Debtors and Debtors in Possession for Entry of an Order Approving (A) the Adequacy of Information in the Debtors' Proposed Disclosure Statement, (B) the Forms of Ballots and Other Solicitation Materials, (C) the Form of Notice of the Confirmation Hearing, and (D) the Tabulation Procedures for Ballots* (Docket No. 373) (the "**Motion**")² for entry of an order

¹ The Debtors and the last four digits of their federal tax identification numbers are as follows: S&G Hospitality, Inc. (4566), Buckeye Lodging, LLC (6047), Lancaster Hospitality, LLC (8830), and Sunburst Hotels, LLC (0374).

² Capitalized terms used but not defined herein have the meanings ascribed to them in the Motion.

approving: (a) the adequacy of information in the *Disclosure Statement for the First Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries*, dated February 3, 2025 (Docket No. 369) for purposes of section 1125 of title 11 of the United States Code (the “**Bankruptcy Code**”); (b) the forms of ballots and other solicitation materials for soliciting acceptances of the *First Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries*, dated February 3, 2025 (Docket No. 368); (c) the proposed form of providing notice of the hearing (the “**Confirmation Hearing**”) commencing on April 29, 2025 at 9:30 a.m. regarding confirmation of the Debtors’ proposed plan as it was scheduled by the *Scheduling Order Establishing Dates and Deadlines Related to the Filing of a Disclosure Statement, Confirmation of a Plan of Reorganization, and Continuance of the Hearing on the Motion to Dismiss* (Docket. No. 363); and (d) the tabulation procedures for counting ballots on the proposed plan; and this Court having:

(1) entered the following stipulations and agreed orders rescheduling the Confirmation Hearing:

- (a) *Amended Scheduling Order Establishing Dates and Deadlines Related to the Filing of a Disclosure Statement, Confirmation of a Plan of Reorganization, and Continuance of the Hearing on the Motion to Dismiss* (Docket No. 381);
- (b) *Stipulation and Agreed Order Continuing the May 12, 2025 Hearing on Debtors’ Amended Disclosure Statement* (Docket No. 464); and
- (c) *Stipulation and Agreed Order Setting: (A) a July 17, 2025 Deadline for the Debtors to File an Amended Plan and Disclosure Statement; (B) An August 29, 2025 Hearing on That Disclosure Statement; (C) a Hearing on October 23 and 24, 2025 on the Confirmation of the Debtors’ Amended Plan and RSS COMM2015-PC1-*

OH-BL, LLC's Motion to Dismiss This Chapter 11 Case or Alternatively to Convert This Case to Chapter 7; and (D) Setting Certain Related Deadlines (Docket No. 499) (the “**Current Scheduling Order**”);

(2) having reviewed the following additional filings related to the Debtors' proposed plan and disclosure statement:

- (a) the *Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (Docket No. 504) filed on July 18, 2025 and the updated *Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (Docket No. 539) filed on August 26, 2025 (as it may be amended, the “**Plan**”);
- (b) the *Disclosure Statement for Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (Docket No. 505) filed on July 18, 2025 and the updated *Disclosure Statement for Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (Docket. No. 540) filed on August 26, 2025 (as it may be amended, the “**Disclosure Statement**”);
- (c) the *Certificate of Service on Notice of Scheduling of Objection Deadline and Hearing to Approve Debtors' Proposed Disclosure Statement And Stipulation and Agreed Order Setting (A) A July 17, 2025 Deadline For The Debtors to File an Amended Plan and Disclosure Statement; (B) An August 29, 2025 Hearing on That Disclosure Statement; (C) A Hearing on October 23 And 24, 2025 on Confirmation Of The Debtors' Amended Plan and RSS COMM2015-PC1-OH BL, LLC's Motion to Dismiss This Chapter 11 Case or Alternatively to Convert This Case to*

Chapter 7; and (D) Setting Certain Related Deadlines (Docket No. 519) (the “**Mass Mailing Certificate of Service**”);

- (d) the *Notice of Additional Exhibit to the Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (Docket No. 530);
- (e) the *Notice of Revised Form of Proposed Order Approving (A) the Adequacy of Information of the Debtors’ Proposed Disclosure Statement, (B) the Forms of Ballots and Other Solicitation Materials, (C) the Form of Notice of the Confirmation Hearing, and (D) the Tabulation Procedures for Ballots* (Docket No. 531) (the “**Notice of Revised Order**”); and
- (f) *RSS COMM2015-PC1-OH BL, LLC’s Objection to the Disclosure Statement for Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (Docket No. 533) (the “**RSS Objection**”);

and having heard the statements of Counsel at a hearing on August 29, 2025 (the “**Disclosure Statement Hearing**”) on the Motion, the Disclosure Statement, and the RSS Objection; this Court finds that:

- A. It has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order of Reference entered in this District.
- B. This matter is a core proceeding within the meaning of U.S.C. § 157(b)(2).
- C. Venue of these cases and this proceeding are proper pursuant to 28 U.S.C. §§ 1408 and 1409.
- D. The Mass Mailing Certificate of Service shows that the requirements under the Current Scheduling Order and Bankruptcy Rule 2002 for providing notice of the Disclosure Statement Hearing have been satisfied.

- E. Adequate notice of the Motion has been given under the circumstances and the provisions of the *Order Establishing Limited Notice and Service Procedures* (Docket No. 120) have been complied with.
- F. The Disclosure Statement complies with the requirements of the Bankruptcy Code and the Bankruptcy Rules and contains adequate information, as such term is defined in Bankruptcy Code section 1125.
- G. The Solicitation Procedures proposed in the Motion are fair and reasonable.
- H. Service of the Disclosure Statement, the Plan and the remaining contents of the Solicitation Packages as set forth herein shall constitute sufficient notice for purposes of Bankruptcy Rules 2002 and 3017(f).
- I. The relief requested in the Motion is compatible with the Current Scheduling Order.
- J. All of the relief described above and the other relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and other parties in interest; and after due deliberation thereon; and good and sufficient cause appearing therefor; it is hereby

ORDERED, ADJUDICATED, AND DECREED that:

- 1. The Motion is **GRANTED** as set forth herein.
- 2. The Disclosure Statement is approved.
- 3. The Debtor's deadline to reply to timely filed objections to the Plan and file a brief in support of the Plan, if necessary, is Friday, October 17, 2025 at 4:00 p.m. Eastern Prevailing Time.
- 4. The Solicitation Procedures are hereby approved as set forth herein.
- 5. The Confirmation Hearing Notice and the form of Ballot attached hereto as Exhibits A and B, respectively, are hereby approved.

6. Within five days of entry of this Order, the Debtors shall file a copy of the Solicitation Package with the Court. The Debtors, on or before the Solicitation Date, shall mail the Solicitation Package to all Holders of Allowed Claims. The applicable Ballot shall be included with the Solicitation Package mailed to the Holders of Allowed Claims in Classes 3A, 4A and 4B, 5A and 5B, 6, 7, and 10. The Debtors shall cause the same documents, excluding the Ballot, to be sent to the Office of the United States Trustee, the Securities and Exchange Commission, the District Director of the Internal Revenue Service, and to any other governmental entities, agencies, instrumentalities, or departments as required by Bankruptcy Rule 2002(j). Within 7 days of such mailing, the Debtors shall file a certificate of service evidencing compliance with the requirements set forth in this paragraph and attaching a copy of the package served on parties-in-interest.

