IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	**Chapter 11**
CTI FOODS, LLC, *et al.*,	:	**Case No. 19–10497 ( )**
Debtors.[1]	:	**(Joint Administration Requested)**

MOTION OF DEBTORS FOR ORDER (I) SCHEDULING COMBINED HEARING TO CONSIDER (A) APPROVAL OF DISCLOSURE STATEMENT, (B) APPROVAL OF SOLICITATION PROCEDURES AND FORMS OF BALLOTS, AND (C) CONFIRMATION OF PREPACKAGED PLAN; (II) ESTABLISHING AN OBJECTION DEADLINE TO OBJECT TO DISCLOSURE STATEMENT AND PLAN; (III) APPROVING THE FORM AND MANNER OF NOTICE OF COMBINED HEARING, OBJECTION DEADLINE, AND NOTICE OF COMMENCEMENT; (IV) CONDITIONALLY WAIVING REQUIREMENT OF FILING STATEMENT OF FINANCIAL AFFAIRS AND SCHEDULES OF ASSETS AND LIABILITIES; (V) APPROVING NOTICE AND OBJECTION PROCEDURES FOR THE ASSUMPTION OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES; (VI) ESTABLISHING THE OFFICIAL RECORD DATE FOR HOLDERS UNDER THE SECOND LIEN TERM LOAN AGREEMENT AND APPROVING THE PAYMENT OF AGENCY FEES; (VII) CONDITIONALLY WAIVING REQUIREMENT TO CONVENE THE SECTION 341 MEETING OF CREDITORS; AND (VIII) GRANTING RELATED RELIEF PURSUANT TO SECTIONS 105(A), 341, 521(A), 1125, 1126, AND 1128 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 1007, 2002, 3017, AND 3018

CTI Foods, LLC and its debtor affiliates in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the "**Debtors**"), respectfully represent as follows in support of this motion (the "**Motion**"):

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Chef Holdings, Inc. (8070); Chef Intermediate, Inc. (8653); CTIF Holdings, Inc. (0046); Chef Investment, LLC (3918); CTI Foods Acquisition LLC (3918); CTI Foods Holding Co., LLC (8320); CTI Services Corporation (2331); CTI Foods, LLC (3673); CTI Arlington, LLC (6103); CTI Saginaw I, LLC (6133); CTI King of Prussia, LLC (4771); CTI-SSI Food Services, LLC (8322); S & S Foods LLC (7447); Custom Food Products Holdings, LLC (2697); Custom Food Products, LLC (0697); Liguria Holdings, Inc. (8652); and Liguria Foods, Inc. (6446). The Debtors' mailing address is 504 Sansom Blvd., Saginaw, Texas 76179.

Background

1. On the date hereof (the "**Petition Date**"), the Debtors each commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Debtors are authorized to continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee of creditors has been appointed in these chapter 11 cases. The Debtors have also filed a motion requesting joint administration of their chapter 11 cases pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "**Local Rules**").

2. On March 7, 2019, the Debtors executed a restructuring support agreement (the "**Restructuring Support Agreement**") with (i) members of an ad hoc group (the "**Ad Hoc Group**" and, collectively with other creditors that sign joinders to the Restructuring Support Agreement, the "**Consenting Creditors**") that hold approximately 74.23% of the outstanding principal amount under that certain First Lien Term Loan Agreement, dated as of June 28, 2013 (as amended, modified, or otherwise supplemented from time to time) and approximately 25.24% of the outstanding principal amount under that certain Second Lien Term Loan Agreement, dated as of June 28, 2013 (as amended, modified, or otherwise supplemented from time to time) and (ii) the prepetition equity sponsors (the "**Consenting Sponsors**"), which own or control approximately 94.31% of the outstanding equity interests in Chef Holdings, Inc. (which directly or indirectly owns or controls one hundred percent (100%) of the prepetition interests in the other Debtors). As a result of additional creditors joining the Restructuring Support Agreement, the Debtors now have the support of Consenting Creditors holding

approximately 78.70% of First Lien Term Loan Claims[2] and 52.31% of Second Lien Term Loan Claims. The Debtors and the Ad Hoc Group anticipate that the percentages of holders of First Lien Term Loan Claims and Second Lien Term Loan Claims that become Consenting Creditors will continue to increase in the coming days.

3. Pursuant to the Restructuring Support Agreement, the Consenting Creditors agreed to vote in favor of and support confirmation of the *Joint Prepackaged Chapter 11 Plan of Reorganization of CTI Foods, LLC and Its Affiliated Debtors* (the "**Prepackaged Plan**") which, upon implementation, provides for the Debtors to emerge from these chapter 11 cases substantially de-levered. Prior to the Petition Date, on March 8, 2019, the Debtors commenced the solicitation of votes on the Prepackaged Plan through their *Disclosure Statement for Joint Prepackaged Chapter 11 Plan of CTI Foods, LLC and Its Affiliated Debtors* (the "**Disclosure Statement**") pursuant to sections 1125 and 1126(b) of the Bankruptcy Code. Consistent with their obligations under the Restructuring Support Agreement, the Debtors are seeking to emerge from chapter 11 on an expedited basis.

4. Additional information regarding the Debtors' business and capital structure and the circumstances leading to the commencement of these chapter 11 cases is set forth in the *Declaration of Kent Percy in Support of the Debtors' Chapter 11 Petitions and First Day Relief*, sworn to on the date hereof (the "**Percy Declaration**"), which has been filed with the Court contemporaneously herewith and is incorporated by reference herein.

Jurisdiction

5. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Prepackaged Plan or the Percy Declaration (as defined below).

States District Court for the District of Delaware, dated February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409.

6. Pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

Relief Requested

7. By this Motion, pursuant to sections 105(a), 341, 521(a), 1125, 1126 and 1128 of the Bankruptcy Code, Bankruptcy Rules 1007, 2002, 3017, 3018, 3020, and 6003, and Local Rules 1007–1 and 3017-1 of the Local Rules, the Debtors request entry of an order:

(i) scheduling a combined hearing (the "**Combined Hearing**") to (a) approve the Disclosure Statement, (b) consider confirmation of the Prepackaged Plan, and (c) approve the Solicitation Procedures with respect to the Prepackaged Plan, including the forms of Ballots (as defined herein);

(ii) establishing a deadline to object to the adequacy of the Disclosure Statement and/or confirmation of the Prepackaged Plan (the "**Objection Deadline**");

(iii) approving the form and manner of notice of the Combined Hearing, the Objection Deadline, and notice of commencement of the chapter 11 cases (the "**Combined Notice**");

(iv) approving the notice and objection procedures in connection with the assumption of executory contracts and unexpired leases pursuant to the Prepackaged Plan;

(v) establishing the official record date for holders under the Second Lien Term Loan Agreement and approving the payment of administrative agents' fees;

(vi) extending the time for the Debtors to file schedules of assets and liabilities and statements of financial affairs (collectively, the "**Schedules and Statements**") through and including May 3, 2019 (the "**SOAL/SOFA Deadline**"), and conditionally waiving the requirement that the Debtors file the Schedules and Statements upon confirmation of the Prepackaged Plan;

(vii) conditionally waiving the requirement to convene the meeting of creditors under section 341 of the Bankruptcy Code if the Prepackaged Plan becomes effective on or before the SOAL/SOFA Deadline; and

(viii) granting related relief.

8. A proposed form of order granting the relief requested herein is annexed hereto as **Exhibit A** (the "**Proposed Order**").

9. The table below lists the important dates requested in the Motion (which comply with the milestones contained in the Restructuring Support Agreement):

Event	Proposed Dates	Notes
Voting Record Date	March 6, 2019	N/A
Commencement of Plan Solicitation	March 8, 2019	N/A
Petition Date	March 11, 2019	N/A
Mailing of Combined Notice	March 14, 2019	Entry of Proposed Order + 2 days
Plan Supplement Filing Deadline	March 25, 2019	7 days Prior to Plan Voting Deadline
Plan Voting Deadline	April 1, 2019, at 5:00 p.m. (Prevailing Eastern Time)	Solicitation Date + 24 days
Voting Certification Deadline	April 8, 2019	Plan Voting Deadline + 7 days
Plan and Disclosure Statement Objection Deadline	April 11, 2019 at 5:00 p.m. (Prevailing Eastern Time)	Mailing of Combined Notice + 28 days
Reply Deadline	April 16, 2019 at 5:00 p.m. (Prevailing Eastern Time)	Plan Objection Deadline + 5 days
Combined Hearing	April 18, 2019	Plan Objection Deadline + 7 days
SOAL/SOFA Deadline	May 3, 2019	Combined Hearing Date + 15 days

10. Below is a list of the exhibits referenced in the Motion:

Document	Exhibit
Proposed Order	Exhibit A to this Motion
Combined Notice	Exhibit 1 to the Proposed Order
Form of Ballot for Class 3 First Lien Term Loan Claims	Exhibit 2 to the Proposed Order
Form of Ballot for Class 4 Second Lien Term Loan Claims	Exhibit 3 to the Proposed Order

The Prepackaged Plan

11. The Debtors' proposed restructuring under the Prepackaged Plan provides, among other things:

- each holder of an Allowed First Lien Term Loan Claim, will receive, on the Effective Date or as soon as reasonably practicable thereafter, its pro rata share of (i) 97% of shares of common stock of Reorganized Chef Holdings, Inc. (the "**New Common Shares**"), plus an additional 3% of the New Common Shares issued on the Effective Date in the event that Class 4 does not vote to accept the plan, each subject to dilution from the New Common Shares issued pursuant to each of the Management Incentive Plan, and the Backstop Commitment Fee and (ii) a first lien last-out tranche of loans issued under the Exit Term Loan Agreement, with an aggregate principal amount of $50 million (the "**Exit Last Out Term Loans**");

- in the event that Class 4 votes to accept the Plan, each holder of an Allowed Second Lien Term Loan Claims will receive, on the Effective Date or as soon as reasonably practicable thereafter, a pro rata share of 3% of the New Common Shares, subject to dilution from the New Common Shares issued pursuant to each of the Management Incentive Plan and the Backstop Commitment Fee; In the event that Class 4 does not vote to accept the Plan, each holder of an Allowed Second Lien Term Loan Claim will not receive or retain any distribution on account of such Claim;

- each holder of a claim arising under the existing Revolving Credit Agreement, dated as of June 28, 2013 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "**ABL Credit Agreement**"), to the extent not Paid in Full prior to the Effective Date, will be Paid in Full[3];

- the Debtors' general unsecured creditors will receive payment of their claims in full in the ordinary course of business; and

- existing equity interests in Chef Holdings, Inc. will be cancelled on the Effective Date.

[3] Under the Prepackaged Plan, "Paid in Full" means, with respect to any referenced obligations under the DIP ABL Documents, the DIP Term Loan Agreement, or the Prepetition Secured Debt Documents, (i) the indefeasible payment in full in Cash of all such obligations and Bank Products (as defined in the DIP ABL Agreement), (ii) the termination or cash collateralization, in accordance with the DIP ABL Documents or Prepetition Secured Debt Documents, as applicable, of all undrawn letters of credit and Bank Services Obligations (as defined in the ABL Credit Agreement) outstanding thereunder, and (iii) the termination of all commitments under the DIP Documents or the Prepetition Secured Debt Documents, as applicable.

12. In addition to supporting the Prepackaged Plan, certain Consenting Creditors have agreed to provide the Debtors with postpetition financing pursuant to a term loan financing facility in an aggregate principal amount of $75 million (the "**DIP Term Loan Facility**"). Certain of the Consenting Creditors (the "**Backstop Parties**") have agreed to backstop the DIP Term Loan Facility and, as consideration for such backstop, receive a commitment fee (the "**Backstop Commitment Fee**") equal to 4.5% of the aggregate amount of the DIP Term Loan Facility in the form of New Common Shares at Plan Value, subject to dilution from the New Common Shares issued pursuant to the Management Incentive Plan. Each holder of an Allowed First Lien Term Loan Claim and Allowed Second Lien Term Loan Claim will have the opportunity to participate in the DIP Term Loan Facility up to such holder's Pro Rata Share of $60 million, with the remaining amount of the DIP Term Loan Facility being provided by holders of First Lien Term Loan Claims in the Ad Hoc Group. A portion of the DIP Term Loan Facility, as well as a portion of a postpetition asset-based revolving financing facility in an aggregate principal amount of $80 million (the "**DIP ABL Facility**" and, together with the DIP Term Loan Facility, the "**DIP Facilities**"), will be used to satisfy, in full, the Debtors' prepetition obligations under its existing Revolving Credit Agreement, dated as of June 28, 2013 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "**ABL Credit Agreement**"). The DIP Facilities will also be used to support the Debtors' working capital needs during the Chapter 11 Cases.

13. On the Effective Date, each holder of an Allowed DIP Term Loan Facility Claim will receive an amount of first lien first-out tranche of loans (the "**Exit First Out Term Loans**") equal to such Allowed DIP Term Loan Facility Claim. Each DIP Term Loan Lender will also receive an exit fee equal to 1% of the aggregate principal amount of the DIP Term Loan

Facility to be paid Pro Rata on the Effective Date in the form of Cash. In addition, on the Effective Date, the DIP ABL Facility will be refinanced with a new asset-based revolving loan facility in an aggregate principal amount of $110 million (the "**Exit ABL Facility**"), the proceeds of which will (i) ensure that all outstanding DIP ABL Facility Claims and commitments under the DIP ABL Facility are Paid in Full and (ii) provide an additional $30 million in new commitments by the Exit ABL Lenders. As a result of the Restructuring Transactions, the Debtors will have approximately $175 million of funded debt on their balance sheet upon emergence from chapter 11.

Basis for Relief Requested

I. Scheduling a Combined Hearing

14. The Debtors seek a Combined Hearing to consider approval of the Disclosure Statement, the Solicitation Procedures, and the Prepackaged Plan. Bankruptcy Rules 2002 and 3017(a) require twenty-eight (28) days' notice be given by mail to all creditors of the time fixed (i) for filing objections to and the hearing to consider approval a disclosure statement and (ii) for filing objections to and the hearing to consider confirmation of a plan of reorganization. Section 1128(a) of the Bankruptcy Code provides that "[a]fter notice, the court shall hold a hearing on confirmation of a plan." Local Rule 3017-1 requires the hearing date on a disclosure statement to be at least thirty-five (35) days following service thereof. In addition, Bankruptcy Rule 3017(c) provides that "[o]n or before approval of the disclosure statement, the court shall fix a time within which the holders of claims and interests may accept or reject the plan and may fix a date for the hearing on confirmation." In addition, under Bankruptcy Rule 3020(b)(1), objections to confirmation of a plan must be filed and served "within a time fixed by the court." Section 105(d)(2)(B)(vi) of the Bankruptcy Code provides that the Court may

combine the hearing on approval of a disclosure statement with the hearing on confirmation of the related Prepackaged Plan.

15. The most sensitive and difficult tasks required to effectuate a successful reorganization—the negotiation of consensual agreements with the Debtors' primary lenders and the ultimate formulation of a chapter 11 plan of reorganization—have already been achieved in advance of the Petition Date, as embodied in the Restructuring Support Agreement. As set forth in the Percy Declaration, the Debtors also began soliciting votes on the Prepackaged Plan from all classes of holders of Claims entitled to vote to accept or reject the Prepackaged Plan prior to the Petition Date. The Debtors believe that the votes tabulated and received from these classes will be sufficient to confirm the Prepackaged Plan. A Combined Hearing would promote judicial economy and is in the best interests of the Debtors and their estates and creditors because it would enable all parties in interest to proceed with the confirmation process as expeditiously as possible.

16. Accordingly, the Debtors respectfully request that the Court schedule the Combined Hearing on April 18, 2019, or as soon thereafter as is practicable in light of the Court's calendar. The Debtors further request that the Proposed Order provide that the Combined Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates in open court or at the Combined Hearing, and that notice of such adjourned date(s) will be available on the electronic case filing docket. In addition to the reasons set forth above, it is appropriate to enter the Proposed Order at this time so that parties in interest may be informed as promptly as possible of the anticipated schedule of events for confirmation of the Prepackaged Plan.

17. The proposed schedule affords creditors and all other parties in interest ample notice of these chapter 11 cases and the Combined Hearing. Specifically, the proposed schedule provides a period of thirty-five (35) days between the Combined Hearing and the service of the Combined Notice, during which time parties may evaluate the Prepackaged Plan prior to the proposed Combined Hearing thereon. Consequently, no party in interest will be prejudiced by the requested relief.

II. Approval of the Disclosure Statement

18. The Debtors will request at the Combined Hearing that the Court find that the Disclosure Statement contains "adequate information" as defined in section 1125(a) and required by section 1126(b) of the Bankruptcy Code. The Disclosure Statement contains adequate information to permit holders of Claims and Interests to make an informed judgment about the Prepackaged Plan. In addition to the Prepackaged Plan itself, the Disclosure Statement includes disclosures regarding: (i) the operation of the Debtors' businesses; (ii) key events leading to the commencement of these chapter 11 cases; (iii) the Debtors' significant prepetition indebtedness; (iv) the proposed capital structure of the Reorganized Debtors; (v) financial information and a valuation that are relevant to creditors' determinations of whether to accept or reject the Prepackaged Plan; (vi) a liquidation analysis setting forth the estimated return that holders of Claims and Interests would receive in a hypothetical chapter 7 liquidation; (vii) risk factors affecting the Prepackaged Plan; and (viii) federal tax law consequences of the Prepackaged Plan.

