

## BIDDING PROCEDURES

**Alexandria Investment Group, LLC** (“Debtor”), through counsel, proposes to conduct an auction for the Sale (*defined below*) of the Purchased Assets (*defined below*) and will proceed in accordance with the following bid procedures (“Bidding Procedures”) in the Chapter 11 case styled *In re Alexandria Investment Group, LLC*, Case No. 18-80416 (the “Bankruptcy Case”).

The Debtor is soliciting bids for the proposed acquisition of the Purchased Assets in accordance with the procedures below. The Debtor will consider all offers which comply with the terms of these Bidding Procedures, which offers may include only cash consideration.

1. **Sale Proposal.** These Bidding Procedures set forth the terms by which prospective bidders may qualify for and participate in the Auction (*defined below*), thereby competing to make the highest or otherwise best offer for the Purchased Assets. The sale of the Purchased Assets (the “Sale”) shall be free and clear of any and all claims, liens, and other encumbrances, except permitted encumbrances identified in **Schedule 1** to these Bidding Procedures. Otherwise, all liens, claims and encumbrances will attach to the proceeds to the same extent and with the same priority as such liens, claims and encumbrances attached to the Purchased Assets prior to the Sale.
  
2. **Purchased Assets.** For purposes of a Sale, the “Purchased Assets” may consist of any or all of the following:

The “Airbase Road Land,” approximately fourteen (14) acres consisting of three (3) vacant tracts of land located at or about 1810 Airbase Road, Alexandria, Louisiana. The Airbase Road Land is described as Tract I, Tract II, and Tract III in the legal description recorded in Conveyance Book 2030, Pages 766-67, in the records of Rapides Parish, Louisiana, with Notarial Affidavit of Correction, Conveyance Book 2031, Pages 22-23.
  
3. **“As Is, Where Is” Sale.** Any Sale of the Purchased Assets will be transferred on an “as is, where is,” basis, with all faults, and without representations or warranties of any kind, nature or description by the Debtor, its agents or estate, whether written, verbal, express, implied, or by operation of law.
  
4. **Time and Place.** The Auction will commence on **November 6, 2018, at 11:00 a.m. Central Time**, to be held in open court, before the Honorable John W. Kolwe, United States Bankruptcy Judge for the Western District of Louisiana.
  
5. **Qualified Bidder.** To participate in the Auction, any party (“Qualified Bidder”) wishing to submit a proposal, offer, or bid (“Bid”) must:
  - A. Appear at the Auction in person or through a duly-authorized representative with authority to bind the person or entity which he or she purports to represent;

- B. Be fully prepared, able, and willing to consummate the Sale of the asset(s) for which the party is the Winning Bidder (*as defined herein*) on or before **November 20, 2018**; and
- C. Provide a deposit of **\$25,000.00 in certified funds** (“Deposit”) immediately prior to the Auction or contemporaneously with said Bid submittal.
6. **Opening Bid and Bid Increments.** Debtor will open the bidding at **\$150,000.00** and proceed in minimum increments of **\$10,000.00**.
7. **Winning Bidder.** The Auction shall continue until there is only one Bid that the Debtor’s counsel determines in his reasonable business judgment is the highest or otherwise best Bid (the “Winning Bid,” and the Qualified Bidder submitting such Bid, the “Winning Bidder”) at which point, the Auction will be closed. The Auction shall not close unless and until all Qualified Bidders have been given a reasonable opportunity to submit an overbid at the Auction to the then-existing overbid.
8. **Back-Up Bidder.** If the Winning Bidder fails to consummate the Sale, (a) the Debtor may consummate the Sale with the next highest or best bidder at the Auction (*i.e.*, the “Back-Up Bid” and the Qualified Bidder submitting such bid, the “Back-Up Bidder”), without the need for further Court approval, (b) the Debtor will retain the Deposit of such bidder, and (c) the Debtor will maintain the right to pursue all available remedies against the Winning and Back-Up Bidders.
9. **Deposits.** All Deposits (without interest) shall be returned to each bidder not selected by the Debtor as the Winning Bidder or Back-Up Bidder no later than five (5) business days following the conclusion of the Auction. The Deposit (without interest) of the Back-Up Bidder shall be returned to the Back-Up Bidder no later than 72 hours after the closing of the Sale. If the Winning Bidder timely closes the Sale, its Deposit (without interest) shall be credited towards the purchase price. If the Winning Bidder fails to timely close the Sale, and the Back-Up Bidder is called upon to close the Sale, such Back-Up Bidder’s Deposit (without interest) shall be credited towards the Purchase Price.
10. **Reservation of Rights.** The Debtor reserves the right to modify the Bidding Procedures at any time, with notice to bidders and potential bidders, to facilitate the submission of value-maximizing Bids, to adjourn the Auction one or more times for any reason, or to terminate the Bidding Procedures at any time to pursue an alternative restructuring strategy that maximizes value for the estate and its creditors.

## **Schedule 1**

### **Permitted Encumbrances for Airbase Road Land**

1. Right of Way, Grady L. Kelley to Southern Bell Telephone & Telegraph dated September 25, 1942, filed and recorded October 6, 1942, Conveyance Book 272, Page 608.
2. Right of Way, Guy Sherrill to Southern Bell Telephone & Telegraph dated October 10, 1942, Conveyance Book 271, page 504.
3. Right of Way, Curtis J. Smith to LA Rural Electric Corp. dated July 24, 1951, filed and recorded July 25, 1951, Conveyance Book 400, Page 29
4. Judgment, Curtis J. Smith to Rapides Parish Police Jury, filed and recorded December 12, 1950, Conveyance Book 397, page 512.
5. Sale, Doris Sutton et al, to State of Louisiana and the Department of Highways, filed and recorded October 14, 1970, Conveyance Book 764, Page 130.
6. Sale, Vernon L. Davidson et al, to Dept. of Transportation and Development, filed and recorded April 9, 1992, Conveyance Book 1344, Page 745.