7. The Debtors, on or before the Solicitation Date, shall mail the Confirmation Hearing Notice on all other parties in the master mailing matrix in these cases.

8. The Debtors may in its discretion provide the Disclosure Statement, Plan, and this Order in electronic format (i.e., on a flash drive) rather than paper copies, and if a party prefers to receive paper copies of the Disclosure Statement, Plan, and this Order, the party may submit a written request for paper copies to the Debtor, who shall fulfill all such requests.

9. The Debtor is authorized to, prior to solicitation, make non-material and conforming changes (including, but not limited to correcting typographical errors, altering formatting and inserting missing or changed dates) to the Plan, the Disclosure Statement, and related solicitation documents and forms.

10. August 29, 2025 shall be the record date (the “**Voting Record Date**”) for purposes of determining which creditors are entitled to vote on the Plan. For purposes of the Voting Record Date, a holder of a transferred Claim shall be entitled to vote with respect to the Plan if it has filed the notice of transfer required under Bankruptcy Rule 3001(e) by the Voting Record Date. If an

objection to that transfer is properly filed in accordance with Bankruptcy Rule 3001(e), the Court shall decide at the Confirmation Hearing who is entitled to vote with respect to the allegedly transferred Claim.

11. Ballots completed by Holders of Claims in Classes 3A, 4A and 4B, 5A and 5B, 6, 7, and 8 must be actually received by counsel to the Debtors **on or before October 9, 2025** (the “**Voting Deadline**”) by either mail or overnight delivery to Carpenter Lipps LLP, Attn: Breanna Tolbert, 280 N. High St., Suite 1300, Columbus, Ohio 43215.

12. Solely for purposes of voting on the Plan, and not for the purpose of determining who has an Allowed Claim or who is entitled to receive a Distribution under the Plan, the voting amounts for claims shall be set in an amount equal to:

- a. the amount of such Claim as Allowed by order of the Court or as Allowed under the Plan;
- b. if a Claim, for which a proof of claim has been timely filed, is liquidated, non-contingent, and undisputed, in part, and unliquidated, non-contingent, and/or disputed, in part (as determined on the face of the proof of claim or after a reasonable review of the supporting documentation attached thereto), such Claim is allowed for voting purposes in the amount indicated on the proof of claim as liquidated, non-contingent, and undisputed;
- c. if a Claim for which a proof of claim has been timely filed for unknown or undetermined amounts, or is wholly unliquidated, or contingent (as determined on the face of the claim or after a reasonable review of the supporting documentation by the Debtors) and such claim has not been allowed, such Claim shall be temporarily allowed for voting purposes only, and not for purposes of allowance or distribution, at \$1.00;
- d. if a Claim was listed in the Debtors’ filed Schedules in an amount that is liquidated, non-contingent, and undisputed, and a proof of Claim was not filed by the Voting Record Date, such Claim is allowed for voting in the liquidated, non-contingent, undisputed, amount set forth in the Debtors’ filed Schedules;
- e. proofs of claims filed for \$0.00 are not entitled to vote;
- f. for purposes of the numerosity requirement of section 1126(c) of the Bankruptcy Code separate Claims held by a single creditor in a particular

Class shall be aggregated as if such creditor held one Claim against the Debtor in such Class, and the votes related to such Claims shall be treated as a single vote to accept or reject the Plan;

- g. notwithstanding anything to the contrary contained herein, any creditor who has filed or purchased duplicate Claims within the same Voting Class shall be provided with only one Solicitation Package and one ballot for voting a single Claim in such Class, regardless of whether the Debtors have objected to such duplicate Claims;
- h. if a proof of claim has been amended by a later proof of claim that is filed on or prior to the Voting Record Date, the later filed amending claim shall be entitled to vote in a manner consistent with these tabulation rules, and the earlier filed claim shall be disallowed for voting purposes, regardless of whether the Debtors have objected to such amended claim. Except as otherwise ordered by the Court, any amendments to proofs of claim after the Voting Record Date shall not be considered for purposes of these tabulation rules; and
- i. if a motion to estimate a claim in accordance with section 502 of the Bankruptcy Code for voting purposes is filed by the September 18, 2025 deadline established by the Scheduling Order, the Court shall rule on the amount of such claim at the Confirmation Hearing.

13. The following Tabulation Procedures are hereby approved:

- a. Unless otherwise authorized by the Court, Ballots received after the Voting Deadline will not be accepted or counted in connection with the Debtor's request for the confirmation of the Plan;
- b. Each claim must be voted either to accept or to reject the Plan in its entirety; nor shall any Ballot that attempts to only partially accept the Plan shall not be counted;
- c. Only Ballots actually physically received by counsel to the Debtors shall be counted;
- d. If multiple Ballots are received from or on behalf of an individual Holder of a Claim with respect to the same Claim before the Voting Deadline the Ballot which reflects the latest execution date by the Holder shall be counted and not the earlier Ballots; otherwise, any Holder of a Claim that seeks to change or withdraw an acceptance or rejection of the Plan must comply with the requirements set forth in Bankruptcy Rule 3018;
- e. If a Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or other person acting in a fiduciary or

representative capacity, such person shall be required to indicate such capacity when signing and, on the Debtors' request, submit proper evidence satisfactory to the Debtors to so act on behalf of a beneficial interest-holder; On further approval by the Court, the Debtors may waive any defect in any Ballot at any time, either before or after the close of voting;

- f. Any Holder of an impaired Claim that has delivered a valid Ballot voting on the Plan may withdraw such vote solely in accordance with Bankruptcy Rule 3018(a);
- g. Any Ballot received that does not indicate either an acceptance or rejection of the Plan, but includes a valid signature, will not be counted except as approved by further Order of the Court;
- h. Neither the Debtors nor their counsel will be under any duty to provide notification of defects or irregularities with respect to any Ballots, nor will any of them incur any liability for failure to provide such notification; and
- i. The Debtors shall maintain and tabulate all Ballots received in accordance with the aforementioned procedures. The Debtors shall file by October 17, 2025 the Voting Certification itemizing each vote cast by class and reflecting the totals of all votes by class, number of claims, and total amount of claims, together with information regarding the number and requested amount of any claims for which a motion to estimate for voting purposes under section 502 has been timely filed. Ballots shall remain with the Debtors and shall not be filed with the Court.

14. The Debtors are under no obligation to re-mail undelivered Solicitation Packages or other undeliverable notices that were returned marked "undeliverable" or "moved – no forwarding address" or for a similar reason, unless the Debtors have been informed in writing by such person of that person's new address.

15. Any party wishing to file an objection to confirmation of the Plan or present evidence at the hearing to confirm the Plan should review the Scheduling Order, the Local Bankruptcy Rules, and the Chambers Procedures for the Honorable Judge Nami Khorrami. Except as expressly amended herein, all provisions of the Scheduling Order remain in place.

16. The Debtor is authorized and empowered to take all actions and execute such other documents as may be necessary to implement the relief granted herein.

17. This Court shall retain jurisdiction of, including to hear and determine, all matters arising from this Order and its interpretation, implementation, or enforcement.

SO ORDERED.