19. The Disclosure Statement and the related Solicitation Procedures discussed below comply with applicable provisions of the Bankruptcy Code and the Bankruptcy Rules as well as any applicable nonbankruptcy laws, rules, or regulations governing the

adequacy of disclosure in connection with such solicitation. Accordingly, the Debtors will respectfully request that the Court find that the information contained in the Disclosure Statement is "adequate information" as such term is defined in section 1125(a) of the Bankruptcy Code.

III. Approval of Solicitation Procedures and Forms of Ballots

20. The Debtors will request at the Combined Hearing that the Court approve the solicitation, balloting, tabulation, and related activities undertaken in connection with the Prepackaged Plan (collectively, the "**Solicitation Procedures**").

A. Classes Presumed to Accept or Deemed to Reject the Prepackaged Plan

21. Section 1126(f) of the Bankruptcy Code provides that:

> Notwithstanding any other provision of this section, a class that is not impaired under a plan, and each holder of a claim or interest of such class, are conclusively presumed to have accepted the plan, and solicitation of acceptances with respect to such class from the holders of claims or interests of such class is not required.

11 U.S.C. § 1126(f).

22. The Prepackaged Plan provides that each holder of a Claim or Interest in Class 1 (Other Priority Claims), Class 2 (Other Secured Claims), Class 5 (ABL Claims), Class 6 (General Unsecured Claims), Class 7 (Intercompany Claims), and Class 10 (Intercompany Interests) is unimpaired. Under section 1126(f) of the Bankruptcy Code, these parties are presumed to have accepted the Prepackaged Plan and not entitled to vote. Accordingly, the Debtors have not solicited votes from such holders.

23. Section 1126(g) of the Bankruptcy Code provides that:

> Notwithstanding any other provision of this section, a class is deemed not to have accepted a plan if such plan provides that the claims or interests of such class do not entitle the holders of such claims or interests to receive or retain any property under the plan on account of such claims or interests.

11 U.S.C. § 1126(g).

24. The Prepackaged Plan provides that each holder of an Interest in Class 8 (Existing Holdings Interests) and Class 9 (Existing Profit Interests) is impaired and will receive no distributions under the Prepackaged Plan. Pursuant to section 1126(g) of the Bankruptcy Code, the holders of interests in each of the foregoing classes are conclusively presumed to have rejected the Prepackaged Plan and, thus, are not entitled to vote. Accordingly, the Debtors have not solicited votes from such holders.

25. Additionally, the holders of Claims in Class 3 (First Lien Term Loan Claims) and Class 4 (Second Lien Term Loan Claims) are impaired, receiving distributions under the Prepackaged Plan, and, thus, entitled to vote.

26. With respect to the specific Classes of Claims and Interests that were presumed to accept or deemed to reject the Prepackaged Plan, the Solicitation Procedures undertaken by the Debtors and described herein comply with the Bankruptcy Code and should be approved. The Debtors respectfully request that the Court consider approval of the Solicitation Procedures with respect to these Classes at the Combined Hearing.

B. Solicitation of Classes Entitled to Vote to Accept or Reject the Prepackaged Plan

27. Section 1126(b) of the Bankruptcy Code expressly permits a debtor to solicit votes from holders of claims or interests prepetition and without a court-approved disclosure statement if the solicitation complies with applicable non-bankruptcy law—including

generally applicable federal and state securities laws or regulations—or, if no such laws exist, the solicited holders receive "adequate information" within the meaning of section 1125(a) of the Bankruptcy Code.

28. The Solicitation Procedures comply with all applicable non-bankruptcy laws governing the adequacy of disclosure in connection with the solicitation. The Debtors' prepetition solicitation is exempt from registration pursuant to Regulation D of the Securities Act of 1933, 15 U.S.C. §§ 77a-77aa (as amended from time to time, the "**Securities Act**") and under state "Blue Sky" laws, or any similar rules, regulations, or statutes. The solicitation is being made prior to the Petition Date only to holders of First Lien Term Loan Claims and Second Lien Term Loan Claims who are "accredited investors" within the meaning of Rule 501(a) of Regulation D of the Securities Act. Accordingly, the Debtors have complied with the requirements of Regulation D of the Securities Act, as the prepetition solicitation of acceptances would constitute a private placement of securities. Accordingly, the Debtors' prepetition solicitation complies with the requirements of section 1126(b)(1).

29. Bankruptcy Rule 3018(b) provides, among other things, that prepetition acceptances or rejections of a plan are valid only if such plan was "transmitted to substantially all creditors and equity security holders of the same class" and that the time for voting was not "unreasonably short." On March 8, 2019, the Disclosure Statement, the Prepackaged Plan, and one or more of the forms of ballots set forth on Exhibits 2 and 3 to this Motion (the "**Ballots**," and collectively with the Disclosure Statement and the Prepackaged Plan, the "**Solicitation Package**") were served on holders in Class 3 (First Lien Term Loan Claims) and Class 4 (Second Lien Term Loan Claims). The Solicitation Package established March 6, 2019 as the record date (the "**Voting Record Date**") for determining which creditors were entitled to vote on

the Prepackaged Plan and advised recipients that the voting period will end at 5:00 p.m. (Prevailing Eastern Time) on April 1, 2019 (the "**Voting Deadline**").

30. Furthermore, the Prepackaged Plan is the product of several months of extensive negotiations among the Debtors, the Consenting Creditors, the Sponsors, and other key stakeholders. The Debtors set the Voting Deadline 24 days after solicitation. The solicitation period provides a sufficient period within which the holders of Claims entitled to vote may make an informed decision to accept or reject on the Prepackaged Plan.

31. Bankruptcy Rule 3017(d) requires that the Debtors use a form of ballot substantially conforming to Official Form No. 314. The Ballots are based on Official Form No. 314, but were modified to address the particular aspects of these chapter 11 cases and to be relevant and appropriate for each Class of Impaired Claims entitled to vote on the Prepackaged Plan. To be counted as a vote to accept or reject the Prepackaged Plan, the Ballot must be properly executed, completed, and delivered so that they are received no later than the Voting Deadline. Holders may submit paper Ballots to CTI Foods, LLC Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 3rd Floor, New York, New York 10022. Alternatively, holders may submit their Ballots via Prime Clerk's online E-Balloting Portal by visiting https://cases.primeclerk.com/CTIfoodsballots/, clicking on the "Submit E-Ballot" section of the website, and following the instructions set forth on the E-Ballot.[4] Additionally, each of the Ballots was specifically designed to conform to the Prepackaged Plan. The Debtors submit that the Ballots satisfy the requirements of Bankruptcy Rule 3017(d).

[4] The encrypted ballot data and audit trail created by such electronic E-Ballot submission shall become part of the record of any vote submitted in this manner and the creditor's electronic signature will be deemed to be immediately legally valid and effective.

32. In consideration of the foregoing, the Solicitation Procedures and Ballots comply with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and all applicable nonbankruptcy laws, rules, and regulations. The Debtors respectfully request that the Court approve the Solicitation Procedures and Ballots.

C. Continuation of the Debtors' Prepetition Solicitation After the Petition Date

33. The Debtors distributed the Disclosure Statement and Ballots prior to the Petition Date in accordance with sections 1125 and 1126 of the Bankruptcy Code. *See* 11 U.S.C. § 1125(g) ("[A]n acceptance or rejection of the plan may be solicited from a holder of a claim or interest if such solicitation complies with applicable nonbankruptcy law and if such holder was solicited before the commencement of the case in a manner complying with applicable nonbankruptcy law."). Although the Debtors do not believe that the Disclosure Statement must be conditionally approved for the Debtors' prepetition solicitation to continue postpetition, out of an abundance of caution, the Debtors request that the Court conditionally approve the Disclosure Statement if the Court deems it necessary to do so.

34. Courts in this district have recognized that debtors may "straddle" solicitation by commencing solicitation prior to the petition date and continuing postpetition. *See, e.g.*, *In re David's Bridal, Inc.*, No. 18-12635 (LSS) (Bankr. D. Del. Nov. 20, 2018) (D.I. 95); *In re SE. Grocers, LLC*, No. 18-10700 (MFW) (Bankr. D. Del. Mar. 29, 2018) (D.I. 131); *In re Ascent Res. Marcellus Holdings, LLC*; No. 18-10265 (LSS) (Bankr. D. Del. Feb. 9, 2018) (D.I. 43); *In re Tidewater Inc.*, No. 17-11132 (BLS) (Bankr. D. Del. May 17, 2017) (D.I. 378); *In re Nuverra Envtl. Solutions Inc.*, No. 17-10949 (KJC) (Bankr. D. Del. May 2, 2017) (D.I. 59); *In re Homer City Generation, L.P.*, No. 17-10086 (MFW) (Bankr. D. Del. Feb. 15, 2017) (D.I. 157); *In re Dex Media, Inc.*, No. 16-11200 (KG) (Bankr. D. Del. May 16, 2016) (D.I. 52). Furthermore, it is important that these chapter 11 cases proceed as expeditiously as possible.

IV. Deadline and Procedures for Objections to the Disclosure Statement and the Prepackaged Plan

35. Bankruptcy Rule 3017(a) authorizes the Court to fix a time for filing objections to the adequacy of a disclosure statement and Bankruptcy Rule 3020(b)(1) authorizes the Court to fix a time for filing objections to a plan of reorganization. Further, Bankruptcy Rule 2002(b) requires at least twenty-eight (28) days' notice be given by mail to all creditors of the time fixed for filing objections to approval of a disclosure statement and confirmation of a plan of reorganization. Local Rule 3017-1 similarly provides that the deadline for objection to approval of a disclosure statement "shall be at least twenty-eight (28) days from service of the disclosure statement."

36. The Debtors request that the Court set April 11, 2019 at 5:00 p.m. (Prevailing Eastern Time) as the Objection Deadline. This date will provide holders of Claims no less than twenty eight (28) days' notice of the deadline for filing objections to the Disclosure Statement and the Prepackaged Plan while still affording the Debtors and other parties in interest time to file a responsive brief and, if possible, resolve any objections received. The Debtors also request that the Court set April 16, 2019 at 5:00 p.m. (Prevailing Eastern Time) as the deadline to file a brief in support of the Disclosure Statement and confirmation of the Prepackaged Plan and response to any objections (the "**Reply Deadline**").

37. The Debtors further request that the Court direct that any objections to the Disclosure Statement and/or the Prepackaged Plan be: (i) in writing; (ii) filed with the Clerk of the Court together with proof of service thereof; (iii) set forth the name of the objecting party, and the nature and amount of any claim or interest asserted by the objecting party against the estate or property of the Debtors, and state the legal and factual basis for such objection; and (iv) conform to the applicable Bankruptcy Rules and the Local Rules. In addition to being filed

with the Clerk of the Court, any such objections should be served upon the following parties so as to be received by the Objection Deadline:

(i) CTI Foods, LLC, 504 Sansom Blvd., Saginaw, Texas 76179 (Attn: Jonathon Spiller, Senior Vice President and General Counsel);

(ii) proposed counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Matthew S. Barr, Esq. (Matt.Barr@weil.com), Ronit J. Berkovich, Esq. (Ronit.Berkovich@weil.com), and Lauren Tauro, Esq. (Lauren.Tauro@weil.com) and Young Conaway Stargatt & Taylor, LLP, 1000 North King Street, Wilmington, Delaware 19801 (Attn: M. Blake Cleary, Esq. (mbcleary@ycst.com) and Jaime Luton Chapman, Esq. (jchapman@ycst.com));

(iii) counsel to the Ad Hoc Group and Cortland Capital Market Services LLC, as DIP Term Loan Agent, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 (Attn: Damian S. Schaible, Esq. (damian.schaible@davispolk.com) and Michelle McGreal, Esq. (michelle.mcgreal@davispolk.com));

(iv) counsel to Morgan Stanley Senior Funding, Inc., as administrative agent under the First Lien Term Loan Agreement and Second Lien Term Loan Agreement, White & Case LLP, 1221 Avenue of the Americas, New York, New York 10020 (Attn: Elizabeth Feld, Esq. (efeld@whitecase.com) and Charles Koster, Esq. (ckoster@whitecase.com));

(v) counsel to Wells Fargo Bank, National Association, as administrative agent under the ABL Credit Agreement, Otterbourg P.C., 230 Park Avenue, New York, New York 10169 (Attn: Andrew Kramer, Esq. (akramer@otterbourg.com) and Allen Cremer, Esq. (acremer@otterbourg.com));

(vi) counsel to Barclays Bank PLC, as the DIP ABL Agent, Shearman & Sterling LLP, 599 Lexington Avenue, New York, New York 10022 (Attn: Joel Moss, Esq. (joel.moss@shearman.com) and Jordan Wishnew, Esq. (jordan.wishnew@shearman.com));

(vii) Counsel to Goldman Sachs**,** Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, Bank of America Tower, New York, New York 10036-6745 (Attn: Ira Dizengoff, Esq. (idizengoff@akingump.com) and Jason Rubin, Esq. (jrubin@akingump.com)); and

(viii) the Office of the United States Trustee for the District of Delaware (the "**U.S. Trustee**"), 844 N King St., Suite 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Jane Leamy (jane.m.leamy@usdoj.gov)).

V. Form and Manner of Notice of the Combined Hearing and the Commencement of These Chapter 11 Cases

38. The Debtors propose to serve the Combined Notice substantially in the form annexed as **Exhibit 1** to the Proposed Order. The Combined Notice provides a summary of the Prepackaged Plan and sets forth (i) the date, time, and place of the Combined Hearing; (ii) instructions for obtaining copies of the Disclosure Statement and Prepackaged Plan; (iii) the Objection Deadline and the procedures for filing objections to the Disclosure Statement and confirmation of the Prepackaged Plan; (iv) procedures in respect of assumption of executory contracts and unexpired leases; and (v) notice of commencement of these chapter 11 cases. The Combined Notice will be served upon the Debtors' creditor matrix and all interest holders of record, including the holders of all Claims and Interests in Classes presumed to accept or deemed to reject the Prepackaged Plan, which service will occur as soon as possible after the Court's approval of the Combined Notice.

39. Bankruptcy Rule 2002(l) permits a court to "order notice by publication if it finds that notice by mail is impracticable or that it is desirable to supplement the notice." The Debtors request that the Court authorize the Debtors, in their discretion, to give supplemental publication notice of the Combined Hearing on a date no less than twenty-eight (28) days prior to the Combined Hearing. The proposed notice schedule, as described above, affords parties in interest ample notice of these proceedings.

40. The Debtors request that the Court determine that they are not required to distribute copies of the Prepackaged Plan or the Disclosure Statement to any holder of a Claim or Interest within a Class under the Prepackaged Plan that is deemed to accept or is deemed to reject the Prepackaged Plan, unless such party makes a specific request in writing for the same. Bankruptcy Rule 3017(d) provides, in relevant part, as follows:

> If the court orders that the disclosure statement and the Prepackaged Plan or a summary of the Prepackaged Plan shall not be mailed to any unimpaired class, notice that the class is designated in the Prepackaged Plan as unimpaired and notice of the name and address of the person from whom the Prepackaged Plan or summary of the Prepackaged Plan and disclosure statement may be obtained upon request and at the Prepackaged Plan proponent's expense, shall be mailed to members of the unimpaired class together with the notice of the time fixed for filing objections to and the hearing on confirmation.

Fed. R. Bankr. P. 3017(d). The Prepackaged Plan provides that holders of Claims and Interests in Class 1 (Other Priority Claims), Class 2 (Other Secured Claims), Class 5 (ABL Claims), Class 6 (General Unsecured Claims), Class 7 (Intercompany Claims), and Class 10 (Intercompany Interests) are deemed to accept. Accordingly, holders of Claims and Interests in each of the above-mentioned unimpaired Classes are conclusively presumed to accept the Prepackaged Plan and were not solicited.

41. The Debtors request that the Court apply the same rationale to holders in Class 8 (Existing Holdings Interests) and Class 9 (Existing Profit Interests), which are deemed to reject the Prepackaged Plan, and waive the requirement that the Debtors send a copy of the Prepackaged Plan and Disclosure Statement to members of such Class. In lieu of furnishing each such holder of a Claim or Interest that is either deemed to accept or is deemed to reject the Prepackaged Plan with a copy of the Prepackaged Plan and the Disclosure Statement, the Debtors propose to send to such holders the Combined Notice, which sets forth the manner in which a copy of the Prepackaged Plan and the Disclosure Statement may be obtained. In addition, the Debtors have made the Disclosure Statement and the Prepackaged Plan available at no cost on Prime Clerk LLC's website at https://cases.primeclerk.com/CTIfoods/. The Debtors submit that such notice satisfies the requirements of Bankruptcy Rule 3017(d).

VI. Procedures in Respect of the Assumption of Executory Contracts or Unexpired Leases

42. The Prepackaged Plan provides that all executory contracts and unexpired leases (the "**Assumed Contracts**") to which the Debtors are parties shall be deemed assumed by the Debtors, unless such contract or lease (i) was previously assumed or rejected by the Debtors pursuant to Final Order of the Bankruptcy Court, (ii) previously expired or terminated pursuant to its own terms or by agreement of the parties thereto, (iii) is the subject of a motion to reject filed by the Debtors on or before the Confirmation Date, or (iv) is specifically designated as a contract or lease to be rejected on the Schedule of Rejected Contracts (as defined in the Prepackaged Plan). The Debtors intend to serve the Combined Notice on all parties to executory contracts and unexpired leases, reflecting the Debtors' intention to assume the executory contracts or unexpired leases in connection with the Prepackaged Plan and indicating that the Cure Amount[5] shall be asserted against the Debtors or the Reorganized Debtors, as applicable, in the ordinary course of business. In addition, the Combined Notice provides that in the event of any dispute pertaining to the assumption of an executory contract or unexpired lease, such dispute will be addressed pursuant to Section 8.2 of the Prepackaged Plan, which provides that the Bankruptcy Court will make a determination on the dispute before the assumption is effective, or the Debtors, subject to certain conditions and consents, may settle any dispute without any further notice to any party or any action, order, or approval of the Bankruptcy Court.