Copies to: Default List

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Exhibit A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

In re:	)	Case No. 2:23-bk-52859
	)	
S&G HOSPITALITY, INC., <i>et al.</i> , ¹	)	Chapter 11
	)	
Debtors.	)	Judge Nami Khorrami.
	)	
	)	(Jointly administered)

**NOTICE OF (A) HEARING TO CONFIRM THE THIRD AMENDED JOINT
PLAN OF REORGANIZATION OF S&G HOSPITALITY, INC. AND ITS DEBTOR
SUBSIDIARIES AND (B) DEADLINE TO OBJECT TO THE PLAN'S CONFIRMATION**

PLEASE TAKE NOTICE THAT the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”) have filed the *Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries*, dated August 26, 2025 (Document No. 539) (as it may be amended, the “**Plan**”). On _____, 2025, the Bankruptcy Court entered an order approving the *Disclosure Statement for the Third Amended Joint Plan of Reorganization and of S&G Hospitality, Inc.* (the “**Disclosure Statement**”) and the solicitation procedures for the Debtors to solicit creditor votes on whether they accept or reject the Plan.

Copies of the Plan and the Disclosure Statement may be obtained from the Debtors’ counsel Carpenter Lipps LLP, Attn: David Beck or Breanna Tolbert, 280 N. High St., Suite 1300, Columbus, Ohio 43215, by telephone at (614) 365-4142 or (614) 365-4141 or by email at beck@carpenterlipps.com or tolbert@carpenterlipps.com. Copies of the Plan and the Disclosure Statement may also be obtained by visiting the website of the Debtors’ management company InnVite Hospitality, LLC or for parties who have a PACER account by visiting the Court’s ECF site at <https://ecf.ohsb.uscourts.gov> for a fee.

Your rights may be affected. The Plan provides for a discharge of claims against the Debtors and their assets in return for the rights provided to holders of Allowed Claims under the Plan. The Plan also contains certain release, injunction, and exculpation provisions, which are set forth below. You should consult your attorney if you believe that you may have a claim against the Debtors as the Plan will impact those rights. If you do not have one, you may wish to consult one.

If you do not want the court to confirm the Plan, then **on or before October 9, 2025 at 4:00 pm**, you must file with the Court a response explaining your position by filing a response using the court’s ECF System or by mailing your response by first class mail to:

¹ The Debtors and the last digits of their federal tax identification numbers are as follows: S&G Hospitality, Inc. (4566), Buckeye Lodging, LLC (6047), Lancaster Hospitality, LLC (8830), and Sunburst Hotels, LLC (0374). {937530-1}

Richard B. Jones
Clerk of Court
U.S. Bankruptcy Court
Southern District of Ohio
Columbus Divisional Office
170 N. High Street,
Columbus, OH 43215

The Court must **receive** your response on or before the above date.

You must also mail or hand-deliver a copy of your response by that date to:

S&G Hospitality, Inc.
Attn: Abhijit Vasani
P.O. Box 773
New Albany, Ohio 43054

Pamela D. Arndt
Office of the United States Trustee
170 N. High St., Suite 200
Columbus, Ohio 43215

David A. Beck
Carpenter Lipps LLP
280 N. High Street, Suite 1300
Columbus, Ohio 43215

The Bankruptcy Court has also set a hearing to consider confirmation of the Plan before the Honorable Bankruptcy Judge Nami Khorrami commencing on **October 23, 2025 at 10:00 a.m.** (prevailing Eastern Time) in Courtroom C on the Fifth Floor of the United States Bankruptcy Court for the Southern District of Ohio which is at 170 North High Street, Columbus, Ohio 43215. If you or your counsel does not attend that hearing, your objection may be overruled without further notice. In addition, that hearing may be continued from time to time by announcing such continuance in open court, all without further notice to parties in interest.

DISCHARGE, RELEASE, AND INJUNCTION PROVISIONS

Please be aware that that the Plan contains the following provisions regarding the discharge of claims the releases of claims in certain instances, and injunctions based on those discharges and releases.

Article XI of the Plan provides for the following

A. Discharge of Claims and Termination of Interests

1. Complete Satisfaction, Discharge and Release

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims and termination of all Interests arising on or before the Effective Date, including any interest accrued on Claims from and after the

Petition Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date and immediately after cancellation of the Old S&G Common Stock: (a) discharge the Debtors from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (iii) the holder of a Claim based on such debt has accepted the Plan; and (b) terminate all Interests and other rights of equity security holders in the Debtors.

2. Discharge and Termination

In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order will be a judicial determination, as of the Effective Date and immediately after the cancellation of the Old S&G Common Stock, but prior to the issuance of the New S&G Common Stock, of a discharge of all Claims and other debts and liabilities against the Debtors and a termination of all Interests and other rights of the holders of Interests in the Debtors, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge will void any judgment obtained against the Debtor at any time, to the extent that such judgment relates to a discharged Claim or terminated Interest; *provided, however*, that, notwithstanding the extinguishment of any such judgment, the existence of a validly entered judgment may be treated as evidence of the entitlement to a Claim in the Chapter 11 Cases, which Claim, subject to other applicable requirements (including the timely filing of a proof of Claim, if necessary), will be satisfied by the distribution, if any, provided under the Plan.

B. Injunctions

1. Claims Enjoined

Except as provided in the Plan or the Confirmation Order or agreed to by the Debtors or the Reorganized Debtors, as of the Effective Date all entities and persons that have held, currently hold or may hold a Claim or other debt or liability that is discharged or an Interest or other right of a holder of an Interest that is terminated pursuant to the terms of the Plan will be permanently enjoined from taking any of the following enforcement actions on account of any such discharged Claims, debts or liabilities or terminated Interests or rights: (a) commencing or continuing in any manner any action or other proceeding against any Debtor, any Reorganized Debtor or its respective property, other than to enforce any right pursuant to the Plan to a distribution; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against any Debtor, any Reorganized Debtor or its respective property, other than as permitted pursuant to (a) above; (c) creating, perfecting or enforcing any lien or encumbrance against any Debtor, any Reorganized Debtor or its respective property; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any Debtor or any Reorganized Debtor; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

2. Enforcement Enjoined

As of the Effective Date, all entities and persons that have held, currently hold or may hold any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities that are released pursuant to the Plan will be permanently enjoined from taking any of the following actions against any released entity or its property on account of such released claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities: (a) commencing or continuing in any manner any action or other proceeding; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (c) creating, perfecting or enforcing any lien or encumbrance; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any released entity; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

3. Consent to Injunction

By accepting distributions pursuant to the Plan, each holder of an Allowed Claim receiving distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth in Section XI.B.1 and Section XI.B.2.

Section IV.D.3 of the Plan Also Provides for Certain Releases, Potential Releases, and an Associated Injunction

a. General Release by Holders of Claims or Interests That Vote in Favor of the Plan

As of the Effective Date, in consideration for the obligations of the Debtors and the Reorganized Debtors under the Plan and the cash, New Secured Promissory Note and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each holder of a Claim or Interest that votes in favor of the Plan will be deemed to forever release, waive and discharge all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce the Debtors' and the Reorganized Debtors' obligations under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (collectively, the "Released Claims") that such entity has, had or may have against any of the Debtors (which release will be in addition to the discharge of Claims and termination of Interests provided herein and under the Confirmation Order and the Bankruptcy Code).

b. Settlement Release of RSS by Debtors

If RSS votes in favor of the Plan, and does not object to confirmation of the Plan, on the

Effective Date the Debtors shall release the RSS Related Parties of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce RSS's obligations under the New Secured Promissory Note or the 1111(b) Note (as applicable) or under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (the "Settlement Release of RSS"). Mr. Vasani and his other-non-debtor entities will also provide a parallel release to RSS if the Debtors provide the Settlement Release of RSS.

c. Settlement Release of InnVite Hospitality

If the New Equity Investors become the sole owner of S&G on the Effective Date and the Management Agreement with InnVite Hospitality is assumed the Debtors shall release InnVite Hospitality of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce InnVite Hospitality's obligations under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (the "Settlement Release of InnVite").

e. Injunction Related to Releases

As further provided in Section XI.B, the Confirmation Order will permanently enjoin the commencement or prosecution by any entity or person, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released pursuant to the Plan, including pursuant to the releases in this Section IV.D.3.