43. The Debtors respectfully submit that the notice of the Debtors' assumption of executory contracts and unexpired leases, as provided in the Combined Notice, and the

[5] Under the Prepackaged Plan, "Cure Amount" means the payment of Cash or the distribution of other property (as the parties may agree or the Bankruptcy Court may order) as necessary to (i) cure a monetary default by the Debtors in accordance with the terms of an executory contract or unexpired lease of the Debtors and (ii) permit the Debtors to assume such executory contract or unexpired lease under section 365(a) of the Bankruptcy Code.

procedures set forth herein, are appropriate under the circumstances. Pursuant to the procedures proposed by the Debtors, the Debtors will serve the Combined Notice on all applicable counterparties to executory contracts and unexpired leases at least 28 days before the Objection Deadline.

VII. Establishing the Official Record Date for Holders Under the Second Lien Term Loan Agreement and Approving Payment of the Agency Fees

44. On February 8, 2019, Morgan Stanley Senior Funding Inc. submitted a notice of resignation as Administrative Agent under the First Lien Term Loan Agreement and the Second Lien Term Loan Agreement (in such capacity, the "**Existing Administrative Agent**"). Pursuant to the terms of the First Lien Term Loan Agreement and the Second Lien Term Loan Agreement (collectively, the "**Loan Agreements**"), such resignation is effective 30 days after delivering notice if the Required Lenders (as defined therein) do not appoint a successor administrative agent. The Debtors and Required Lenders have worked to replace the Existing Administrative Agents and expect to replace them shortly after the Petition Date. Nevertheless, as of the Petition Date, the Required Lenders under the Loan Agreements have not yet appointed a successor, and the Existing Administrative Agent's resignation became effective on March 10, 2019. The Loan Agreements also provide that if no successor administrative agent is appointed, all communications and determinations to be made by the Existing Administrative Agent will instead be made by each lender under the Loan Agreements. One of the key responsibilities of an administrative agent under the Loan Agreements is to maintain copies of all assignment agreements for loans that are traded under the Loan Agreements and record the names and holdings of all lenders in the "lender register." It is not practical or realistic to expect lenders trading the loans under the Loan Agreements to provide copies of each assignment agreement to each other lender. Moreover, without an

administrative agent to track trades and report to them on current holdings, the Debtors cannot have certainty as to the precise holdings of the Second Lien Term Loans at any point in time.

45. As a result of the foregoing, consistent with the Prepackaged Plan, the Debtors request authority to establish March 8, 2019, which is the last date for which the Debtors will have an accurate list of holders of the Second Lien Term Loan Claims unless a successor agent is appointed, as the official record date for holders under the Second Lien Term Loan Agreement for all purposes in these chapter 11 cases (except for the Voting Record Date), including the Distribution Record Date (as set forth in section 6.4(a) of the Prepackaged Plan), unless after such date, but prior to the Confirmation Date, a successor administrative agent is appointed under the Loan Agreements and such agent provides the Debtors with an updated list of holders of Allowed Second Lien Term Loan Claims as of the Effective Date and that such list is satisfactory to the Debtors in their sole discretion, in which case the Distribution Record Date for such holders shall be the Effective Date. The Debtors anticipate that successor administrative agents will be appointed under the Loan Agreements within the next few days. Accordingly, to ensure a smooth transition, the Debtors request authority to pay any and all fees (the "**Agency Fees**") incurred in connection with appointing replacement administrative agents under the Loan Agreements, including any outstanding amounts owed, and amounts that become due and owing, to (i) the Existing Administrative Agent and (ii) the replacement agents under the Loan Agreements.

VIII. Extensions and Conditional Waivers of the 341 Meeting and the Filing of the Schedules and Statements

46. The Debtors also request that the Court grant an extension of time to file the Schedules and Statements and to waive the requirement to file the Schedules and Statements if the Prepackaged Plan is confirmed within the proposed timeline. Section 521 of the

Bankruptcy Code requires a debtor to file schedules of assets and liabilities and statements of financial affairs unless the bankruptcy court orders otherwise. These schedules and statements must be filed within 14 days after the petition date unless the bankruptcy court grants an extension of time "on motion for cause shown." Fed. R. Bankr. P. 1007(c). As a matter of course, the Debtors are already entitled to an extension to thirty (30) days from the Petition Date because the Debtors' claims agent is maintaining the consolidated creditor matrix as of the Petition Date, and the Debtors have over 200 creditors. *See* Local Rule 1007-1(b). The Court is authorized to grant the Debtors a further extension "for cause" pursuant to Bankruptcy Rule 1007(c) and Local Rule 1007-1(b).

47. Sufficient cause exists here for such further extension through and including the SOAL/SOFA Deadline, which is May 3, 2019. The purposes of filing the Schedules and Statements are to provide notice to creditors and to disclose information about the Debtors to holders of Claims. Here, however, the benefits of filing the Schedules and Statements are heavily outweighed by their costs. Requiring the Debtors to complete the Schedules and Statements would be time consuming, distracting to the Debtors' advisors and management, and costly to the Debtors' estates, while providing little benefit to most parties in interest in these chapter 11 cases at that point. No party in interest would be prejudiced by the Court granting the Debtors' request for an extension through and including the SOAL/SOFA Deadline because the Debtors have proposed the Prepackaged Plan, under which trade claims and other general unsecured claims will ride through these chapter 11 cases unimpaired. Therefore, the Court should extend the deadline for filing the Schedules and Statements through and including the SOAL/SOFA Deadline and waive the requirement altogether if the Prepackaged Plan is confirmed in accordance with the timetable proposed by the Debtors.

48. Section 105(a) of the Bankruptcy Code, which codifies the equitable powers of the bankruptcy court, authorizes the court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." In light of the facts and circumstances surrounding these prepackaged chapter 11 cases, the Court has authority, consistent with section 521(a) of the Bankruptcy Code, to grant the requested relief. *See, e.g.*, *In Checkout Holding Corp.*, No. 18-12794 (KG) (Bankr. D. Del. Dec. 13, 2018) (D.I. 107); *In re David's Bridal, Inc.*, No. 18-12635 (LSS) (Bankr. D. Del. Nov. 20, 2018) (D.I. 95); *In re Mattress Firm, Inc.*, No. 18-12241 (CSS) (Bankr. D. Del. Oct. 9, 2018) (D.I. 21); *In re SE. Grocers, LLC*, No. 18-10700 (MFW) (Bankr. D. Del. Mar. 29, 2018) (D.I. 131); *In re Remington Outdoor Co., Inc.*, No. 18-10684 (BLS) (Bankr. D. Del. Mar. 27, 2018) (D.I. 64); *In re Tidewater Inc.*, No. 17-11132 (BLS) (Bankr. D. Del. May 17, 2017) (D.I. 378); *In re Halcón Res. Corp.*, No. 16-11724 (BLS) (Bankr. D. Del. July 29, 2016) (D.I. 50); *In re RCS Capital Corp.*, No. 16-0223 (MFW) (Bankr. D. Del. Mar. 29, 2016) (D.I. 423).

49. Accordingly, the Debtors respectfully request that the Court extend the time for filing the Schedules and Statements to May 3, 2019, and, if confirmation of the Prepackaged Plan is obtained before that date, waive this requirement.

50. The Debtors also request that the Court direct the U.S. Trustee not to convene a meeting of the creditors under section 341 of the Bankruptcy Code unless the Prepackaged Plan is not confirmed on or prior to the SOAL/SOFA Deadline. Section 341(a) of the Bankruptcy Code requires the U.S. Trustee to convene and preside over a meeting of creditors (a "**Section 341(a) Meeting**"), and section 341(b) of the Bankruptcy Code authorizes the U.S. Trustee to convene a meeting of equity security holders (a "**Section 341(b) Meeting**"

and together with a Section 341(a) Meeting, a "**Section 341 Meeting**"). However, Bankruptcy Code section 341(e) provides that

> Notwithstanding subsections (a) and (b), the court, on the request of a party in interest and after notice and a hearing, for cause may order that the United States trustee not convene a meeting of creditors or equity security holders if the debtor has filed a plan as to which the debtor solicited acceptances prior to the commencement of the case.

11 U.S.C. § 341(e).

51. The purpose of the Section 341 Meeting is to provide parties in interest with a meaningful opportunity to obtain and examine important information about a debtor. In these chapter 11 cases, however, the solicitation of the Prepackaged Plan was commenced prior to the Petition Date, and the Debtors expect that the Prepackaged Plan will be accepted by all classes entitled to vote in excess of the statutory thresholds specified in section 1126(c) of the Bankruptcy Code. The Debtors intend to proceed expeditiously to confirm the Prepackaged Plan and emerge from chapter 11 as quickly as possible. Therefore, parties are not likely to receive any benefit from a Section 341 Meeting.

52. The Court has granted the requested waiver in other prepackaged chapter 11 cases. *See, e.g.*, *In Checkout Holding Corp.*, No. 18-12794 (KG) (Bankr. D. Del. Dec. 13, 2018) (D.I. 107); *In re David's Bridal, Inc.*, No. 18-12635 (LSS) (Bankr. D. Del. Nov. 20, 2018) (D.I. 95); *In re Mattress Firm, Inc.*, No. 18-12241 (CSS) (Bankr. D. Del. Oct. 9, 2018) (D.I. 21); *In re Se. Grocers, LLC*, No. 18-10700 (MFW) (Bankr. D. Del. Mar. 29, 2018) (D.I. 131); *In re Remington Outdoor Co., Inc.*, No. 18-10684 (BLS) (Bankr. D. Del. Mar. 27, 2018) (D.I. 64); *In re Tidewater Inc.*, No. 17-11132 (BLS) (Bankr. D. Del. May 17, 2017) (D.I. 378); *In re Basic Energy Servs., Inc.*, No. 16-12320 (KJC) (Bankr. D. Del. Oct. 25, 2016); *In re Halcón Res.*

Corp., No. 16-11724 (BLS) (Bankr. D. Del. July 29, 2016) (D.I. 50); *In re RCS Capital Corp.*, No. 16-0223 (MFW) (Bankr. D. Del. Mar. 29, 2016) (D.I. 423).

53. Accordingly, the Debtors respectfully request that the Court direct the U.S. Trustee not to convene a Section 341 Meeting unless the Prepackaged Plan is not confirmed on or prior to the SOAL/SOFA Deadline.

Applicable Financial Institutions Should Be Authorized to Receive, Process, Honor, and Pay Checks Issued and Transfers Requested to Pay the Agency Fees

54. The Debtors further request that the Court authorize applicable financial institutions (the "**Banks**") to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested, by the Debtors relating to the Agency Fees, to the extent that sufficient funds are on deposit and standing in the Debtors' credit in the applicable bank accounts to cover such payment. The Debtors also seek authority to issue new postpetition checks or effect new postpetition electronic funds transfers in replacement of any checks or fund transfer requests on account of prepetition Agency Fees dishonored or rejected as a result of the commencement of the Debtors' chapter 11 cases.

Reservation of Rights

55. Nothing contained herein is intended to be or shall be construed as (i) an admission as to the validity of any claim against the Debtors, (ii) an agreement or obligation to pay any claims, (iii) an admission as to the validity of any liens satisfied pursuant to this Motion, (iv) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (v) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended to be and should not be construed as an

admission to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently.

Notice

56. Notice of this Motion will be provided to (i) the Office of the United States Trustee for the District of Delaware; (ii) the holders of the 30 largest unsecured claims against the Debtors on a consolidated basis; (iii) Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 (Attn: Damian S. Schaible, Esq., Michelle McGreal, Esq., and Stephen D. Piraino, Esq.), counsel to the Ad Hoc Group and Cortland Capital Market Services LLC, as DIP Term Loan Agent; (iv) White & Case LLP, 1221 Avenue of the Americas, New York, New York 10020 (Attn: Elizabeth Feld, Esq. and Charles Koster, Esq.), counsel to the Second Lien Term Loan Agent; (v) Shearman & Sterling LLP, 599 Lexington Avenue, New York, New York 10022 (Attn: Joel Moss, Esq. and Jordan Wishnew, Esq.), counsel to Barclays Bank PLC, as the DIP ABL Agent; and (vi) Otterbourg P.C., 230 Park Avenue, New York, New York 10169 (Attn: Andrew Kramer, Esq. and Allen Cremer, Esq.), counsel to Wells Fargo Bank, National Association, as ABL Agent. Notice of this Motion and any order entered hereon will be served in accordance with Local Rule 9013-1(m).

WHEREFORE the Debtors respectfully request entry of the Proposed Order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Dated: March 11, 2019
Wilmington, Delaware

/s/ Jaime Luton Chapman

YOUNG CONAWAY STARGATT & TAYLOR, LLP
M. Blake Cleary (No. 3614)
Jaime Luton Chapman (No. 4936)
Shane M. Reil (No. 6195)
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-and-

WEIL, GOTSHAL & MANGES LLP
Matthew S. Barr (*pro hac vice* pending)
Ronit J. Berkovich (*pro hac vice* pending)
Lauren Tauro (*pro hac vice* pending)
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007

Proposed Attorneys for Debtors
and Debtors in Possession

Exhibit A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	**Chapter 11**
CTI FOODS, LLC, *et al.*,	:	**Case No. 19–10497 ( )**
Debtors.[1]	:	**(Jointly Administered)**
	:	**Re: Docket No. ____**

ORDER (I) SCHEDULING COMBINED HEARING TO CONSIDER (A) APPROVAL OF DISCLOSURE STATEMENT, (B) APPROVAL OF SOLICITATION PROCEDURES AND FORMS OF BALLOTS, AND (C) CONFIRMATION OF PREPACKAGED PLAN; (II) ESTABLISHING AN OBJECTION DEADLINE TO OBJECT TO DISCLOSURE STATEMENT AND PLAN; (III) APPROVING THE FORM AND MANNER OF NOTICE OF COMBINED HEARING, OBJECTION DEADLINE, AND NOTICE OF COMMENCEMENT; (IV) CONDITIONALLY WAIVING REQUIREMENT OF FILING STATEMENT OF FINANCIAL AFFAIRS AND SCHEDULES OF ASSETS AND LIABILITIES; (V) APPROVING NOTICE AND OBJECTION PROCEDURES FOR THE ASSUMPTION OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES; (VI) ESTABLISHING THE OFFICIAL RECORD DATE FOR HOLDERS UNDER THE SECOND LIEN TERM LOAN AGREEMENT AND APPROVING THE PAYMENT OF AGENCY FEES; (VII) CONDITIONALLY WAIVING REQUIREMENT TO CONVENE THE SECTION 341 MEETING OF CREDITORS; AND (VIII) GRANTING RELATED RELIEF PURSUANT TO SECTIONS 105(A), 341, 521(A), 1125, 1126, AND 1128 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 1007, 2002, 3017, AND 3018

Upon the motion, dated March 11, 2019 (the "**Motion**"),[2] of CTI Foods, LLC and its affiliated debtors in the above captioned chapter 11 cases, as debtors and debtors in possession (collectively, the "**Debtors**"), for entry of an order (i) scheduling a combined hearing

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Chef Holdings, Inc. (8070); Chef Intermediate, Inc. (8653); CTIF Holdings, Inc. (0046); Chef Investment, LLC (3918); CTI Foods Acquisition LLC (3918); CTI Foods Holding Co., LLC (8320); CTI Services Corporation (2331); CTI Foods, LLC (3673); CTI Arlington, LLC (6103); CTI Saginaw I, LLC (6133); CTI King of Prussia, LLC (4771); CTI-SSI Food Services, LLC (8322); S & S Foods LLC (7447); Custom Food Products Holdings, LLC (2697); Custom Food Products, LLC (0697); Liguria Holdings, Inc. (8652); and Liguria Foods, Inc. (6446). The Debtors' mailing address is 504 Sansom Blvd., Saginaw, Texas 76179.

[2] All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

to consider (a) approval of the Disclosure Statement, (b) approval of the Solicitation Procedures, and (c) confirmation of the Prepackaged Plan, (ii) establishing an objection deadline to object to the adequacy of the Disclosure Statement or confirmation of the Prepackaged Plan, (iii) approving the form and manner of notice of the Combined Hearing, the Objection Deadline, and commencement, (iv) approving the notice and objection procedures in connection with the assumption of executory contracts and unexpired leases pursuant to the Prepackaged Plan, (v) establishing the official record date for holders under the Second Lien Term Loan Agreement and approving the payment of administrative agents' fees, (vi) extending the deadline for the Debtors to file schedules of assets and liabilities and statements of financial affairs (collectively, the "**Schedules and Statements**") through and including May 3, 2019 (the "**SOAL/SOFA Deadline**"), and conditionally waiving the requirement that the Debtors file the Schedules and Statements upon confirmation of the Prepackaged Plan, (vii) conditionally waiving the requirement to convene the Section 341 Meeting, and (viii) granting related relief; and this Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated February 29, 2012; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and notice of the Motion having been given as provided in the Motion, and such notice having been adequate and appropriate under the circumstances; and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and a hearing having been held to consider the relief requested in the Motion (the "**Hearing**"); and upon the Percy Declaration filed contemporaneously with the Motion, the record of the Hearing, and all of the proceedings had

before this Court; and this Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

2. A hearing to consider compliance with disclosure and solicitation requirements and confirmation of the Debtors' Plan (the "**Combined Hearing**") is hereby scheduled to be held before this Court on _____ _____, 2019 at ____:____ (Prevailing Eastern Time) or as soon thereafter as counsel may be heard. The Combined Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates in open court or at the Combined Hearing and notice of such adjourned date(s) will be available on the electronic case filing docket.