Section XIII.A of the Plan contains the following Limitation of Liability/Exculpation provision.

None of the Debtors, their officers, their directors, and the Debtors' Professionals (collectively, the "Exculpated Parties") shall have or incur any liability to any Holder of a Claim or Equity Interest, or other party in interest, or any of their respective members, officers, directors, employees, advisors, professionals, attorneys or agents or any of their successors and assigns, with respect to any Exculpated Claim, including, without limitation, any act or omission in connection with, related to, or arising out of, in whole or in part, the Debtors Chapter 11 Cases, except for willful misconduct, gross negligence, fraud or criminal misconduct as determined by a Final Order of a court of competent jurisdiction, and, in all respects, the Exculpated Parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

Article I of the Plan defines an “Exculpated Claim” with the following language:

“**Exculpated Claim**” means any Claim or Causes of Action whatsoever related to any act taken or omitted after the Commencement Date and on or before the Effective Date arising out of the Chapter 11 Cases related to the Debtors, including, without limitation, (i) the negotiation of any settlements entered into, with, or by the Debtors or any Estate representative, (ii) the formulation, preparation, dissemination, negotiation, filing, prosecution, approval or administration of the Plan and/or any financing, investment, or sale agreement with respect to the Debtors, and/or (iii) any contract, instrument, release, assignment, or other agreement or document created or entered into in connection with any such negotiations or settlements of the Chapter 11 Cases, or any financing agreement or settlement agreement in connection therewith, the filing of the Chapter 11 Cases, the pursuit of Confirmation, and the administration implementation of the Plan.

Dated: September __, 2025

Respectfully submitted,

/s/

David A. Beck (0072868)
CARPENTER LIPPS LLP
280 North High Street, Suite 1300
Columbus, Ohio 43215
Telephone: (614) 365-4100
Facsimile: (614) 365-9145
E-mail: beck@carpenterlipps.com

COUNSEL FOR DEBTORS AND
DEBTORS IN POSSESSION

Exhibit B

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

In re:	) Case No. 2:23-bk-52859
	)
S&G HOSPITALITY, INC., <i>et al.</i> , ¹	) Chapter 11
	)
Debtors.	) Judge Nami Khorrami
	)
	) (Jointly Administered)

**BALLOT FOR ACCEPTING OR REJECTING THE
THIRD AMENDED JOINT PLAN OF REORGANIZATION OF
S&G HOSPITALITY, INC. AND ITS DEBTOR SUBSIDIARIES**

THE BANKRUPTCY COURT HAS SET A DEADLINE TO ACCEPT OR REJECT THE PLAN OF OCTOBER 9, 2025 (THE “VOTING DEADLINE”). YOUR BALLOT MUST BE ACTUALLY RECEIVED BY COUNSEL TO THE DEBTORS BY THE VOTING DEADLINE FOR IT TO BE COUNTED.

This ballot is being provided to you by the above-captioned debtors and debtors in possession (the “**Debtors**”) to either accept or reject the *Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (Document No. 539) (as it may be amended, the “**Plan**”). This Ballot should have come to you with a copy of the Plan and the *Disclosure Statement for the Third Amended Joint Plan of Reorganization of S&G Hospitality, Inc. and Its Debtor Subsidiaries* (Document No. 540) (the “**Disclosure Statement**”). The Disclosure Statement has been approved by the Bankruptcy Court to explain the Plan to you and allow you to make an informed decision on whether to accept or reject the Plan. Court approval of the Disclosure Statement *does not* indicate approval of the Plan by the Court.

If you need another copy of the Plan and the Disclosure Statement, you may obtain a copy by contacting the Debtors’ counsel Carpenter Lipps LLP, Attn: Breanna Tolbert, 280 N. High St., Suite 1300, Columbus, Ohio 43215, by telephone at (614) 365-4141 or by email at tolbert@carpenterlipps.com. Copies of the Plan and the Disclosure Statement may also be obtained by visiting the website of the Debtors’ management company InnVite Hospitality, LLC or for parties who have a PACER account by visiting the Court’s ECF site at <https://ecf.ohsb.uscourts.gov> for a fee.

You should review the Disclosure Statement and the Plan before you vote. You may

¹ The Debtors and the last four digits of their federal tax identification numbers are as follows: S&G Hospitality, Inc. (4566), Buckeye Lodging, LLC (6047), Lancaster Hospitality, LLC (8830), and Sunburst Hotels, LLC (0374).

wish to seek legal advice concerning the Plan and your classification and treatment under the Plan. Your claim has been placed in the class indicated below.

PLEASE READ THE ATTACHED BALLOT INSTRUCTIONS BEFORE COMPLETING THIS BALLOT. YOU SHOULD ALSO BE AWARE IF YOU VOTE FOR THE PLAN YOU ARE AGREEING TO THE ATTACHED RELEASE.

PLEASE MAKE SURE THAT THE CORRECT BOX BELOW IS CHECKED AND THAT YOU HAVE PROPERLY SIGNED AND DATED THIS BALLOT ON THE FOLLOWING SIGNATURE PAGE

_____, a Holder of a Class _____ Claim which has been for voting purposes only been allowed in the amount of _____ as of August 29, 2025 established by the Bankruptcy Court votes to (please check only one box).

☐ **ACCEPT** (vote for) the Plan

☐ **REJECT** (vote against) the Plan

ACKNOWLEDGMENT

By signing the undersigned, you represent to the Bankruptcy Court that you have received the Disclosure Statement and that you are either the claimant identified above or that you have the power and authority to vote to accept or reject the Plan on behalf of the claimant.

Name of Creditor

Date Completed

Signature

Mailing Address:

If by Authorized Agent, Name and Title

Telephone number

Once you have executed your ballot a physical copy should be delivered by delivery service, United States mail, or hand delivery to:

Breanna Tolbert
Carpenter Lipps, LLP
280 N. High St., Suite 1300
Columbus, OH 43215

DISCHARGE, RELEASE, AND INJUNCTION PROVISIONS

In voting on the Plan, please be aware that that the Plan contains the following provisions regarding the discharge of claims the releases of claims in certain instances, and injunctions based on those discharges and releases.

Article XI of the Plan provides for the following

A. Discharge of Claims and Termination of Interests

1. Complete Satisfaction, Discharge and Release

Except as provided in the Plan or in the Confirmation Order, the rights afforded under the Plan and the treatment of Claims and Interests under the Plan will be in exchange for and in complete satisfaction, discharge and release of all Claims and termination of all Interests arising on or before the Effective Date, including any interest accrued on Claims from and after the Petition Date. Except as provided in the Plan or in the Confirmation Order, Confirmation will, as of the Effective Date and immediately after cancellation of the Old S&G Common Stock: (a) discharge the Debtors from all Claims or other debts that arose on or before the Effective Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (i) a proof of Claim based on such debt is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code, (ii) a Claim based on such debt is allowed pursuant to section 502 of the Bankruptcy Code or (iii) the holder of a Claim based on such debt has accepted the Plan; and (b) terminate all Interests and other rights of equity security holders in the Debtors.

2. Discharge and Termination

In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order will be a judicial determination, as of the Effective Date and immediately after the cancellation of the Old S&G Common Stock, but prior to the issuance of the New S&G Common Stock, of a discharge of all Claims and other debts and liabilities against the Debtors and a termination of all Interests and other rights of the holders of Interests in the Debtors, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge will void any judgment obtained against the Debtor at any time, to the extent that such judgment relates to a discharged Claim or terminated Interest; *provided, however*, that, notwithstanding the extinguishment of any such judgment, the existence of a validly entered judgment may be treated as evidence of the entitlement to a Claim in the Chapter 11 Cases, which Claim, subject to other applicable requirements (including the timely filing of a proof of Claim, if necessary), will be satisfied by the distribution, if any, provided under the Plan.

B. Injunctions

1. Claims Enjoined

Except as provided in the Plan or the Confirmation Order or agreed to by the Debtors or the Reorganized Debtors, as of the Effective Date all entities and persons that have held,

currently hold or may hold a Claim or other debt or liability that is discharged or an Interest or other right of a holder of an Interest that is terminated pursuant to the terms of the Plan will be permanently enjoined from taking any of the following enforcement actions on account of any such discharged Claims, debts or liabilities or terminated Interests or rights: (a) commencing or continuing in any manner any action or other proceeding against any Debtor, any Reorganized Debtor or its respective property, other than to enforce any right pursuant to the Plan to a distribution; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order against any Debtor, any Reorganized Debtor or its respective property, other than as permitted pursuant to (a) above; (c) creating, perfecting or enforcing any lien or encumbrance against any Debtor, any Reorganized Debtor or its respective property; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any Debtor or any Reorganized Debtor; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

2. Enforcement Enjoined

As of the Effective Date, all entities and persons that have held, currently hold or may hold any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities that are released pursuant to the Plan will be permanently enjoined from taking any of the following actions against any released entity or its property on account of such released claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities: (a) commencing or continuing in any manner any action or other proceeding; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (c) creating, perfecting or enforcing any lien or encumbrance; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any released entity; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

3. Consent to Injunction

By accepting distributions pursuant to the Plan, each holder of an Allowed Claim receiving distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth in Section XI.B.1 and Section XI.B.2.

Section IV.D.3 of the Plan Also Provides for Certain Releases, Potential Releases, and an Associated Injunction

a. General Release by Holders of Claims or Interests That Vote in Favor of the Plan

As of the Effective Date, in consideration for the obligations of the Debtors and the Reorganized Debtors under the Plan and the cash, New Secured Promissory Note and other contracts, instruments, releases, agreements or documents to be entered into or delivered in connection with the Plan, each holder of a Claim or Interest that votes in favor of the Plan will be deemed to forever release, waive and discharge all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce the Debtors' and the Reorganized

Debtors' obligations under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (collectively, the "Released Claims") that such entity has, had or may have against any of the Debtors (which release will be in addition to the discharge of Claims and termination of Interests provided herein and under the Confirmation Order and the Bankruptcy Code).

b. Settlement Release of RSS by Debtors

If RSS votes in favor of the Plan, and does not object to confirmation of the Plan, on the Effective Date the Debtors shall release the RSS Related Parties of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce RSS's obligations under the New Secured Promissory Note or the 1111(b) Note (as applicable) or under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (the "Settlement Release of RSS"). Mr. Vasani and his other-non-debtor entities will also provide a parallel release to RSS if the Debtors provide the Settlement Release of RSS.

**c.
Settlement Release of InnVite Hospitality**

If the New Equity Investors become the sole owner of S&G on the Effective Date and the Management Agreement with InnVite Hospitality is assumed the Debtors shall release InnVite Hospitality of all claims (including Derivative Claims), obligations, suits, judgments, damages, demands, debts, rights, causes of action and liabilities (other than the right to enforce InnVite Hospitality's obligations under the Plan and the contracts, instruments, releases, agreements and documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising in law, equity or otherwise, that are based in whole or in part on any act, omission, transaction or other occurrence taking place on or prior to the Effective Date in any way relating to a Debtor, the Chapter 11 Cases or the Plan or the Disclosure Statement (the "Settlement Release of InnVite").

e. Injunction Related to Releases

As further provided in Section XI.B, the Confirmation Order will permanently enjoin

the commencement or prosecution by any entity or person, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action or liabilities released pursuant to the Plan, including pursuant to the releases in this Section IV.D.3.

Section XIII.A of the Plan contains the following Limitation of Liability/Exculpation provision.

None of the Debtors, their officers, their directors, and the Debtors' Professionals (collectively, the **"Exculpated Parties"**) shall have or incur any liability to any Holder of a Claim or Equity Interest, or other party in interest, or any of their respective members, officers, directors, employees, advisors, professionals, attorneys or agents or any of their successors and assigns, with respect to any Exculpated Claim, including, without limitation, any act or omission in connection with, related to, or arising out of, in whole or in part, the Debtors Chapter 11 Cases, except for willful misconduct, gross negligence, fraud or criminal misconduct as determined by a Final Order of a court of competent jurisdiction, and, in all respects, the Exculpated Parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

Article I of the Plan defines an "Exculpated Claim" with the following language:

"Exculpated Claim" means any Claim or Causes of Action whatsoever related to any act taken or omitted after the Commencement Date and on or before the Effective Date arising out of the Chapter 11 Cases related to the Debtors, including, without limitation, (i) the negotiation of any settlements entered into, with, or by the Debtors or any Estate representative, (ii) the formulation, preparation, dissemination, negotiation, filing, prosecution, approval or administration of the Plan and/or any financing, investment, or sale agreement with respect to the Debtors, and/or (iii) any contract, instrument, release, assignment, or other agreement or document created or entered into in connection with any such negotiations or settlements of the Chapter 11 Cases, or any financing agreement or settlement agreement in connection therewith, the filing of the Chapter 11 Cases, the pursuit of Confirmation, and the administration implementation of the Plan.