3. Any responses and objections to the adequacy of the Disclosure Statement and/or confirmation of the Prepackaged Plan shall be: (i) in writing, (ii) filed with the Clerk of Court together with proof of service thereof, (iii) set forth the name of the objecting party, and the nature and amount of any claim or interest asserted by the objecting party against the estate or property of the Debtors, and state the legal and factual basis for such objection, and (iv) conform to the applicable Bankruptcy Rules and the Local Rules and be served upon the following parties so as to be received no later than 5:00 p.m. (Prevailing Eastern Time) on _____, 2019 (the "**Objection Deadline**"):

i. CTI Foods, LLC, 504 Sansom Blvd., Saginaw, Texas 76179 (Attn: Jonathon Spiller, Senior Vice President and General Counsel);

ii. proposed counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Matthew S. Barr, Esq.

(Matt.Barr@weil.com), Ronit J. Berkovich, Esq. (Ronit.Berkovich@weil.com), and Lauren Tauro, Esq. (Lauren.Tauro@weil.com) and Young Conaway Stargatt & Taylor, LLP, 1000 North King Street, Wilmington, Delaware 19801 (Attn: M. Blake Cleary, Esq. (mbcleary@ycst.com) and Jaime Luton Chapman, Esq. (jchapman@ycst.com));

iii. counsel to the Ad Hoc Group and Cortland Capital Market Services LLC, as DIP Term Loan Agent, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 (Attn: Damian S. Schaible, Esq. (damian.schaible@davispolk.com) and Michelle McGreal, Esq. (michelle.mcgreal@davispolk.com));

iv. counsel to Morgan Stanley Senior Funding, Inc., as administrative agent under the First Lien Term Loan Agreement and Second Lien Term Loan Agreement, White & Case LLP, 1221 Avenue of the Americas, New York, New York 10020 (Attn: Elizabeth Feld, Esq. (efeld@whitecase.com) and Charles Koster, Esq. (ckoster@whitecase.com));

v. counsel to Wells Fargo Bank, National Association, as administrative agent under the ABL Credit Agreement, Otterbourg P.C., 230 Park Avenue, New York, New York 10169 (Attn: Andrew Kramer, Esq. (akramer@otterbourg.com) and Allen Cremer, Esq. (acremer@otterbourg.com));

vi. counsel to Barclays Bank PLC, as the DIP ABL Agent, Shearman & Sterling LLP, 599 Lexington Avenue, New York, New York 10022 (Attn: Joel Moss, Esq. (joel.moss@shearman.com) and Jordan Wishnew, Esq. (jordan.wishnew@shearman.com));

vii. Counsel to Goldman Sachs**,** Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, Bank of America Tower, New York, New York 10036-6745 (Attn: Ira Dizengoff, Esq. (idizengoff@akingump.com) and Jason Rubin, Esq. (jrubin@akingump.com)); and

viii. the Office of the United States Trustee for the District of Delaware (the "**U.S. Trustee**"), 844 N King St., Suite 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Jane Leamy (jane.m.leamy@usdoj.gov)).

4. Any objections not timely filed and served in the manner set forth in this Order may, in this Court's discretion, not be considered and may be overruled.

5. The deadline to file any brief in support of the Disclosure Statement and confirmation of the Prepackaged Plan and reply to any objections shall be _____, 2019 at 5:00 p.m. (Prevailing Eastern Time).

6. Notice of the Combined Hearing as proposed in the Motion and the form of Combined Notice annexed hereto as **Exhibit 1** shall be deemed good and sufficient notice of the Combined Hearing and no further notice need be given; *provided*, *however*, that any provision of Bankruptcy Rule 3017(d) requiring the Debtors to distribute the Disclosure Statement and the Prepackaged Plan to parties not entitled to vote, whether because they are unimpaired or because they are deemed to reject the Prepackaged Plan, or any parties in interest other than as prescribed in this Order, are waived; *provided further*, *however*, that the Disclosure Statement and Prepackaged Plan shall remain posted in PDF format to the following page at https://cases.primeclerk.com/CTIfoods/ and shall be provided in either electronic or paper form to any parties in interest upon written request to the Debtors. The Debtors shall also serve a copy of the Combined Notice on all known creditors and interest holders and parties requesting notice pursuant to Bankruptcy Rule 2002.

7. Service of the Combined Notice as set forth in the Motion and herein is sufficient notice of the Petition Date, the Combined Hearing, the Objection Deadline, the procedures for objecting to the adequacy of the Disclosure Statement and to confirmation of the Prepackaged Plan, and the procedures for objecting to the Debtors' assumption of executory contracts and unexpired leases pursuant to the Prepackaged Plan.

8. To the extent that section 1125(b) of the Bankruptcy Code requires the Debtors' prepetition solicitation of acceptances for the Prepackaged Plan to be pursuant to an approved disclosure statement in order to continue on a postpetition basis, the Court conditionally approves the Disclosure Statement as having adequate information as required by section 1125 of the Bankruptcy Code without prejudice to any party in interest objecting to the Disclosure Statement at the Combined Hearing.

9. The Debtors, in their discretion, are authorized pursuant to Bankruptcy Rule 2002(l) to give supplemental publication notice of the Combined Hearing, or shortened version thereof, by publication in a newspaper or newspapers designated by the Debtors in their sole discretion and on a date no less than twenty-eight days prior to the Combined Hearing.

10. The Solicitation Procedures utilized by the Debtors for the distribution of the Solicitation Packages as set forth in the Motion in soliciting acceptances and rejections of the Prepackaged Plan satisfy the requirements of the Bankruptcy Code and the Bankruptcy Rules and are conditionally approved.

11. The Ballots, substantially in the forms attached to the Motion as Exhibits 2 and 3, are approved.

12. Any objections to the assumption of executory contracts and unexpired leases must: (a) be in writing, (b) conform to the applicable Bankruptcy Rules and Local Rules; (c) set forth the name of the objecting party, the basis for the objection, and the specific grounds thereof; (d) be filed with the Bankruptcy Court, together with proof of service, and served upon the Notice Parties, so as to be received by the Objection Deadline.

13. The objection procedures in connection with the assumption of executory contracts and unexpired leases pursuant to the Prepackaged Plan are approved, as set forth in the Combined Notice.

14. The official record date for holders under the Second Lien Term Loan Agreement, for all purposes in these chapter 11 cases (except the Voting Record Date), shall be March 8, 2019, unless after such date, but prior to the Confirmation Date, a successor administrative agent is appointed under the Second Lien Term Loan Agreement and such agent provides the Debtors with an updated list of holders of Allowed Second Lien Term Loan Claims

as of the Effective Date and that such list is satisfactory to the Debtors in their sole discretion, in which case the Distribution Record Date for such holders shall be the Effective Date.

15. The Debtors are authorized, but not directed, to pay the Agency Fees.

16. The time within which the Debtors shall file the Schedules and Statements is extended through and including _____, 2019 without prejudice to the Debtors' right to seek further extensions of the time within which to file the Schedules and Statements or to seek additional relief from this Court regarding the filing of, or waiver of the requirement to file, the Schedules and Statements.

17. The requirement that the Debtors file the Schedules and Statements is permanently waived effective upon the date of confirmation of the Prepackaged Plan, provided confirmation occurs on or before the SOAL/SOFA Deadline.

18. The 341 Meeting shall be deferred until the SOAL/SOFA Deadline and shall be waived if confirmation of the Prepackaged Plan occurs on or before the SOAL/SOFA Deadline.

19. Notwithstanding anything to the contrary contained in the Motion or this Order, any payment to be made and any relief or authorization granted hereunder shall not be inconsistent with, and shall be subject to, the requirements imposed on the Debtors in any orders entered by this Court authorizing the Debtors to obtain debtor-in-possession financing and authorizing the use of cash collateral (a "**DIP Order**") and the budget approved thereunder, as applicable. To the extent that there may be any inconsistency between the terms of this Order and the terms of any DIP Order, the terms of the DIP Order will govern.

20. Nothing contained in the Motion or this Order or any payment made pursuant to the authority granted by this Order is intended to be or shall be construed as (i) an

admission as to the validity of any claim against the Debtors, (ii) an agreement or obligation to pay any claims, (iii) an admission as to the validity of any liens satisfied pursuant to this Motion, (iv) a waiver of the Debtors' or any appropriate party in interest's rights to dispute any claim, or (v) an approval or assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code.

21. The Debtors are authorized to take all steps necessary or appropriate to carry out the relief granted pursuant to this Order in accordance with the Motion.

22. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Dated: _____, 2019
Wilmington, Delaware

_____

UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Combined Notice

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	**Chapter 11**
CTI FOODS, LLC, *et al.*,	:	**Case No. 19–10497 ( )**
Debtors.[1]	:	**(Jointly Administered)**

NOTICE OF (I) COMMENCEMENT OF CHAPTER 11 BANKRUPTCY CASES, (II) COMBINED HEARING ON DISCLOSURE STATEMENT, CONFIRMATION OF JOINT PREPACKAGED CHAPTER 11 PLAN, AND RELATED MATTERS, AND (III) OBJECTION DEADLINES, AND SUMMARY OF DEBTORS' JOINT PREPACKAGED CHAPTER 11 PLAN

1. On or about March 11, 2019 (the "**Petition Date**"), CTI Foods, LLC and its affiliated debtors, as debtors and debtors in possession (collectively, the "**Debtors**"), commenced cases under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**").

2. On the Petition Date, the Debtors filed a "prepackaged" plan of reorganization (the "**Plan**") and a proposed disclosure statement (the "**Disclosure Statement**") pursuant to sections 1125 and 1126(b) of the Bankruptcy Code. Copies of the Plan and the Disclosure Statement may be obtained free of charge by visiting the website maintained by the Debtors' voting agent, Prime Clerk LLC (the "**Voting Agent**"), at the following: http://cases.primeclerk.com/ctifoods/. Copies of the Plan and Disclosure Statement may also be obtained by calling the Voting Agent at (844) 339-4265 (domestic) or (929) 272-0423 (international) or by sending an electronic mail message to CTIballots@primeclerk.com with "CTI" in the subject line.

Information Regarding Plan

3. On March 8, 2019, the Debtors commenced solicitation of votes to accept the Plan from the holders of Claims in Class 3 (First Lien Term Loan Claims) and Class 4 (Second Lien Term Loan Claims) of record as of March 6, 2019 (the "**Voting Record Date**") via

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Chef Holdings, Inc. (8070); Chef Intermediate, Inc. (8653); CTIF Holdings, Inc. (0046); Chef Investment, LLC (3918); CTI Foods Acquisition LLC (3918); CTI Foods Holding Co., LLC (8320); CTI Services Corporation (2331); CTI Foods, LLC (3673); CTI Arlington, LLC (6103); CTI Saginaw I, LLC (6133); CTI King of Prussia, LLC (4771); CTI-SSI Food Services, LLC (8322); S & S Foods LLC (7447); Custom Food Products Holdings, LLC (2697); Custom Food Products, LLC (0697); Liguria Holdings, Inc. (8652); and Liguria Foods, Inc. (6446). The Debtors' mailing address is 504 Sansom Blvd., Saginaw, Texas 76179.

physical and/or electronic mail. Only holders of Claims in Classes 3 and 4 are entitled to vote to accept or reject the Plan. All other classes of claims and interests are either deemed to accept or reject the Plan and, therefore, are not entitled to vote. **The deadline for the submission of votes to accept or reject the Plan is April 1, 2019 at 5:00 p.m. (Prevailing Eastern Time).**

4. The Debtors are proposing a restructuring that, pursuant to the Plan, will provide substantial benefits to the Debtors and all of their stakeholders. Upon its full implementation, the Plan will reduce the Debtors' balance sheet liabilities from approximately $580 million in prepetition funded debt down to approximately $175 million in funded debt. In addition to reducing their funded debt burden by more than 70%, the Debtors will emerge from chapter 11 with access to a new working capital facility that will provide sufficient liquidity to allow the Debtors to continue funding business operations. The restructuring will allow the Debtors' management team to focus on succeeding as a leading provider of value-added protein, soups, beans, and other food solutions to the most recognized chain restaurants in North America.

5. A combined hearing to consider the adequacy of the Disclosure Statement and any objections thereto and to consider confirmation of the Plan and any objections thereto will be held before the Bankruptcy Court, 824 North Market Street, Wilmington, Delaware 19801, **on _____, 2019 at [__:__ m.]** (the "**Combined Hearing**"). The Combined Hearing may be adjourned from time to time without further notice other than by filing a notice on the Bankruptcy Court's docket indicating such adjournment and/or an announcement of the adjourned date or dates at the Combined Hearing. The adjourned date or dates will be available on the electronic case filing docket and the Voting Agent's website at https://cases.primeclerk.com/ctifoodsballots.

6. The deadline for filing objections to the adequacy of the Disclosure Statement or confirmation of the Plan is **_____, 2019, at 5:00 p.m. (Prevailing Eastern Time)** (the "**Objection Deadline**"). Any objections to the Disclosure Statement and/or the Plan must be: (i) in writing, (ii) filed with the Clerk of the Court together with proof of service thereof, (iii) set forth the name of the objecting party, and the nature and amount of any claim or interest asserted by the objecting party against the Debtors' estates or property of the Debtors, and state the legal and factual basis for such objection, and (iv) conform to the applicable Bankruptcy Rules and the Local Rules.

7. In addition to being filed with the Clerk of the Court, any such objections should be served upon the following parties so as to be received by the Objection Deadline:

i. CTI Foods, LLC, 504 Sansom Blvd., Saginaw, Texas 76179 (Attn: Jonathon Spiller, Senior Vice President and General Counsel);

ii. proposed counsel to the Debtors, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Matthew S. Barr, Esq. (Matt.Barr@weil.com), Ronit J. Berkovich, Esq. (Ronit.Berkovich@weil.com), and Lauren Tauro, Esq. (Lauren.Tauro@weil.com) and Young Conaway Stargatt & Taylor, LLP, 1000 North King Street, Wilmington, Delaware 19801

(Attn: M. Blake Cleary, Esq. (mbcleary@ycst.com) and Jaime Luton Chapman, Esq. (jchapman@ycst.com));

iii. counsel to the Ad Hoc Group and Cortland Capital Market Services LLC, as DIP Term Loan Agent, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017 (Attn: Damian S. Schaible, Esq. (damian.schaible@davispolk.com) and Michelle McGreal, Esq. (michelle.mcgreal@davispolk.com));

iv. counsel to Morgan Stanley Senior Funding, Inc., as administrative agent under the First Lien Term Loan Agreement and Second Lien Term Loan Agreement, White & Case LLP, 1221 Avenue of the Americas, New York, New York 10020 (Attn: Elizabeth Feld, Esq. (efeld@whitecase.com) and Charles Koster, Esq. (ckoster@whitecase.com));

v. counsel to Wells Fargo Bank, National Association, as administrative agent under the ABL Credit Agreement, Otterbourg P.C., 230 Park Avenue, New York, New York 10169 (Attn: Andrew Kramer, Esq. (akramer@otterbourg.com) and Allen Cremer, Esq. (acremer@otterbourg.com));

vi. counsel to Barclays Bank PLC, as the DIP ABL Agent, Shearman & Sterling LLP, 599 Lexington Avenue, New York, New York 10022 (Attn: Joel Moss, Esq. (joel.moss@shearman.com) and Jordan Wishnew, Esq. (jordan.wishnew@shearman.com));

vii. Counsel to Goldman Sachs**,** Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, Bank of America Tower, New York, New York 10036-6745 (Attn: Ira Dizengoff, Esq. (idizengoff@akingump.com) and Jason Rubin, Esq. (jrubin@akingump.com)); and

viii. the Office of the United States Trustee for the District of Delaware (the "**U.S. Trustee**"), 844 N King St., Suite 2207, Lockbox 35, Wilmington, Delaware 19801 (Attn: Jane Leamy (jane.m.leamy@usdoj.gov)).

UNLESS AN OBJECTION IS TIMELY FILED AND SERVED IN ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

Notice of Assumption of Executory Contracts and Unexpired Leases of Debtors and Related Procedures

8. Please take notice that, in accordance with Section 8.1 of the Plan and sections 365 and 1123 of the Bankruptcy Code, all executory contracts and unexpired leases (the "**Assumed Contracts**") to which the Debtors are parties shall be deemed assumed by the Debtors, unless such contract or lease (i) was previously assumed or rejected by the Debtors, pursuant to Final Order of the Bankruptcy Court, (ii) previously expired or terminated pursuant to its own terms or by agreement of the parties thereto, (iii) is the subject of a motion to reject

filed by the Debtors on or before the Confirmation Date, or (iv) is specifically designated as a contract or lease to be rejected on the Schedule of Rejected Contracts; *provided*, *however*, that the Requisite Creditors (as defined in the Plan) consent to such rejection.

9. Any monetary amounts by which any executory contract or unexpired lease to be assumed under the Plan is in default (a "**Cure Amount**") shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by the Reorganized Debtors, as applicable, upon assumption thereof. If you believe that any Cure Amounts are due by the Debtors in connection with the assumption of your contract or unexpired lease, you should assert such Cure Amounts against the Debtors in the ordinary course of business.