VOTING INSTRUCTIONS

1. The Debtors are soliciting the votes of Holders of Claims with respect to the Plan. A copy of the Plan is attached as Exhibit I to the Disclosure Statement. ***Please review the Disclosure Statement and the Plan carefully before voting.***
2. For your to be counted you must check either the accept or reject boxes on your ballot and of the spots in the Acknowledgment block above, including signing your ballot.
3. To be counted, a copy of the Ballot with your original signature must be received by Counsel to the Debtors by October 9, 2025 (the “**Voting Deadline**”). Ballots received after the Voting Deadline will not be counted. **Thus it is important for you to return your ballot promptly.** For your convenience, a return envelope already addressed to Counsel to the Debtors is enclosed. The voting procedures approved by the Bankruptcy Court do not permit delivery of Ballots by electronic means such as email or fax.
4. All of the claims indicated above for you must be voted in the same manner. If you hold claims in multiple classes, you may vote those claims in different amounts.
5. The allowance of your Claim here for voting is for that purpose only **and does not** mean your claim has been allowed for all purposes.
6. If you believe the amount of your claim, or which class it is in is incorrect, you can file a motion with the Bankruptcy Court to “estimate” your claim for voting purposes. All such motions must be filed **by September 18, 2024.**
7. If you cast more than one Ballot for the same Claim, only the one with the latest signature date which was received by the Voting Deadline will be counted.
8. This Ballot does not constitute a Proof of Claim or a request for allowance of an administrative expense and should not be used for this purpose.
9. THE DISCLOSURE STATEMENT IS THE COURT-APPROVED SOURCE OF INFORMATION FOR THE PLAN AND IS THE ONLY SOURCE OF INFORMATION TO BE RELIED ON.
10. If you have received a damaged ballot, lost your ballot, or have questions regarding the ballot and the voting procedures, please contact Debtors’ counsel Carpenter Lipps LLP, Attn: David Beck or Breanna Tolbert, 280 N. High St., Suite 1300, Columbus, Ohio 43215, by telephone at (614) 365-4142 or (614) 365-4141 or by email at beck@carpenterlipps.com or tolbert@carpenterlipps.com.

S&G Disclosure Statement Exhibit III

[Historical Consolidated Financials]

Pre-Bankruptcy Consolidated Financials for S&G Hospitality, Inc. Debtors

Hampton Inn - Lancaster, Quality Inn & Suites - North Columbus and Red Roof Inn Plus - Dublin OH Consolidated Income Statements Period From January 1, 2022 through August 17, 2023

	2022	Partial Year 2023	Total 2022 and Pre- bankruptcy filing 2023
Operating Revenue			
Room Department	\$ 4,766,634.92	\$ 3,034,347.46	\$ 7,800,982.38
Food and Beverages Department	\$ 13,268.99	\$ 7,396.36	\$ 20,665.35
Total Operating Revenue	\$ 4,766,634.92	\$ 3,034,347.46	\$ 7,800,982.38
Departmental Expenses			
Room Department	\$ 1,284,276.34	\$ 793,508.15	\$ 2,077,784.49
Food and Beverages Department	\$ 10,316.52	\$ 4,624.78	\$ 14,941.30
Other Operating Department	\$ -	\$ -	\$ -
Total Departmental Expenses	\$ 1,294,592.86	\$ 798,132.93	\$ 2,077,784.49
Room Department	\$ 3,482,358.58	\$ 2,240,839.31	\$ 5,723,197.89
Food and Beverages Department	\$ 2,952.47	\$ 2,771.58	\$ 5,724.05
Other Operating Department	\$ -	\$ -	\$ -
Miscellaneous Income	\$ 154,498.47	\$ 27,281.97	\$ 181,780.44
Total Departmental Income	\$ 3,639,809.52	\$ 2,270,892.86	\$ 5,910,702.38
Undistributed Operating Expense			
Administrative & General	\$ 491,324.15	\$ 366,817.49	\$ 858,141.64
Information & Telecom System	\$ 70,724.55	\$ 47,676.14	\$ 118,400.69
Sales & Marketing	\$ 739,128.77	\$ 399,868.09	\$ 1,138,996.86
Property Operations & Maintenance	\$ 302,075.41	\$ 222,904.09	\$ 524,979.50
Utilities	\$ 392,980.64	\$ 193,103.23	\$ 586,083.87
Total Undistributed Operating Expense	\$ 1,996,233.52	\$ 1,230,369.04	\$ 3,226,602.56
Gross Operating Profit	\$ 1,643,576.00	\$ 1,040,523.82	\$ 2,684,099.82
Management Fees			
Management Fees	\$ 186,661.15	\$ 149,655.00	\$ 336,316.15
Total Management Fees	\$ 186,661.15	\$ 149,655.00	\$ 336,316.15
Income Before Property & Other Taxes	\$ 1,456,914.85	\$ 890,868.82	\$ 2,347,783.67
Insurance	\$ 44,626.88	\$ 28,947.03	\$ 73,573.91
Property & Other Taxes	\$ 187,818.34	\$ 5,672.00	\$ 193,490.34
Non-Operating Expenses			
Other Non-Operating Exp	\$ 3,183.90	\$ 7,732.67	\$ 10,916.57
Total Non-Operating Expenses	\$ 3,183.90	\$ 7,732.67	\$ 10,916.57
EBITDA	\$ 1,221,285.73	\$ 848,517.12	\$ 2,069,802.85
Interest Expense	\$ -	\$ -	\$ -
EBTDA	\$ 1,221,285.73	\$ 848,517.12	\$ 2,069,802.85
Depreciation & Amortization	\$ -	\$ -	\$ -
Unclassified Dept	\$ -	\$ -	\$ -
Net Income (loss)	\$ 1,221,285.73	\$ 848,517.12	\$ 2,069,802.85

Notes

- Financials are on a cash basis.
- Because entities were not paying mortgage payments during foreclosure, Net Income is artificially inflated compared to results during the bankruptcy.
- Property & Other Tax payments in 2023 are lower than they would be on a prorated basis because of the timing of when property taxes are paid.

4. S&G's owner, Abhijit Vasani, did not draw any salary from S&G or its subsidiaries during this time period or receive any dividends or profit distributions from them. Instead, his compensation is paid by InnVite Hospitality out of a portion of the management fees it receives which are listed above. The management fees also cover a range of services provided by other employees of InnVite Hospitality to S&G's operating subsidiaries.

Post-Petition Consolidated Financials for S&G Hospitality, Inc. Debtors

**Hampton Inn - Lancaster
Quality Inn & Suites - North Columbus
Red Roof Inn Plus - Dublin OH**

Aug 18, 2023 to Dec 31, 2023

Operating Revenue

Room Department	\$	1,961,308.70
Total Operating Revenue	\$	1,961,308.70

Departmental Expenses

Room Department	\$	593,272.88
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Total Departmental Expenses \$ 593,272.88

Room Department Income	\$	1,368,035.82
Miscellaneous Income	\$	7,374.49
Total Departmental Income	\$	1,375,410.31

**Undistributed Operating
Expenses**

Administrative & General	\$	195,743.90
Information & Telecom System	\$	31,620.85
Property Operations & Maintenance	\$	127,429.44
Sales & Marketing	\$	245,692.86
Utilities	\$	116,405.72

**Total Undistributed Operating
Expenses \$ 716,892.77**

Gross Operating Profit \$ 658,517.54

Non-Operating Expenses

\$ 345,600.00

Other Non-Operating Expense	\$	299.69
Property & Other Taxes	\$	33,418.42
Insurance	\$	24,958.90
Depreciation & Amortization	\$	93,600.00
Other Expenses	\$	10,923.03
Ittria/SBA	\$	4,925.21
Management Fees	\$	49,058.56

Total Non-Operating Expenses	\$ 562,783.81
Income Before Capex and Restructuring Expenses	\$ 95,733.73

Restructuring and Other Expenses

CAPEX	\$ 26,528.72
Professional Fees	\$ 19,396.04
US Trustees	\$ 1,576.45
Net Income	<u>\$ 48,232.52</u>

Notes

1. Financials are based on aggregating monthly financials filed by Debtors with Monthly Operating Reports with Bankruptcy Court. Because of changes in how results were reported, the categories may not be consistent with other time periods.

2. Payments to RSS included amounts to be escrowed for property taxes and property insurance.

3. While the Debtors generally report on a cash basis, for certain months they also reported Depreciation and Amortization which are noncash items, on the monthly operating reports filed with the Bankruptcy Court.

4. S&G's owner, Abhijit Vasani, did not draw any salary from S&G or its subsidiaries during this time period or receive any dividends or profit distributions from them. Instead, his compensation is paid by InnVite Hospitality out of a portion of the management fees it receives which are listed above. The management fees also cover a range of services provided by other employees of InnVite Hospitality to S&G's operating

Post-Petition Consolidated Financials for S&G Hospitality, Inc. Debtors

**Hampton Inn - Lancaster
Quality Inn & Suites - North Columbus
Red Roof Inn Plus - Dublin OH**

2024

Operating Revenue

Room Department	\$	5,660,784.56
Total Operating Revenue	\$	5,660,784.56

Departmental Expenses

Room Department	\$	1,649,788.35
Total Departmental Expenses	\$	1,649,788.35

Room Department Income	\$	4,010,996.21
Miscellaneous Income	\$	88,108.04
Total Departmental Income	\$	4,099,104.25

Undistributed Operating Expense

Administrative & General	\$	537,978.63
Information & Telecom System	\$	137,263.18
Property Operations & Maintenance	\$	572,153.81
Sales & Marketing	\$	885,017.52
Utilities	\$	456,197.00
Total Undistributed Operating Expense	\$	2,588,610.14

Gross Operating Profit	\$	1,510,494.11
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Non-Operating Expenses

Payments to RSS	\$	972,012.30
Itira/SBA	\$	34,071.37
Management Fees	\$	171,000.00
Total Non-Operating Expenses	\$	1,177,083.67
Income	\$	333,410.44

Restructuring and Other Expenses

Capex/Misc	\$	632,815.71
Professional fees	\$	286,984.38
US Trustee Fees	\$	33,535.56
Net Income	\$	(619,925.21)

Notes

1. Financials are based on aggregating monthly financials filed by Debtors with Monthly Operating Reports with Bankruptcy Court. Because of changes in how results were reported, the categories may not be consistent with other time periods.

2. Payments to RSS included amounts to be escrowed for property taxes and property insurance.

3. Capex/Misc total includes \$119,003.12 of real estate taxes that was reported in this category on monthly reports, but ordinarily would not be reported as part of this category.

4. S&G's owner, Abhijit Vasani, did not draw any salary from S&G or its subsidiaries during this time period or receive any dividends or profit distributions from them. Instead, his compensation is paid by InnVite Hospitality out of a portion of the management fees it receives which are listed above. The management fees also cover a range of services provided by other employees of InnVite Hospitality to S&G's operating subsidiaries.

Exhibit IV to the Disclosure Statement

Projected Financial Information for S&G Hospitality, Inc. and its Debtor Subsidiaries

As part of confirmation of a chapter 11 plan, the Bankruptcy Court needs to find that the confirmed plan results in entities which will likely not lead to a future reorganization or financial reorganization of the debtors. To help provide information that the Plan satisfies these standards the management of the Debtors have prepared the attached income projections and sources and usage of cash in conjunction with their emergence from bankruptcy.

PLEASE NOTE THE DEBTORS DO NOT ORDINARILY PROVIDE BUSINESS PLANS OR FINANCIAL PROJECTIONS TO THIRD-PARTIES. THE DEBTORS DO NOT PLAN TO FURNISH UPDATED BUSINESS PLANS OR FINANCIAL PROJECTIONS AFTER THE EFFECTIVE DATE.

The attached projections assume the successful implementation of the Debtors' business plans and that the Fixed Renovation Cycle Management project at the Hampton Inn Lancaster is completed successfully. The attached projections also assume that the economic environment is reasonably stable during the projection period. Like all providers in the hospitality industry, actual results will be impacted by macroeconomic factors and also developments with competing hotels in their respective markets. The Debtors believe that the projections are reasonable under these assumptions, but no assurances are being provided that these results will be obtained.

The projections were developed by the Debtors' management team and have not been analyzed by any third-party accountants or advisors. Holders of claims entitled to vote under the Plan should use their own judgment regarding the reasonableness of these projections.

In re S&G Hospitality, Inc., et al. - Financial Projections of Reorganized Debtors

<u>Item</u>	Year starting				
	<u>Nov. 1, 2025</u>	<u>Nov. 1, 2026</u>	<u>Nov. 1, 2027</u>	<u>Nov. 1, 2028</u>	<u>Nov. 1, 2029</u>
Operating Revenues	\$ 5,610,000.00	\$ 5,778,300.00	\$ 6,017,579.30	\$ 6,227,189.35	\$ 6,476,276.92
Total Operating Expenses	\$ 4,151,400.00	\$ 4,160,376.00	\$ 4,362,744.99	\$ 4,545,848.22	\$ 4,727,682.15
<u>Non-Operating Expenses</u>					
Payments on RSS Loan	\$ 549,128.00	\$ 549,128.00	\$ 549,128.00	\$ 770,982.60	\$ 770,982.60
Property Taxes	\$ 290,000.00	\$ 295,000.00	\$ 300,000.00	\$ 370,000.00	\$ 390,000.00
Property Insurance	\$ 90,000.00	\$ 95,000.00	\$ 100,000.00	\$ 120,000.00	\$ 150,000.00
Management Fees	\$ 168,300.00	\$ 173,349.00	\$ 180,527.38	\$ 186,815.68	\$ 194,288.31
SBA Payments	\$ 4,400.00	\$ 4,400.00	\$ 4,400.00	\$ 4,400.00	\$ 4,400.00
Itria Payments	\$ 24,699.96	\$ 24,699.96	\$ 24,699.96	\$ 24,699.96	\$ 24,699.96
General Unsecured Payments	\$ -	\$ -	\$ 20,000.00	\$ 25,000.00	\$ 30,000.00
United States Trustee Fees	\$ 21,111.71	\$ 21,207.81	\$ 22,166.00	\$ 24,190.99	\$ 25,168.21
Total Non-Operating Expenses	\$ 1,147,639.67	\$ 1,162,784.77	\$ 1,200,921.34	\$ 1,526,089.23	\$ 1,589,539.08
Net Income Before Non-Recurring FRCM Costs	\$ 310,960.33	\$ 455,139.23	\$ 453,912.97	\$ 155,251.90	\$ 159,055.69
Fixed Renovation Cycle Management Project at	\$ 250,000.00	\$ 500,000.00	\$ 300,000.00	\$ -	\$ -
United States Trustee Fees related to FRCM	\$ 1,000.00	\$ 2,000.00	\$ 1,200.00	\$ -	\$ -
Net Income after FRCM Costs	\$ 59,960.33	\$ (46,860.77)	\$ 152,712.97	\$ 155,251.90	\$ 159,055.69
Net Infusion of Cash from Effective Date and Other Extraordinary 2025 Transactions	\$ 447,259.09	\$ -	\$ -	\$ -	\$ -
Projected Year End Cash Balance	\$ 507,219.42	\$ 460,358.64	\$ 613,071.61	\$ 768,323.51	\$ 927,379.20

Notes

1. Hypothetical effective date of November 1, 2025.

2. Projected revenues reflect that Hampton Inn Lancaster's projected revenues for 2025 are less than 2023 and 2024 numbers. This is because the most significant competing property for the Hampton Inn Lancaster was undergoing major renovations in 2023 and 2024, which provided a temporary boost to the Hampton Inn Lancaster's market share. Projected revenues also reflect that Red Roof's projected revenues for 2025 are lower than 2024 because a temporary occupancy boost provided by some long-term stays by construction workers for nearby construction projects which have now been completed.