10. To the extent that you object to the assumption of an Assumed Contract on any basis, including the Debtors' satisfaction of the requirement under section 365(b)(1)(C) of the Bankruptcy Code to provide adequate assurance of future performance under an Assumed Contract, you must (a) file with the Bankruptcy Court a written objection (the "**Objection**") that complies with the Bankruptcy Rules and the Local Rules and sets forth (i) the basis for such objection and specific grounds therefor, and (ii) the name and contact information of the person authorized to resolve such objection, and (b) serve the same on the parties listed above, so that such Objection is actually received no later than the Objection Deadline.

11. If no Objection is timely received with respect to an Assumed Contract, (a) you shall be deemed to have assented to (i) the assumption of such Assumed Contract, (ii) the date of such assumption, and (iii) the satisfaction of the requirement under section 365(b)(1)(C) of the Bankruptcy Code of the Debtors to provide adequate assurance of future performance under such Assumed Contract, and (b) you shall be forever barred, estopped, and enjoined from challenging the validity of such assumption or the adequate assurance of future performance contemplated herein.

12. The Debtors request that, before filing an Objection, you contact the Debtors prior to the Objection Deadline to attempt to resolve such dispute consensually. The Debtors' contact for such matters is Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Matthew S. Barr, Esq., Ronit J. Berkovich, Esq., and Lauren Tauro, Esq.) and Young Conaway Stargatt & Taylor, 1000 North King Street, Wilmington, Delaware 19801 (Attn: M. Blake Cleary, Esq. and Jaime Luton Chapman, Esq.). If such dispute cannot be resolved consensually prior to the Objection Deadline (as the same may be extended by agreement of the Debtors), you must file and serve an Objection as set forth herein to preserve your right to object.

13. If a timely Objection is filed and served in accordance with this notice pertaining to assumption of an Assumed Contract, and cannot be otherwise resolved by the parties pursuant to Section 8.2 of the Plan, the Bankruptcy Court may hear such Objection at a date set by the Bankruptcy Court.

UNLESS AN OBJECTION IS TIMELY SERVED AND FILED IN ACCORDANCE WITH THIS NOTICE, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

Summary of Plan[2]

14. Solicitation of votes on the Plan commenced prior to the Petition Date. The following chart summarizes the treatment provided by the Plan to each class of Claims and Interests:

Class and Designation	Treatment under the Plan	Impairment and Entitlement to Vote	Approx. Percentage Recovery
1 (Other Priority Claims)	The legal, equitable, and contractual rights of the holders of Allowed Other Priority Claims are unaltered by the Prepackaged Plan. Except to the extent that a holder of an Allowed Other Priority Claim agrees to different treatment, on the later of the Effective Date and the date that is ten (10) Business Days after the date such Other Priority Claim becomes an Allowed Claim, or as soon thereafter as is reasonably practicable, each holder of an Allowed Other Priority Claim shall receive, on account of such Allowed Claim, at the option of the Reorganized Debtors (i) Cash in an amount equal to the Allowed amount of such Claim or (ii) other treatment consistent with the provisions of section 1129 of the Bankruptcy Code.	Unimpaired (**Not entitled** to vote because deemed to accept)	Estimated Percentage Recovery: 100%
2 (Other Secured Claims)	The legal, equitable, and contractual rights of the holders of Allowed Other Secured Claims are unaltered by the Prepackaged Plan. Except to the extent that a holder of an Allowed Other Secured Claim agrees to different treatment, on the later of the Effective Date and the date that is ten (10) Business Days after the date such Other Secured Claim becomes an Allowed Claim, or as soon thereafter as is reasonably practicable, each holder of an Allowed Other Secured Claim shall receive, on account of such Allowed Claim, at the option of the Reorganized Debtors (i) Cash in an amount equal to the Allowed amount of such Claim, (ii) reinstatement or such other treatment sufficient to render such holder's Allowed Other Secured Claim Unimpaired pursuant to section 1124 of the Bankruptcy Code, or (iii) such other recovery necessary to satisfy section 1129 of the Bankruptcy Code.	Unimpaired (**Not entitled** to vote because deemed to accept)	Estimated Percentage Recovery: 100%
3 (First Lien Term Loan Claims)	On the Effective Date, or as soon as reasonably practicable thereafter, each holder of an Allowed First Lien Term Loan Claim shall receive, in full and final satisfaction of such Claim, such holder's Pro Rata share of (i) 97% of the New Common Shares issued on the Effective Date, plus an additional 3% of the New Common Shares issued on the Effective Date in the event that Class 4 does not vote to accept the Prepackaged Plan,	Impaired (**Entitled** to vote)	Estimated Percentage Recovery: 50.5% (if Class 4 votes to accept the Prepackaged Plan)

[2] The statements contained herein are summaries of the provisions contained in the Disclosure Statement and the Plan and do not purport to be precise or complete statements of all the terms and provisions of the Plan or documents referred to therein. For a more detailed description of the Plan, please refer to the Disclosure Statement. Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Plan.

Class and Designation	Treatment under the Plan	Impairment and Entitlement to Vote	Approx. Percentage Recovery
	each subject to dilution from the New Common Shares issued pursuant to each of the Management Incentive Plan and the Backstop Commitment Fee and (ii) the Exit Last Out Term Loan.		51.6% (if Class 4 **does not** vote to accept the Prepackaged Plan)
4 (Second Lien Term Loan Claims)	In the event that Class 4 votes to accept the Prepackaged Plan, each holder of an Allowed Second Lien Term Loan Claim shall receive, on the Effective Date, or as soon as reasonably practicable thereafter, in full and final satisfaction of such Claim, such holder's Pro Rata share of 3% of the New Common Shares issued on the Effective Date, subject to dilution from the New Common Shares issued pursuant to each of the Management Incentive Plan and the Backstop Commitment Fee. In the event that Class 4 does not vote to accept the Prepackaged Plan, each holder of an Allowed Second Lien Term Loan Claim shall not receive or retain any distribution on account of such Claim.	Impaired (**Entitled** to vote)	Estimated Percentage Recovery: 2.8% (if Class 4 votes to accept the Prepackaged Plan) 0% (if Class 4 **does not** vote to accept the Prepackaged Plan)
5 (ABL Claims)	The legal, equitable, and contractual rights of the holders of Allowed ABL Claims are unaltered by the Prepackaged Plan. On the Effective Date, or as soon as reasonably practicable thereafter, each holder of an Allowed ABL Claim shall be Paid in Full to the extent that any ABL Claim is not Paid in Full in accordance with the DIP Orders prior to the Effective Date; *provided, however*, that any provisions of the ABL Credit Agreement that are of a type that survive repayment of the subject indebtedness shall remain in effect notwithstanding that the ABL Claims are being Paid in Full.	Unimpaired (**Not entitled** to vote because deemed to accept)	Estimated Percentage Recovery: 100%
6 (General Unsecured Claims)	The legal, equitable, and contractual rights of the holders of Allowed General Unsecured Claims are unaltered by the Prepackaged Plan. Except to the extent that a holder of an Allowed General Unsecured Claim agrees to different treatment, on and after the Effective Date, or as soon as reasonably practicable thereafter, the Debtors shall continue to pay or dispute each General Unsecured Claim in the ordinary course of business as if the Chapter 11 Cases had never been commenced.	Unimpaired (**Not entitled** to vote because deemed to accept)	Estimated Percentage Recovery: 100%
7 (Intercompany Claims)	On or after the Effective Date, all Intercompany Claims shall be paid, adjusted, continued, settled, reinstated, discharged, or eliminated, in each case to the extent determined to be appropriate by the Debtors or Reorganized Debtors, as applicable, in their sole discretion. All Intercompany Claims between any Debtor and a non-Debtor affiliate shall be Unimpaired under the Plan.	Unimpaired (**Not entitled** to vote because deemed to accept)	Estimated Percentage Recovery: 100%

Class and Designation	Treatment under the Plan	Impairment and Entitlement to Vote	Approx. Percentage Recovery
8 (Existing Holdings Interests)	On the Effective Date, the Existing Holdings Interests shall be deemed cancelled for no consideration without further action by or order of the Bankruptcy Court.	Impaired (**Not entitled** to vote because deemed to reject)	Estimated Percentage Recovery: 0%
9 (Existing Profit Interests)	Existing Profit Interests shall not receive or retain any property under the Plan on account of such Interests. On the Effective Date, all Existing Profit Interests shall be deemed cancelled without further action by or order of the Bankruptcy Court.	Impaired (**Not entitled** to vote because deemed to reject)	Estimated Percentage Recovery: 0%
10 (Intercompany Interests)	Intercompany Interests are Unimpaired. On the Effective Date, all Intercompany Interests shall be treated as set forth in section 5.10 of the Plan.	Unimpaired (**Not entitled** to vote because deemed to accept)	Estimated Percentage Recovery: 100%

Non-Voting Status of Holders of Certain Claims and Interests

15. As set forth above, certain holders of Claims and Interests are **not** entitled to vote on the Plan. As a result, such parties did not receive any ballots and other related solicitation materials to vote on the Plan. The holders of Claims and Interests in Class 1 (Other Priority Claims), Class 2 Other Secured Claims, Class 5 (ABL Claims), Class 6 (General Unsecured Claims), Class 7 (Intercompany Claims), and Class 10 (Intercompany Interests) are unimpaired under the Plan, and therefore, are presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. The holders of Interests in Class 8 (Existing Holdings Interests) and Class 9 (Existing Profit Interests) are not entitled to a recovery under the Plan, and therefore, are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code. Finally, parties to certain of the Debtors' executory contracts and unexpired leases may not have Claims pending the disposition of their contracts or leases by assumption or rejection under the Plan. Such parties nevertheless are being provided with this Combined Hearing Notice, and will be separately notified of the projected disposition of their contracts and/or lease. Upon request, the Voting Agent will provide you, free of charge, with copies of the Plan, the Disclosure Statement, and the Combined Hearing Notice.

Notice Regarding Certain Release, Exculpation, and Injunction Provisions in Plan

Please be advised that holders of all Claims or Interests who are deemed to reject the Plan or are Unimpaired under the Plan, in each case, and who do not file a timely objection to the releases provided for in section 10.7(b) of the Plan, shall be deemed to have consented to the releases contained in Section 10 of the Plan. To the extent a holder of any Claims or Interests files a timely objection, the Debtors reserve the right to request that the Bankruptcy Court order the releases to be applicable to such holder upon the requisite showing at the Combined Hearing.

PLEASE BE ADVISED THAT THE PLAN CONTAINS CERTAIN RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS, INCLUDING:

Section 10.5 Injunction against Interference with the Plan

Upon the entry of the Confirmation Order, all holders of Claims and Interests and all other parties in interest, along with their respective present and former affiliates, employees, agents, officers, directors, and principals, shall be enjoined from taking any action to interfere with the implementation or the occurrence of the Effective Date.

Section 10.6 Plan Injunction

(a) Except as otherwise provided in the Plan, in the Plan Documents (including the Exit Facilities Agreements), or in the Confirmation Order, as of the entry of the Confirmation Order but subject to the occurrence of the Effective Date, all Persons who have held, hold, or may hold Claims against or Interests in any or all of the Debtors and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, are permanently enjoined after the entry of the Confirmation Order from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative, or other forum) against or affecting, directly or indirectly, a Debtor, a Reorganized Debtor, or an Estate or the property of any of the foregoing, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (i) or any property of any such transferee or successor, (ii) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree, or order against a Debtor, a Reorganized Debtor, or an Estate or its property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (ii) or any property of any such transferee or successor, (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against a Debtor, a Reorganized Debtor, or an Estate or any of its property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons mentioned in this subsection (iii) or any property of any such transferee or successor, (iv) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan, and the Plan Documents, to the full extent permitted by applicable law, and (v) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan and the Plan Documents; *provided, however*, that such injunction will not apply to the holders of DIP Facilities Claims if such Claims are not Paid in Full on the Effective Date in accordance with the terms of this Plan.

(b) By accepting distributions pursuant to the Plan, each holder of an Allowed Claim or Interest shall be deemed to have affirmatively and specifically consented to be bound by the Plan, including the injunctions set forth in section 10.6 of the Plan.

Section 10.7 Releases

(a) Releases by Debtors. As of the Effective Date and to the fullest extent allowed by applicable law, except for the rights and remedies that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by the Debtors, the Reorganized Debtors, and the Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all other Persons that may purport to assert any Causes of Action derivatively, by or through the foregoing Persons, from any and all Claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, remedies, or liabilities whatsoever, arising on or after June 28, 2013, including any derivative Claims or Causes of Action, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or their Estates, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, contract, tort, or otherwise, by statute, violations of federal or state securities laws or otherwise that the Debtors, the Reorganized Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of a Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the Restructuring Transactions, the DIP Facilities, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Restructuring Support Agreement and any exhibits or documents relating thereto, or the solicitation of votes with respect to the Plan, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than Claims or Causes of Action arising out of or related to any act or omission of a Released Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order.

ENTRY OF THE CONFIRMATION ORDER BY THE BANKRUPTCY COURT SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASES IN SECTION 10.7(a) OF THE PLAN (the "DEBTOR RELEASES"), WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS UNDER THE PLAN, AND FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE DEBTOR RELEASES ARE: (I) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES, (II) A GOOD FAITH SETTLEMENT AND COMPROMISE OF THE RELEASED CLAIMS RELEASED BY THE DEBTORS, THE REORGANIZED DEBTORS AND THE ESTATES, (III) IN THE BEST INTERESTS OF THE DEBTORS, THE ESTATES AND ALL HOLDERS OF

CLAIMS AND INTERESTS, (IV) FAIR, EQUITABLE AND REASONABLE, (V) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING, AND (VI) A BAR TO ANY OF THE DEBTORS, THE REORGANIZED DEBTORS, OR THE ESTATES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE DEBTOR RELEASE.

(b) Releases by Holders of Claims or Interests. As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service and contribution of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably and forever released and discharged, to the maximum extent permitted by law, by the (i) holders of all Claims and Interests who vote to accept the Plan, (ii) holders of all Claims or Interests that are Unimpaired under the Plan, (iii) the holders of all Claims or Interests whose vote to accept or reject the Plan is solicited but who do not vote either to accept or to reject the Plan, (iv) the holders of all Claims or Interests who vote to reject the Plan but do not opt out of granting the releases set forth herein, (v) the holders of all Claims or Interests who are deemed to reject the Plan and who do not file a timely objection to the releases provided for in section 10.7(b) of the Plan, (vi) the holders of all Claims and Interests who were given notice of the opportunity to opt out of granting the releases set forth herein but did not opt out, (vii) the Restructuring Support Parties, (viii) the First Lien Term Loan Agent, (ix) the Second Lien Term Loan Agent, (x) the DIP ABL Agent, (xi) the DIP ABL Lenders, (xii) the DIP Term Loan Agent, (xiii) the DIP Term Loan Lenders, (xiv) the Exit ABL Agent, (xv) the Exit Arranger, (xvi) the Exit ABL Lenders, (xvii) the Exit Term Loan Agent, and (xviii) the Exit Term Loan Lenders from any and all claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, liens, remedies, losses, contributions, indemnities, costs, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or their Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, fixed or contingent, matured or unmatured, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law, equity, contract, tort, or otherwise, by statute, violations of federal or state securities law or otherwise, that such holders or their affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, or their Estates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements or interactions between any Debtor and any Released Party, the Restructuring Transactions, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the DIP Facilities, the Plan Documents and related agreements, instruments, and other documents, and the negotiation, formulation, preparation, or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, or any other relief obtained by the Debtors in the Chapter 11 Cases, other than Claims or Causes of Action arising out of

or related to any act or omission of a Released Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order; *provided, however,* that the DIP Facilities Claims shall not be deemed to have been released under section 10.7(b) if such Claims are not Paid in Full on the Effective Date in accordance with the terms of the Plan.

ENTRY OF THE CONFIRMATION ORDER BY THE BANKRUPTCY COURT SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASES IN SECTION 10.7(b) OF THE PLAN (THE "THIRD-PARTY RELEASE"), WHICH INCLUDES, BY REFERENCE, EACH OF THE RELATED PROVISIONS AND DEFINITIONS UNDER THE PLAN, AND, FURTHERMORE, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE THIRD-PARTY RELEASE IS (I) CONSENSUAL, (II) ESSENTIAL TO THE CONFIRMATION OF THE PLAN, (III) GIVEN IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES, (IV) A GOOD FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE THIRD-PARTY RELEASE, (V) IN THE BEST INTERESTS OF THE DEBTORS AND THEIR ESTATES, (VI) FAIR, EQUITABLE AND REASONABLE, (VII) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING, AND (VIII) A BAR TO ANY OF THE RELEASING PARTIES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE THIRD-PARTY RELEASE.

Section 10.8 Exculpation

To the fullest extent permitted by applicable law, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Claim, Interest, obligation, suit, judgment, damage, demand, debt, right, Cause of Action, loss, remedy, or liability for any claim in connection with or arising out of the administration of the Chapter 11 Cases; the negotiation and pursuit of the DIP Facilities, the Exit Facilities, the Management Incentive Plan, the Disclosure Statement, the Restructuring Support Agreement, the Restructuring Transactions, and the Plan (including the Plan Documents), or the solicitation of votes for, or confirmation of, the Plan; the funding of the Plan; the occurrence of the Effective Date; the administration of the Plan or the property to be distributed under the Plan; the issuance of Securities under or in connection with the Plan; or the transactions in furtherance of any of the foregoing; other than Claims or Causes of Action arising out of or related to any act or omission of an Exculpated Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order, but in all respects such entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have acted in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan, including the issuance of Securities thereunder. This exculpation shall be in addition to, and not in limitation of, all other

releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

Section 10.9 Injunction Related to Releases and Exculpation

The Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly, derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, or liabilities released pursuant to the Plan, including, without limitation, the claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities released or exculpated in the Plan or the Confirmation Order.

Relevant Definitions Related to Release and Exculpation Provisions:

Exculpated Parties means, collectively, and in each case in their capacities as such during the Chapter 11 Cases, (i) the Debtors, (ii) the Reorganized Debtors, and (iii) with respect to each of the foregoing Persons in clauses (i) and (ii), such Persons' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective equity holders (including shareholders), regardless of whether such interests are held directly or indirectly, current and former officers and directors (other than the Debtors' Chief Executive Officer as of January 31, 2019), principals, members, partners, managers, employees, subcontractors, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and such entities' respective heirs, executors, estates, and nominees, in each case in their capacity as such.

Released Parties means, collectively, (i) the Debtors, (ii) the Reorganized Debtors, (iii) the Consenting Sponsors, (iv) the Consenting Creditors, (v) the DIP ABL Lenders, (vi) the DIP ABL Agent, (vii) the DIP Term Loan Lenders, (viii) the DIP Term Loan Agent, (ix) the ABL Agent, (x) the ABL Lenders, (xi) the First Lien Term Loan Agent, (xii) the First Lien Lenders, (xiii) the Exit ABL Agent, (xiv) the Exit Arranger, (xv) the Exit ABL Lenders, (xvi) the Exit Term Loan Agent, (xvii) the Exit Term Loan Lenders, and (xviii) with respect to each of the foregoing Persons in clauses (i) through (xvii), such Persons' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective equity holders (including shareholders), regardless of whether such interests are held directly or indirectly, current and former officers and directors (other than the Debtors' Chief Executive Officer as of January 31, 2019), principals, members, partners, managers, employees, subcontractors, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and such Persons' respective heirs, executors, estates, and nominees, in each case in their capacity as such. Notwithstanding the foregoing, any Person that opts out of the releases set forth in section 10.7(b) of the Plan shall not be deemed a Released Party thereunder.

YOU ARE ADVISED AND ENCOURAGED TO CAREFULLY REVIEW AND CONSIDER THE PLAN, INCLUDING THE RELEASE, EXCULPATION AND INJUNCTION PROVISIONS, AS YOUR RIGHTS MIGHT BE AFFECTED.

Section 341(a) Meeting

16. A meeting of creditors pursuant to section 341(a) of the Bankruptcy Code (the "**Section 341(a) Meeting**") has been deferred. **The Section 341(a) Meeting will not be convened if the Plan is confirmed by _____, 2019.** If the Section 341(a) Meeting will be convened, the Debtors will file, serve on the parties on whom it served this notice and any other parties entitled to notice pursuant to the Bankruptcy Rules, and post on the website at http://cases.primeclerk.com/cti not less than twenty-one (21) days before the date scheduled for such meeting, a notice of, among other things, the date, time, and place of the Section 341(a) Meeting. The meeting may be adjourned or continued from time to time by notice at the meeting, without further notice to creditors.

Dated: Wilmington, Delaware
March [_], 2019

BY ORDER OF THE COURT

YOUNG CONAWAY STARGATT & TAYLOR, LLP
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-and-

WEIL, GOTSHAL & MANGES LLP
Matthew S. Barr (*pro hac vice* pending)
Ronit J. Berkovich (*pro hac vice* pending)
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767 Fifth Avenue
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Facsimile: (212) 310-8007

Proposed Attorneys for Debtors
and Debtors in Possession

Exhibit 2

Form of Ballot for Class 3 (First Lien Term Loan Claims)

***IMPORTANT**: NO CHAPTER 11 CASES HAVE BEEN COMMENCED AS OF THE DATE OF DISTRIBUTION OF THIS BALLOT. THE DEBTORS (AS DEFINED HEREIN) INTEND TO FILE CHAPTER 11 CASES AND SEEK CONFIRMATION OF THE PREPACKAGED PLAN OF REORGANIZATION BY THE BANKRUPTCY COURT SHORTLY THEREAFTER AS DESCRIBED IN GREATER DETAIL IN THE ACCOMPANYING DISCLOSURE STATEMENT. THIS BALLOT IS A COMPONENT OF THE PREPETITION SOLICITATION OF YOUR VOTE ON THE PREPACKAGED PLAN OF REORGANIZATION DESCRIBED BELOW. THE VOTING DEADLINE IS 5:00 P.M. PREVAILING EASTERN TIME ON APRIL 1, 2019.*

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	**Chapter 11**
CTI FOODS, LLC, *et al.*,	:	**Case No. 19– _____ ( )**
	:	**(Joint Administration Requested)**
Debtors.[1]	:	

BALLOT FOR ACCEPTING OR REJECTING JOINT PREPACKAGED CHAPTER 11 PLAN OF CTI FOODS, LLC AND ITS AFFILIATED DEBTORS

BALLOT FOR: CLASS 3 – FIRST LIEN TERM LOAN CLAIMS

HOLDERS OF CLASS 3 FIRST LIEN TERM LOAN CLAIMS SHOULD READ THIS ENTIRE BALLOT BEFORE COMPLETING. PLEASE SUBMIT YOUR VOTE (WHETHER THROUGH "E-BALLOT" OR "PAPER BALLOT" AS DEFINED BELOW) SO THAT YOUR VOTE IS ACTUALLY RECEIVED BY THE VOTING AGENT (AS DEFINED BELOW) ON OR BEFORE APRIL 1, 2019 AT 5:00 P.M. (PREVAILING EASTERN TIME) (THE "VOTING DEADLINE"), UNLESS EXTENDED BY THE DEBTORS.

CTI Foods, LLC and certain of its affiliates (the "**Debtors**") have provided you this ballot (the "**Ballot**") with instructions on how to solicit your vote to accept or reject the *Joint*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Chef Holdings, Inc. (8070); Chef Intermediate, Inc. (8653); CTIF Holdings, Inc. (0046); Chef Investment, LLC (3918); CTI Foods Acquisition LLC (3918); CTI Foods Holding Co., LLC (8320); CTI Services Corporation (2331); CTI Foods, LLC (3673); CTI Arlington, LLC (6103); CTI Saginaw I, LLC (6133); CTI King of Prussia, LLC (4771); CTI-SSI Food Services, LLC (8322); S & S Foods LLC (7447); Custom Food Products Holdings, LLC (2697); Custom Food Products, LLC (0697); Liguria Holdings, Inc. (8652); and Liguria Foods, Inc. (6446). The Debtors' mailing address is 504 Sansom Blvd., Saginaw, Texas 76179.

Prepackaged Chapter 11 Plan of Reorganization of CTI Foods, LLC and Its Affiliated Debtors (as amended, modified, or supplemented from time to time, the "**Plan**").[2]

Please cast your vote to accept or reject the Plan if you are, as of March 6, 2019 (the "**Voting Record Date**"), a holder of a claim (a "**Holder**") against the Debtors arising under that certain First Lien Term Loan Agreement, dated as of June 28, 2013 (as amended, modified, or otherwise supplemented from time to time), by and among certain of the Debtors, as borrower and/or obligor, the Lenders thereunder and as defined therein, the First Lien Term Loan Agent, and the other parties thereto, as in effect immediately prior to the Effective Date.

As of the date of distribution of this Ballot, only Accredited Investors[3] (as such term is defined in Rule 501 of the Securities Act of 1933, as amended (the "**Securities Act**")) are entitled to vote to accept or reject the Plan and you should disregard this Ballot if you are not an Accredited Investor.

The Plan is attached as **Exhibit A** to the *Disclosure Statement for Joint Prepackaged Chapter 11 Plan of CTI Foods, LLC and Its Affiliated Debtors* (as amended, modified or supplemented from time to time, the "**Disclosure Statement**"), which accompanies this Ballot. The Disclosure Statement provides information to assist you in deciding whether to accept or reject the Plan. If you do not have a copy of the Disclosure Statement, you may obtain a copy from the Debtors' solicitation and voting agent, Prime Clerk LLC (the "**Voting Agent**"), by calling (844) 339-4265 (domestic) or (929) 272-0423 (international), or sending an electronic mail message to CTIballots@primeclerk.com with "CTI" in the subject line and requesting that a copy be provided to you. You should review the Disclosure Statement and the Plan in their entirety before you vote. You may wish to seek independent legal advice concerning the Plan and your classification and treatment under the Plan.

IMPORTANT NOTICE REGARDING TREATMENT FOR CLASS 3

As described in more detail in the Disclosure Statement and Plan, if the Plan is confirmed and the Effective Date occurs, on the Effective Date, or as soon as reasonably practicable thereafter, each holder of an Allowed First Lien Term Loan Claim shall receive, in full and final satisfaction of such Claim, such holder's Pro Rata share of (i) 97% of the New Common Shares issued on the Effective Date, plus an additional 3% of the New Common Shares issued on the Effective Date in the event that Class 4 does not vote to accept the Prepackaged Plan, each subject to dilution from the New Common Shares issued pursuant to each of the Management Incentive Plan and the Backstop Commitment Fee and (ii) the Exit Last Out Term Loan.

PLEASE READ THE DISCLOSURE STATEMENT AND PLAN FOR MORE DETAILS.

[2] Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Plan.

[3] The definition of "Accredited Investor" is attached hereto as Exhibit A.

The Debtors intend to commence voluntary cases under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Plan can thereafter be confirmed by the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") and thereby made binding on you if: (i) it is accepted by the holders of at least two-thirds of the aggregate principal amount and more than one-half in number of the Claims voted in each Impaired Class of Claims and (ii) the Plan otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code. If the requisite acceptances are not obtained, the Bankruptcy Court may nonetheless confirm the Plan if it finds that the Plan (y) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan and (z) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code. If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote or if you vote to reject the Plan. To have your vote counted, you must complete, sign, and return this Ballot to the Voting Agent by the Voting Deadline.

Your receipt of this Ballot does not signify that your Claim(s) has been or will be Allowed. This Ballot is solely for purposes of voting to accept or reject the Plan and not for the purpose of allowance or disallowance of or distribution on account of Class 3 First Lien Term Loan Claims. You must provide all of the information requested by this Ballot. Failure to do so may result in the disqualification of your vote.

NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS IN PLAN

If you (i) vote to accept the Plan, (ii) do not vote either to accept or to reject the Plan and do not opt out of granting the releases set forth in the Plan, or (iii) vote to reject the Plan but do not opt out of granting the releases set forth in the Plan, you shall be deemed to have consented to the releases contained in Section 10 of the Plan.

Section 10.5 Injunction against Interference with the Plan

Upon the entry of the Confirmation Order, all holders of Claims and Interests and all other parties in interest, along with their respective present and former affiliates, employees, agents, officers, directors, and principals, shall be enjoined from taking any action to interfere with the implementation or the occurrence of the Effective Date.

Section 10.6 Plan Injunction

(c) Except as otherwise provided in the Plan, in the Plan Documents (including the Exit Facilities Agreements), or in the Confirmation Order, as of the entry of the Confirmation Order but subject to the occurrence of the Effective Date, all Persons who have held, hold, or may hold Claims against or Interests in any or all of the Debtors and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, are permanently enjoined after the entry of the Confirmation Order from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative, or other forum) against or affecting,

directly or indirectly, a Debtor, a Reorganized Debtor, or an Estate or the property of any of the foregoing, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (i) or any property of any such transferee or successor, (ii) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree, or order against a Debtor, a Reorganized Debtor, or an Estate or its property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (ii) or any property of any such transferee or successor, (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against a Debtor, a Reorganized Debtor, or an Estate or any of its property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons mentioned in this subsection (iii) or any property of any such transferee or successor, (iv) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan, and the Plan Documents, to the full extent permitted by applicable law, and (v) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan and the Plan Documents; *provided, however*, that such injunction will not apply to the holders of DIP Facilities Claims if such Claims are not Paid in Full on the Effective Date in accordance with the terms of the Plan.

(d) By accepting distributions pursuant to the Plan, each holder of an Allowed Claim or Interest shall be deemed to have affirmatively and specifically consented to be bound by the Plan, including the injunctions set forth in section 10.6 of the Plan.

Section 10.7 Releases

(e) Releases by Debtors. As of the Effective Date and to the fullest extent allowed by applicable law, except for the rights and remedies that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by the Debtors, the Reorganized Debtors, and the Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all other Persons that may purport to assert any Causes of Action derivatively, by or through the foregoing Persons, from any and all Claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, remedies, or liabilities whatsoever, arising on or after June 28, 2013, including any derivative Claims or Causes of Action, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or their Estates, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, contract, tort, or otherwise, by statute, violations of federal or state securities laws or otherwise that the Debtors, the Reorganized Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on

behalf of the holder of a Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the purchase, sale or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the Restructuring Transactions, the DIP Facilities, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Restructuring Support Agreement and any exhibits or documents relating thereto, or the solicitation of votes with respect to the Plan, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than Claims or Causes of Action arising out of or related to any act or omission of a Released Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order.

ENTRY OF THE CONFIRMATION ORDER BY THE BANKRUPTCY COURT SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASES IN SECTION 10.7(a) OF THE PLAN (the "DEBTOR RELEASES"), WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS UNDER THE PLAN, AND FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE DEBTOR RELEASES ARE: (I) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES, (II) A GOOD FAITH SETTLEMENT AND COMPROMISE OF THE RELEASED CLAIMS RELEASED BY THE DEBTORS, THE REORGANIZED DEBTORS AND THE ESTATES, (III) IN THE BEST INTERESTS OF THE DEBTORS, THE ESTATES AND ALL HOLDERS OF CLAIMS AND INTERESTS, (IV) FAIR, EQUITABLE AND REASONABLE, (V) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING, AND (VI) A BAR TO ANY OF THE DEBTORS, THE REORGANIZED DEBTORS, OR THE ESTATES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE DEBTOR RELEASE.

(f) Releases by Holders of Claims or Interests. As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service and contribution of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably and forever released and discharged, to the maximum extent permitted by law, by the (i) holders of all Claims and Interests who vote to accept the Plan, (ii) holders of all Claims or Interests that are Unimpaired under the Plan, (iii) the holders of all Claims or Interests whose vote to accept or reject the Plan is solicited but who do not vote either to accept or to reject the Plan, (iv) the holders of all Claims or Interests who vote to reject the Plan but do not opt out of granting the releases set forth herein, (v) the holders of all Claims or Interests who are deemed to reject the Plan and who do not file a timely objection to the releases provided for in section 10.7(b) of the Plan, (vi) the holders of all Claims and Interests who were given notice of the opportunity

to opt out of granting the releases set forth herein but did not opt out, (vii) the Restructuring Support Parties, (viii) the First Lien Term Loan Agent, (ix) the Second Lien Term Loan Agent, (x) the DIP ABL Agent, (xi) the DIP ABL Lenders, (xii) the DIP Term Loan Agent, (xiii) the DIP Term Loan Lenders, (xiv) the Exit ABL Agent, (xv) the Exit Arranger, (xvi) the Exit ABL Lenders, (xvii) the Exit Term Loan Agent, and (xviii) the Exit Term Loan Lenders from any and all claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, liens, remedies, losses, contributions, indemnities, costs, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or their Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, fixed or contingent, matured or unmatured, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law, equity, contract, tort, or otherwise, by statute, violations of federal or state securities law or otherwise, that such holders or their affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, or their Estates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements or interactions between any Debtor and any Released Party, the Restructuring Transactions, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the DIP Facilities, the Plan Documents and related agreements, instruments, and other documents, and the negotiation, formulation, preparation, or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, or any other relief obtained by the Debtors in the Chapter 11 Cases, other than Claims or Causes of Action arising out of or related to any act or omission of a Released Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order; *provided, however*, that the DIP Facilities Claims shall not be deemed to have been released under section 10.7(b) if such Claims are not Paid in Full on the Effective Date in accordance with the terms of the Plan.

ENTRY OF THE CONFIRMATION ORDER BY THE BANKRUPTCY COURT SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASES IN SECTION 10.7(b) OF THE PLAN (THE "THIRD-PARTY RELEASE"), WHICH INCLUDES, BY REFERENCE, EACH OF THE RELATED PROVISIONS AND DEFINITIONS UNDER THE PLAN, AND, FURTHERMORE, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE THIRD-PARTY RELEASE IS (I) CONSENSUAL, (II) ESSENTIAL TO THE CONFIRMATION OF THE PLAN, (III) GIVEN IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES, (IV) A GOOD FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE THIRD-PARTY RELEASE, (V) IN THE BEST INTERESTS OF THE DEBTORS AND THEIR ESTATES, (VI) FAIR, EQUITABLE AND REASONABLE, (VII) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING, AND (VIII) A BAR TO ANY OF THE RELEASING PARTIES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE THIRD-PARTY RELEASE.

Section 10.8 Exculpation

To the fullest extent permitted by applicable law, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Claim, Interest, obligation, suit, judgment, damage, demand, debt, right, Cause of Action, loss, remedy, or liability for any claim in connection with or arising out of the administration of the Chapter 11 Cases; the negotiation and pursuit of the DIP Facilities, the Exit Facilities, the Management Incentive Plan, the Disclosure Statement, the Restructuring Support Agreement, the Restructuring Transactions, and the Plan (including the Plan Documents), or the solicitation of votes for, or confirmation of, the Plan; the funding of the Plan; the occurrence of the Effective Date; the administration of the Plan or the property to be distributed under the Plan; the issuance of Securities under or in connection with the Plan; or the transactions in furtherance of any of the foregoing; other than Claims or Causes of Action arising out of or related to any act or omission of an Exculpated Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order, but in all respects such entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have acted in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan, including the issuance of Securities thereunder. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

Section 10.9 Injunction Related to Releases and Exculpation

The Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly, derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, or liabilities released pursuant to the Plan, including, without limitation, the claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities released or exculpated in the Plan or the Confirmation Order.