3. Property insurance projections reflect an expectation that the insurance costs for the Hampton Inn Lancaster will rise when the Fixed Renovation Cycle Management ("FRCM") renovation being required by Hilton is completed.

4. RSS payments are based on an assumption RSS's Allowed Claim equals \$13,212,176.89, the 1111(b) Note has a face amount of \$9,984,146.10 at origination, but would also have a prepayment penalty at origination of \$3,228,030.79. The 1111(b) Note has a term of 18 years. For the first two years the 1111(b) note shall be interest only at an annual interest rate of 5.5%. For the remaining 15 years, the 1111(b) Note shall have an interest rate of 2.00% and will be amortizing as if it was a 15-year loan. Depending on the Allowed Amount of RSS's claim and the value of its collateral at confirmation, payments could be lower or higher than reflected in these projections.

S&G Sources and Uses of Cash for Effective Date Transactions Under Plan

<u>Sources</u>	<u>Amount</u>	<u>Uses</u>	<u>Amount</u>
Projected Cash on Effective Date	\$ 184,759	Cure costs for Franchise Agreements	\$ 150,000
Equity Infusion	\$ 500,000	Other cure costs	\$ 7,500
Totals	\$ 684,759	Convenience class distributions	\$ 20,000
		Pre-Effective Date Unpaid Professional Fees	\$ 50,000
		Contingency for other Administrative Claims or costs	\$ 10,000
		Totals	\$ 237,500

Notes:

1. Projected cash on Effective Date includes both cash and potential borrowings on the Innvite Line of Credit.
2. Convenience class distribution is based on the aggregate amount of filed and scheduled claims that qualify for that treatment and may change.
3. The amount of accrued professional fees could be impacted by the timing of plan confirmation and the extent of litigation associated with plan confirmation.

Exhibit V – Liquidation Analysis

The liquidation analysis presented below (the “Hypothetical Liquidation Analysis”) reflects the projected outcome of the hypothetical, orderly liquidation of the Debtors’ assets under chapter 7 of the Bankruptcy Code. The Hypothetical Liquidation Analysis projects that creditors in Classes 3A, 3B, 4A, 4B, 5A, 5B, 6, 7, and 8 would receive less in such a scenario than their projected recovery under the Plan.

Section 1129(b)(7) of the Bankruptcy Code provides that, in order for a chapter 11 plan to be confirmed, the proposed plan must either be accepted by each holder of a claim in an impaired class or that each such holder “will receive or retain under the plan on account of such claim or interest property of a value, as of the effective date of the plan, that is not less than the amount such holder would so receive or retain if the debtor were liquidated under chapter 7 of this title on such date.” The Hypothetical Liquidation Analysis provided below shows that the Debtors’ proposed plan satisfies this requirement.

The Liquidation Analysis makes a number of assumptions regarding how the hypothetical, orderly liquidation of the Debtors will be conducted:

- That the Debtors’ chapter 11 cases are converted to chapter 7 cases on November 1, 2025.
- That a single chapter 7 trustee is selected to administer all four of the Debtors’ cases.
- That the liquidation of assets would be conducted in a 60–90-day process.
- The “high” liquidation value for the Debtors’ hotels assumes that they can be sold in a deal where the existing franchise agreement is assumed and assigned to the buyer for the amounts opined by Michael Hunter in his appraisals for the Debtors. From these values are subtracted expected broker fees for the sale, cure costs for the franchise agreement, and accrued property taxes and utility charges.
- The “high” liquidation value also takes into account the expenses that would be incurred with the chapter 7 trustee needing to retain an independent professional hotel manager to run the hotels during the liquidation process and the adverse impact that changing management companies would cause on net cash flows during this period.
- The “low” liquidation value for the Debtors’ hotels assumes that the chapter 7 trustee instead decides to shut down the hotels, which will lead to rejection of the franchise agreements and the hotels being sold without a flag.
- In that scenario, the chapter 7 trustee would incur costs related to security for the hotels, utilities, and maintenance expenses to protect the value of the assets during that sales process.

- Chapter 7 trustee expenses are estimate at the statutory rates under section 326 of the Bankruptcy Code plus professional fees (other than for real estate brokers) estimated to total 0.75%.
- That net recoveries on older accounts receivable will be lower than on newer accounts receivable.
- That the chapter 7 trustee will have to remit adequate protection amounts equal to those in the current cash collateral budget for 3 months.

As with any hypothetical analysis, there are no guarantees that any of these assumptions are accurate. It is quite possible that liquidating the Debtors' assets will take additional time or result in lower recoveries than projected herein. Thus, there is no guarantee that the if the Debtors' cases are converted to cases under chapter 7 that the projected recoveries here can be obtained.

Hypothetical Liquidation Analysis For S&G Hospitality, Inc. and Its Debtor Subsidiaries

<u>Liquidation of Hotels</u>			
		<u>Low</u>	<u>High</u>
Gross Proceeds from selling hotels		\$ 7,000,000.00	\$ 11,010,000.00
<i>Minus</i>			
Real Estate Broker Commissions (at 3%)		\$ 210,000.00	\$ 330,300.00
Estimated proration on taxes and utilities		\$ 90,000.00	\$ 90,000.00
Cost to operate or maintain hotels through sale		\$ 225,000.00	\$ 90,000.00
Cure costs on hotel franchises		\$ -	\$ 125,000.00
Net Proceeds from Hotels		\$ 6,475,000.00	\$ 10,374,700.00
<u>Proceeds from Other Assets</u>			
	<u>Book Value</u>	<u>Low</u>	<u>High</u>
Projected cash on conversion	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
Accounts Receivables	\$ 83,694.33	\$ 22,816.73	\$ 31,168.80
Causes of Action	Unliquidated	\$ -	\$ -
Total Proceeds from other Assets		\$ 172,816.73	\$ 181,168.80
		<u>Low</u>	<u>High</u>
Total Proceeds		\$ 6,647,816.73	\$ 10,555,868.80
<u>Other Expenses</u>			
		<u>Low</u>	<u>High</u>
Adequate Protection Payments		\$ 252,549.68	\$ 252,549.68
Chapter 7 Trustee Fees		\$ 235,734.50	\$ 356,285.06
Other Professional fees		\$ 49,858.63	\$ 79,169.02
Other winddown related expenses		\$ 10,000.00	\$ 10,000.00
Total Chapter 7 Expenses		\$ 548,142.81	\$ 698,003.76
Hypothetical value available for distribution		\$ 6,099,673.92	\$ 9,857,865.04
Estimated Distribution to RSS		\$ 6,099,673.92	\$ 9,857,865.04
Estimated Distribution to SBA		\$ -	\$ -
Estimated Distribution to Itria.		\$ -	\$ -
Proceeds Available for Chapter 11 Administrative, Priority, and Unsecured Creditors		\$ -	\$ -