Relevant Definitions Related to Release and Exculpation Provisions:

Exculpated Parties means, collectively, and in each case in their capacities as such during the Chapter 11 Cases, (i) the Debtors, (ii) the Reorganized Debtors, and (iii) with respect to each of the foregoing Persons in clauses (i) and (ii), such Persons' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective equity holders (including shareholders), regardless of whether such interests are held directly or indirectly, current and former officers and directors (other than the Debtors' Chief Executive Officer as of January 31, 2019), principals, members, partners, managers, employees, subcontractors, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors,

management companies, fund advisors, and other professionals, and such entities' respective heirs, executors, estates, and nominees, in each case in their capacity as such.

Released Parties means, collectively, (i) the Debtors, (ii) the Reorganized Debtors, (iii) the Consenting Sponsors, (iv) the Consenting Creditors, (v) the DIP ABL Lenders, (vi) the DIP ABL Agent, (vii) the DIP Term Loan Lenders, (viii) the DIP Term Loan Agent, (ix) the ABL Agent, (x) the ABL Lenders, (xi) the First Lien Term Loan Agent, (xii) the First Lien Lenders, (xiii) the Exit ABL Agent, (xiv) the Exit Arranger, (xv) the Exit ABL Lenders, (xvi) the Exit Term Loan Agent, (xvii) the Exit Term Loan Lenders, and (xviii) with respect to each of the foregoing Persons in clauses (i) through (xvii), such Persons' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective equity holders (including shareholders), regardless of whether such interests are held directly or indirectly, current and former officers and directors (other than the Debtors' Chief Executive Officer as of January 31, 2019), principals, members, partners, managers, employees, subcontractors, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and such Persons' respective heirs, executors, estates, and nominees, in each case in their capacity as such. Notwithstanding the foregoing, any Person that opts out of the releases set forth in section 10.7(b) of the Plan shall not be deemed a Released Party thereunder.

YOU ARE ADVISED AND ENCOURAGED TO CAREFULLY REVIEW AND CONSIDER THE PLAN, INCLUDING THE RELEASE, EXCULPATION AND INJUNCTION PROVISIONS, AS YOUR RIGHTS MIGHT BE AFFECTED.

PLEASE READ THE ATTACHED VOTING INFORMATION AND INSTRUCTIONS BEFORE COMPLETING THIS BALLOT

PLEASE COMPLETE ITEMS 1, 2, 3 (IF APPLICABLE), AND 4. IF THIS BALLOT HAS NOT BEEN PROPERLY SIGNED IN THE SPACE PROVIDED, YOUR VOTE MAY NOT BE VALID OR COUNTED AS HAVING BEEN CAST.

Item 1. Principal Amount of Claims. The undersigned hereby certifies that, as of the Voting Record Date, the undersigned was the holder (or authorized signatory of such a holder) of First Lien Term Loan Claims in the amount set forth below.

$

Item 2. Votes on the Plan. Please vote either to accept or to reject the Plan with respect to your Claims below. Any Ballot not marked either to accept or reject the Plan, or marked both to accept and reject the Plan, shall not be counted in determining acceptance or rejection of the Plan.

Prior to voting on the Plan, please note the following:

If you vote to accept the Plan, you shall be deemed to have consented to the release, injunction, and exculpation provisions set forth in Sections 10.5, 10.6, 10.7, 10.8, and 10.9 of the Plan.

If you (i) do not vote either to accept or reject the Plan or (ii) vote to reject the Plan and, in each case, do not check the box in Item 3 below, you shall be deemed to have consented to the release provisions set forth in Section 10.7(b) of the Plan.

The Disclosure Statement and the Plan must be referenced for a complete description of the release, injunction, and exculpation provisions.

The undersigned holder of a Class 3 First Lien Term Loan Claim votes to (check one box):

☐ **Accept** the Plan ☐ **Reject** the Plan

Item 3. Optional Opt Out Release Election. If you voted to reject the Plan in Item 2 above, or if you are abstaining from voting to accept or reject the Plan, check this box if you elect not to grant the releases contained in Section 10.7(b) of the Plan. Election to withhold consent is at your option. If you voted to accept the Plan in Item 2 above, you may not complete this Item 3, and if you complete this Item 3, your "opt out" election will be ineffective. If you submit a rejecting Ballot, or if you abstain from submitting a Ballot, and in each case, you do not check the box below, you will be deemed to consent to the releases contained in Section 10.7(b) of the Plan to the fullest extent permitted by applicable law. The Holder of the Class 3 First Lien Term Loan Claim set forth in Item 1 elects to:

☐ **OPT OUT** of the releases contained in Section 10.7(b) of the Plan.

Item 4. Acknowledgments. By signing this Ballot, the Holder (or authorized signatory of such Holder) acknowledges receipt of the Plan, the Disclosure Statement, and the other applicable solicitation materials, and certifies that (i) it has the power and authority to vote to accept or reject the Plan, (ii) it was the Holder (or is entitled to vote on behalf of such Holder) of the First Lien Term Loan Claims described in Item 1 as of the Voting Record Date, (iii) it is an "accredited investor" within the meaning of Rule 501(a) under Regulation D of the Securities Act of 1933, as amended, and (iv) all authority conferred or agreed to be conferred pursuant to this Ballot, and every obligation of the undersigned hereunder, shall be binding on the transferees, successors, assigns, heirs, executors, administrators, trustees in bankruptcy, and legal representatives of the undersigned, and shall not be affected by, and shall survive, the death or incapacity of the undersigned.

_____
Name of Holder

_____
Signature

_____
If by Authorized Agent, Name and Title

_____
Name of Institution

_____
Street Address

_____
City, State, Zip Code

_____
Telephone Number

_____
Date Completed

_____
E-Mail Address

VOTING INFORMATION AND INSTRUCTIONS FOR COMPLETING THE BALLOT

1. Ballots received after the Voting Deadline (if the Voting Deadline has not been extended) may not, at the Debtors' discretion, be counted. **The Voting Agent will tabulate all properly completed Ballots received on or before the Voting Deadline.**

2. Submit your vote by either

   (i) Logging on to the online, electronic balloting platform maintained by Prime Clerk at https://cases.primeclerk.com/CTIfoodsballots/ ("**E-Ballot**"), clicking on the "Submit E-Ballot" link, and following the instructions set forth on the website[4], or

   (ii) Completing, executing, and submitting this paper Ballot ("**Paper Ballot**") to Prime Clerk via first class mail, overnight mail, or personal delivery to CTI Foods, LLC Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 3rd Floor, New York, New York 10022.

3. If a Holder submits its vote through E-Ballot, it does not need to submit a Paper Ballot.

4. Any Ballot that is illegible, contains insufficient information to identify the Holder, does not contain an original signature (with the understanding that a creditor's electronic signature submitted through E-Ballot will be deemed an "original signature" and to be immediately legally valid and effective), or is unsigned, will not be counted. Ballots may not be submitted to the Voting Agent by facsimile or e-mail. If neither the "accept" nor "reject" box is checked in Item 2, both boxes are checked in Item 2, or the Ballot is otherwise not properly completed, executed, or timely returned, then the Ballot shall not be counted in determining acceptance or rejection of the Plan.

5. You must vote all your Class 3 First Lien Term Loan Claims under the Plan either to accept or reject the Plan. Accordingly, if you return more than one Ballot voting different First Lien Term Loan Claims under the Plan, the Ballots are not voted in the same manner, and you do not correct this before the Voting Deadline, those Ballots will not be counted. An otherwise properly executed Ballot that attempts to partially accept and partially reject the Plan likewise will not be counted. Further, to the extent you vote multiple Claims within Class 3 consistently, the Debtors may, in their discretion, aggregate those votes for numerosity purposes.

6. If you hold a Claim in more than one Class entitled to vote, you may receive more than one Ballot for each such Claim. Each Ballot votes only your Claims indicated on that Ballot. Accordingly, you must complete and return each Ballot you receive to vote multiple Claims.

[4] The encrypted ballot data and audit trail created by such electronic E-Ballot submission shall become part of the record of any vote submitted in this manner and the creditor's electronic signature will be deemed to be immediately legally valid and effective.

7. If you voted to reject the Plan or if you are abstaining from voting to accept or reject the Plan, and in each case elect not to grant the releases contained in Section 10.7(b) of the Plan, you must check the box in Item 3. Election to withhold consent is at your option. If you submit a rejecting Ballot, or if you abstain from submitting a Ballot, and in each case, you do not check the box in Item 3, you will be deemed to consent to the releases set forth in Section 10.7(b) of the Plan.

8. If you vote to accept the Plan by checking the "accept" box in Item 2, but you also check the box in Item 3, your election not to grant the releases will not be counted, as your vote in favor of the Plan shall be deemed a consent to the releases set forth in Section 10.7(b) of the Plan.

9. The Ballot does not constitute, and shall not be deemed to be, a proof of Claim or an assertion or admission of Claims.

10. The Ballot is not a letter of transmittal and may not be used for any purpose other than to vote to accept or reject the Plan.

11. If you cast more than one Ballot voting the same Claims prior to the Voting Deadline, the latest received, properly executed Ballot submitted to the Voting Agent will supersede any prior Ballot.

12. If (i) the Debtors revoke or withdraw the Plan, or (ii) the Confirmation Order is not entered, or (iii) consummation of the Plan does not occur, this Ballot shall automatically be null and void and deemed withdrawn without any requirement of affirmative action by or notice to you.

13. There may be changes made to the Plan that do not cause material adverse effects on an accepting Class. If such non-material changes are made to the Plan, the Debtors will not resolicit votes for acceptance or rejection of the Plan.

14. Any votes rejected as non-conforming to the aforementioned provisions will be set forth on an exhibit to Prime Clerk's voting certification.

15. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS BALLOT, ANY SUPPLEMENTAL INFORMATION PROVIDED BY THE DEBTORS, OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT.

16. PLEASE RETURN YOUR BALLOT PROMPTLY.

17. IF YOU HAVE RECEIVED A DAMAGED BALLOT OR HAVE LOST YOUR BALLOT, OR IF YOU HAVE ANY QUESTIONS CONCERNING THIS BALLOT OR THE VOTING PROCEDURES, PLEASE CONTACT THE VOTING AGENT BY CALLING (844) 339-4265 (DOMESTIC) OR (929) 272-0423 (INTERNATIONAL) OR BY SENDING AN ELECTRONIC MAIL MESSAGE TO

CTIBALLOTS@PRIMECLERK.COM WITH "CTI" IN THE SUBJECT LINE. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT.

18. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

19. ALL BALLOTS MUST BE FULLY EXECUTED TO BE COUNTED. IF YOU ARE COMPLETING THIS BALLOT ON BEHALF OF ANOTHER PERSON OR ENTITY, INDICATE YOUR RELATIONSHIP WITH SUCH PERSON OR ENTITY AND THE CAPACITY IN WHICH YOU ARE SIGNING. YOU MAY BE REQUIRED TO PROVIDE ADDITIONAL INFORMATION OR DOCUMENTATION WITH RESPECT TO SUCH RELATIONSHIP.

E-Ballot Voting Instructions

To properly submit your vote electronically, you must electronically complete, sign, and return this customized Ballot by utilizing the E-ballot platform on Prime Clerk's website by visiting https://cases.primeclerk.com/CTIfoodsballots/, clicking on the "Submit E-Ballot" link and following the instructions set forth on the website. Your Ballot must be received by Prime Clerk no later than 5:00 P.M. (Prevailing Eastern Time) on April 1, 2019, the Voting Deadline, unless such time is extended by the Debtors. HOLDERS ARE STRONGLY ENCOURAGED TO SUBMIT THEIR BALLOTS VIA THE E-BALLOT PLATFORM. Prime Clerk's "E-Ballot" platform is the sole manner in which ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email, or other means of electronic transmission will not be counted.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Ballot:

Unique E-Ballot ID#: _____

Each E-Ballot ID# is to be used solely for voting only those Claims described in Item 1 of your electronic Ballot. Please complete and submit an E-Ballot for each E-Ballot ID# you receive, as applicable.

If you are unable to use the E-Ballot platform or need assistance in completing and submitting your vote, please contact Prime Clerk:

VIA PHONE AT (844) 339-4265 (DOMESTIC) OR (929) 272-0423 (INTERNATIONAL) OR EMAIL AT CTIballots@primeclerk.com.

Holders who cast a Ballot using Prime Clerk's "E-Ballot" platform should NOT also submit a Paper Ballot.

Paper Ballot Voting Instructions

To properly submit your vote by Paper Ballot, you must complete, sign, and return this customized Paper Ballot via (i) the enclosed, pre-paid envelope, (ii) first class mail, (iii) overnight courier, or (iv) hand delivery, so that the Paper Ballot is **actually received** by the Voting Agent no later than the Voting Deadline at the following address:

CTI FOODS, LLC BALLOT PROCESSING
C/O PRIME CLERK LLC
830 THIRD AVENUE, 3RD FLOOR
NEW YORK, NY 10022
Email: CTIballots@primeclerk.com

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS APRIL 1, 2019 AT 5:00 P.M. (PREVAILING EASTERN TIME).

Exhibit A

"Accredited Investor"

"Accredited Investor" is defined in Rule 501 of the Securities Act of 1933 as:

(a) any person who comes within any of the following categories, or who the issuer reasonably believes comes within any of the following categories, at the time of the sale of the securities to that person:

(1) any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000;

(4) any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director,

executive officer, or general partner of a general partner of that issuer;

(5) any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds $1,000,000.

(i) Except as provided in paragraph (a)(5)(ii) of this section, for purposes of calculating net worth under this paragraph (a)(5):

(A) The person's primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

(ii) Paragraph (a)(5)(i) of this section will not apply to any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:

(A) Such right was held by the person on July 20, 2010;

(B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and

(C) The person held securities of the same issuer, other than such right, on July 20, 2010.

(6) Any natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities

offered, whose purchase is directed by a sophisticated person as described in §230.506(b)(2)(ii); and

(8) Any entity in which all of the equity owners are accredited investors.

Exhibit 3

Form of Ballot for Class 4 (Second Lien Term Loan Claims)

***IMPORTANT**: NO CHAPTER 11 CASES HAVE BEEN COMMENCED AS OF THE DATE OF DISTRIBUTION OF THIS BALLOT. THE DEBTORS (AS DEFINED HEREIN) INTEND TO FILE CHAPTER 11 CASES AND SEEK CONFIRMATION OF THE PREPACKAGED PLAN OF REORGANIZATION BY THE BANKRUPTCY COURT SHORTLY THEREAFTER AS DESCRIBED IN GREATER DETAIL IN THE ACCOMPANYING DISCLOSURE STATEMENT. THIS BALLOT IS A COMPONENT OF THE PREPETITION SOLICITATION OF YOUR VOTE ON THE PREPACKAGED PLAN OF REORGANIZATION DESCRIBED BELOW. THE VOTING DEADLINE IS 5:00 P.M. PREVAILING EASTERN TIME ON APRIL 1, 2019.*

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	**Chapter 11**
CTI FOODS, LLC, *et al.*,	:	**Case No. 19– _____ ( )**
	:	**(Joint Administration Requested)**
Debtors.[1]	:	

BALLOT FOR ACCEPTING OR REJECTING JOINT PREPACKAGED CHAPTER 11 PLAN OF CTI FOODS, LLC AND ITS AFFILIATED DEBTORS

BALLOT FOR: CLASS 4 – SECOND LIEN TERM LOAN CLAIMS

HOLDERS OF CLASS 4 SECOND LIEN TERM LOAN CLAIMS SHOULD READ THIS ENTIRE BALLOT BEFORE COMPLETING. PLEASE SUBMIT YOUR VOTE (WHETHER THROUGH "E-BALLOT" OR "PAPER BALLOT" AS DEFINED BELOW) SO THAT YOUR VOTE IS ACTUALLY RECEIVED BY THE VOTING AGENT (AS DEFINED BELOW) ON OR BEFORE APRIL 1, 2019 AT 5:00 P.M. (PREVAILING EASTERN TIME) (THE "VOTING DEADLINE"), UNLESS EXTENDED BY THE DEBTORS.

CTI Foods, LLC and certain of its affiliates (the "**Debtors**") have provided you this ballot (the "**Ballot**") with instructions on how to solicit your vote to accept or reject the *Joint*

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Chef Holdings, Inc. (8070); Chef Intermediate, Inc. (8653); CTIF Holdings, Inc. (0046); Chef Investment, LLC (3918); CTI Foods Acquisition LLC (3918); CTI Foods Holding Co., LLC (8320); CTI Services Corporation (2331); CTI Foods, LLC (3673); CTI Arlington, LLC (6103); CTI Saginaw I, LLC (6133); CTI King of Prussia, LLC (4771); CTI-SSI Food Services, LLC (8322); S & S Foods LLC (7447); Custom Food Products Holdings, LLC (2697); Custom Food Products, LLC (0697); Liguria Holdings, Inc. (8652); and Liguria Foods, Inc. (6446). The Debtors' mailing address is 504 Sansom Blvd., Saginaw, Texas 76179.

Prepackaged Chapter 11 Plan of Reorganization of CTI Foods, LLC and Its Affiliated Debtors (as amended, modified, or supplemented from time to time, the "**Plan**").[2]

Please cast your vote to accept or reject the Plan if you are, as of March 6, 2019 (the "**Voting Record Date**"), a holder of a claim (a "**Holder**") against the Debtors arising under that certain Second Lien Term Loan Agreement, dated as of June 28, 2013 (as amended, modified, or otherwise supplemented from time to time), by and among certain of the Debtors, as borrower and/or obligor, the Lenders thereunder and as defined therein, the Second Lien Term Loan Agent, and the other parties thereto, as in effect immediately prior to the Effective Date.

As of the date of distribution of this Ballot, only Accredited Investors[3] (as such term is defined in Rule 501 of the Securities Act of 1933, as amended (the "**Securities Act**")) are entitled to vote to accept or reject the Plan and you should disregard this Ballot if you are not an Accredited Investor.

The Plan is attached as **Exhibit A** to the *Disclosure Statement for Joint Prepackaged Chapter 11 Plan of CTI Foods, LLC and Its Affiliated Debtors* (as amended, modified or supplemented from time to time, the "**Disclosure Statement**"), which accompanies this Ballot. The Disclosure Statement provides information to assist you in deciding whether to accept or reject the Plan. If you do not have a copy of the Disclosure Statement, you may obtain a copy from the Debtors' solicitation and voting agent, Prime Clerk LLC(the "**Voting Agent**"), by calling (844) 339-4265 (domestic) or (929) 272-0423 (international), or sending an electronic mail message to CTIballots@primeclerk.com with "CTI" in the subject line and requesting that a copy be provided to you. You should review the Disclosure Statement and the Plan in their entirety before you vote. You may wish to seek independent legal advice concerning the Plan and your classification and treatment under the Plan.

IMPORTANT NOTICE REGARDING TREATMENT FOR CLASS 4

As described in more detail in the Disclosure Statement and Plan, if the Plan is confirmed and the Effective Date occurs, in the event that Class 4 votes to accept the Prepackaged Plan, each holder of an Allowed Second Lien Term Loan Claim shall receive, on the Effective Date, or as soon as reasonably practicable thereafter, in full and final satisfaction of such Claim, such holder's Pro Rata share of 3% of the New Common Shares issued on the Effective Date, subject to dilution from the New Common Shares issued pursuant to each of the Management Incentive Plan and the Backstop Commitment Fee. In the event that Class 4 does not vote to accept the Prepackaged Plan, each holder of an Allowed Second Lien Term Loan Claim shall not receive or retain any distribution on account of such Claim.

PLEASE READ THE DISCLOSURE STATEMENT AND PLAN FOR MORE DETAILS.

The Debtors intend to commence voluntary cases under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Plan can thereafter be confirmed by the

[2] Capitalized terms used but not otherwise herein defined shall have the meanings ascribed to such terms in the Plan.

[3] The definition of "Accredited Investor" is attached hereto as Exhibit A.

United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") and thereby made binding on you if: (i) it is accepted by the holders of at least two-thirds of the aggregate principal amount and more than one-half in number of the Claims voted in each Impaired Class of Claims and (ii) the Plan otherwise satisfies the applicable requirements of section 1129(a) of the Bankruptcy Code. If the requisite acceptances are not obtained, the Bankruptcy Court may nonetheless confirm the Plan if it finds that the Plan (y) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan and (z) otherwise satisfies the requirements of section 1129(b) of the Bankruptcy Code. If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote or if you vote to reject the Plan. To have your vote counted, you must complete, sign, and return this Ballot to the Voting Agent by the Voting Deadline.

Your receipt of this Ballot does not signify that your Claim(s) has been or will be Allowed. This Ballot is solely for purposes of voting to accept or reject the Plan and not for the purpose of allowance or disallowance of or distribution on account of Class 4 Second Lien Term Loan Claims. You must provide all of the information requested by this Ballot. Failure to do so may result in the disqualification of your vote.

NOTICE REGARDING CERTAIN RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS IN PLAN

If you (i) vote to accept the Plan, (ii) do not vote either to accept or to reject the Plan and do not opt out of granting the releases set forth in the Plan, or (iii) vote to reject the Plan but do not opt out of granting the releases set forth in the Plan, you shall be deemed to have consented to the releases contained in Section 10 of the Plan.

Section 10.5 Injunction against Interference with the Plan

Upon the entry of the Confirmation Order, all holders of Claims and Interests and all other parties in interest, along with their respective present and former affiliates, employees, agents, officers, directors, and principals, shall be enjoined from taking any action to interfere with the implementation or the occurrence of the Effective Date.

Section 10.6 Plan Injunction

(g) Except as otherwise provided in the Plan, in the Plan Documents (including the Exit Facilities Agreements), or in the Confirmation Order, as of the entry of the Confirmation Order but subject to the occurrence of the Effective Date, all Persons who have held, hold, or may hold Claims against or Interests in any or all of the Debtors and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, are permanently enjoined after the entry of the Confirmation Order from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative, or other forum) against or affecting, directly or indirectly, a Debtor, a Reorganized Debtor, or an Estate or the property of any of the foregoing, or any direct or indirect transferee of any property of, or direct or

indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (i) or any property of any such transferee or successor, (ii) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree, or order against a Debtor, a Reorganized Debtor, or an Estate or its property, or any direct or indirect transferee of any property of, or direct or indirect successor in interest to, any of the foregoing Persons mentioned in this subsection (ii) or any property of any such transferee or successor, (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against a Debtor, a Reorganized Debtor, or an Estate or any of its property, or any direct or indirect transferee of any property of, or successor in interest to, any of the foregoing Persons mentioned in this subsection (iii) or any property of any such transferee or successor, (iv) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan, and the Plan Documents, to the full extent permitted by applicable law, and (v) commencing or continuing, in any manner or in any place, any action that does not comply with or is inconsistent with the provisions of the Plan and the Plan Documents; *provided, however*, that such injunction will not apply to the holders of DIP Facilities Claims if such Claims are not Paid in Full on the Effective Date in accordance with the terms of the Plan.

(h) By accepting distributions pursuant to the Plan, each holder of an Allowed Claim or Interest shall be deemed to have affirmatively and specifically consented to be bound by the Plan, including the injunctions set forth in section 10.6 of the Plan.

Section 10.7 Releases

(i) Releases by Debtors. As of the Effective Date and to the fullest extent allowed by applicable law, except for the rights and remedies that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by the Debtors, the Reorganized Debtors, and the Estates, in each case on behalf of themselves and their respective successors, assigns, and representatives and any and all other Persons that may purport to assert any Causes of Action derivatively, by or through the foregoing Persons, from any and all Claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, remedies, or liabilities whatsoever, arising on or after June 28, 2013, including any derivative Claims or Causes of Action, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or their Estates, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, contract, tort, or otherwise, by statute, violations of federal or state securities laws or otherwise that the Debtors, the Reorganized Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of a Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Chapter 11 Cases, the

purchase, sale or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests before or during the Chapter 11 Cases, the Restructuring Transactions, the DIP Facilities, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Restructuring Support Agreement and any exhibits or documents relating thereto, or the solicitation of votes with respect to the Plan, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, other than Claims or Causes of Action arising out of or related to any act or omission of a Released Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order.

ENTRY OF THE CONFIRMATION ORDER BY THE BANKRUPTCY COURT SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASES IN SECTION 10.7(a) OF THE PLAN (the "DEBTOR RELEASES"), WHICH INCLUDES BY REFERENCE EACH OF THE RELATED PROVISIONS AND DEFINITIONS UNDER THE PLAN, AND FURTHER, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE DEBTOR RELEASES ARE: (I) IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES, (II) A GOOD FAITH SETTLEMENT AND COMPROMISE OF THE RELEASED CLAIMS RELEASED BY THE DEBTORS, THE REORGANIZED DEBTORS AND THE ESTATES, (III) IN THE BEST INTERESTS OF THE DEBTORS, THE ESTATES AND ALL HOLDERS OF CLAIMS AND INTERESTS, (IV) FAIR, EQUITABLE AND REASONABLE, (V) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING, AND (VI) A BAR TO ANY OF THE DEBTORS, THE REORGANIZED DEBTORS, OR THE ESTATES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE DEBTOR RELEASE.

(j) Releases by Holders of Claims or Interests. As of the Effective Date, except for the rights that remain in effect from and after the Effective Date to enforce the Plan and the Plan Documents, for good and valuable consideration, the adequacy of which is hereby confirmed, including the service and contribution of the Released Parties to facilitate the reorganization of the Debtors and the implementation of the Restructuring, on and after the Effective Date, the Released Parties shall be deemed conclusively, absolutely, unconditionally, irrevocably and forever released and discharged, to the maximum extent permitted by law, by the (i) holders of all Claims and Interests who vote to accept the Plan, (ii) holders of all Claims or Interests that are Unimpaired under the Plan, (iii) the holders of all Claims or Interests whose vote to accept or reject the Plan is solicited but who do not vote either to accept or to reject the Plan, (iv) the holders of all Claims or Interests who vote to reject the Plan but do not opt out of granting the releases set forth herein, (v) the holders of all Claims or Interests who are deemed to reject the Plan and who do not file a timely objection to the releases provided for in section 10.7(b) of the Plan, (vi) the holders of all Claims and Interests who were given notice of the opportunity to opt out of granting the releases set forth herein but did not opt out, (vii) the Restructuring Support Parties, (viii) the First Lien Term Loan Agent, (ix) the Second Lien

Term Loan Agent, (x) the DIP ABL Agent, (xi) the DIP ABL Lenders, (xii) the DIP Term Loan Agent, (xiii) the DIP Term Loan Lenders, (xiv) the Exit ABL Agent, (xv) the Exit Arranger, (xvi) the Exit ABL Lenders, (xvii) the Exit Term Loan Agent, and (xviii) the Exit Term Loan Lenders from any and all claims, interests, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, liens, remedies, losses, contributions, indemnities, costs, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or their Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, fixed or contingent, matured or unmatured, asserted or unasserted, accrued or unaccrued, existing or hereinafter arising, whether in law, equity, contract, tort, or otherwise, by statute, violations of federal or state securities law or otherwise, that such holders or their affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Person, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Reorganized Debtors, or their Estates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any Security of the Debtors or the Reorganized Debtors, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements or interactions between any Debtor and any Released Party, the Restructuring Transactions, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the DIP Facilities, the Plan Documents and related agreements, instruments, and other documents, and the negotiation, formulation, preparation, or implementation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, or any other relief obtained by the Debtors in the Chapter 11 Cases, other than Claims or Causes of Action arising out of or related to any act or omission of a Released Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order; *provided, however,* that the DIP Facilities Claims shall not be deemed to have been released under section 10.7(b) if such Claims are not Paid in Full on the Effective Date in accordance with the terms of the Plan.

ENTRY OF THE CONFIRMATION ORDER BY THE BANKRUPTCY COURT SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASES IN SECTION 10.7(b) OF THE PLAN (THE "THIRD-PARTY RELEASE"), WHICH INCLUDES, BY REFERENCE, EACH OF THE RELATED PROVISIONS AND DEFINITIONS UNDER THE PLAN, AND, FURTHERMORE, SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING THAT THE THIRD-PARTY RELEASE IS (I) CONSENSUAL, (II) ESSENTIAL TO THE CONFIRMATION OF THE PLAN, (III) GIVEN IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE RELEASED PARTIES, (IV) A GOOD FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS RELEASED BY THE THIRD-PARTY RELEASE, (V) IN THE BEST INTERESTS OF THE DEBTORS AND THEIR ESTATES, (VI) FAIR, EQUITABLE AND REASONABLE, (VII) GIVEN AND MADE AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING, AND (VIII) A BAR TO ANY OF THE RELEASING PARTIES ASSERTING ANY CLAIM OR CAUSE OF ACTION RELEASED PURSUANT TO THE THIRD-PARTY RELEASE.

Section 10.8 Exculpation

To the fullest extent permitted by applicable law, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Claim, Interest, obligation, suit, judgment, damage, demand, debt, right, Cause of Action, loss, remedy, or liability for any claim in connection with or arising out of the administration of the Chapter 11 Cases; the negotiation and pursuit of the DIP Facilities, the Exit Facilities, the Management Incentive Plan, the Disclosure Statement, the Restructuring Support Agreement, the Restructuring Transactions, and the Plan (including the Plan Documents), or the solicitation of votes for, or confirmation of, the Plan; the funding of the Plan; the occurrence of the Effective Date; the administration of the Plan or the property to be distributed under the Plan; the issuance of Securities under or in connection with the Plan; or the transactions in furtherance of any of the foregoing; other than Claims or Causes of Action arising out of or related to any act or omission of an Exculpated Party that is a criminal act or constitutes intentional fraud, gross negligence, or willful misconduct as determined by a Final Order, but in all respects such entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have acted in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation and distribution of Securities pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan, including the issuance of Securities thereunder. This exculpation shall be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable law or rules protecting such Exculpated Parties from liability.

Section 10.9 Injunction Related to Releases and Exculpation

The Confirmation Order shall permanently enjoin the commencement or prosecution by any Person, whether directly, derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, or liabilities released pursuant to the Plan, including, without limitation, the claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, and liabilities released or exculpated in the Plan or the Confirmation Order.

Relevant Definitions Related to Release and Exculpation Provisions:

Exculpated Parties means, collectively, and in each case in their capacities as such during the Chapter 11 Cases, (i) the Debtors, (ii) the Reorganized Debtors, and (iii) with respect to each of the foregoing Persons in clauses (i) and (ii), such Persons' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective equity holders (including shareholders), regardless of whether such interests are held directly or indirectly, current and former officers and directors (other than the Debtors' Chief Executive Officer as of January 31, 2019), principals, members, partners, managers, employees, subcontractors, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors,

management companies, fund advisors, and other professionals, and such entities' respective heirs, executors, estates, and nominees, in each case in their capacity as such.

Released Parties means, collectively, (i) the Debtors, (ii) the Reorganized Debtors, (iii) the Consenting Sponsors, (iv) the Consenting Creditors, (v) the DIP ABL Lenders, (vi) the DIP ABL Agent, (vii) the DIP Term Loan Lenders, (viii) the DIP Term Loan Agent, (ix) the ABL Agent, (x) the ABL Lenders, (xi) the First Lien Term Loan Agent, (xii) the First Lien Lenders, (xiii) the Exit ABL Agent, (xiv) the Exit Arranger, (xv) the Exit ABL Lenders, (xvi) the Exit Term Loan Agent, (xvii) the Exit Term Loan Lenders, and (xviii) with respect to each of the foregoing Persons in clauses (i) through (xvii), such Persons' predecessors, successors, assigns, subsidiaries, affiliates, managed accounts and funds, and all of their respective equity holders (including shareholders), regardless of whether such interests are held directly or indirectly, current and former officers and directors (other than the Debtors' Chief Executive Officer as of January 31, 2019), principals, members, partners, managers, employees, subcontractors, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, investment managers, investment advisors, management companies, fund advisors, and other professionals, and such Persons' respective heirs, executors, estates, and nominees, in each case in their capacity as such. Notwithstanding the foregoing, any Person that opts out of the releases set forth in section 10.7(b) of the Plan shall not be deemed a Released Party thereunder.

YOU ARE ADVISED AND ENCOURAGED TO CAREFULLY REVIEW AND CONSIDER THE PLAN, INCLUDING THE RELEASE, EXCULPATION AND INJUNCTION PROVISIONS, AS YOUR RIGHTS MIGHT BE AFFECTED.

PLEASE READ THE ATTACHED VOTING INFORMATION AND INSTRUCTIONS BEFORE COMPLETING THIS BALLOT

PLEASE COMPLETE ITEMS 1, 2, 3 (IF APPLICABLE), AND 4. IF THIS BALLOT HAS NOT BEEN PROPERLY SIGNED IN THE SPACE PROVIDED, YOUR VOTE MAY NOT BE VALID OR COUNTED AS HAVING BEEN CAST.

Item 1. Principal Amount of Claims. The undersigned hereby certifies that, as of the Voting Record Date, the undersigned was the holder (or authorized signatory of such a holder) of Second Lien Term Loan Claims in the amount set forth below.

$

Item 2. Votes on the Plan. Please vote either to accept or to reject the Plan with respect to your Claims below. Any Ballot not marked either to accept or reject the Plan, or marked both to accept and reject the Plan, shall not be counted in determining acceptance or rejection of the Plan.

Prior to voting on the Plan, please note the following:

If you vote to accept the Plan, you shall be deemed to have consented to release, injunction, and exculpation provisions set forth in Sections 10.5, 10.6, 10.7, 10.8, and 10.9 of the Plan.

If you (i) do not vote either to accept or reject the Plan or (ii) vote to reject the Plan and, in each case, do not check the box in Item 3 below, you shall be deemed to have consented to the release provisions set forth in Section 10.7(b) of the Plan.

The Disclosure Statement and the Plan must be referenced for a complete description of the release, injunction, and exculpation provisions.

The undersigned holder of a Class 4 Second Lien Term Loan Claim votes to (check one box):

☐ **Accept** the Plan ☐ **Reject** the Plan

Item 3. Optional Opt Out Release Election. If you voted to reject the Plan in Item 2 above, or if you are abstaining from voting to accept or reject the Plan, check this box if you elect not to grant the releases contained in Section 10.7(b) of the Plan. Election to withhold consent is at your option. If you voted to accept the Plan in Item 2 above, you may not complete this Item 3, and if you complete this Item 3, your "opt out" election will be ineffective. If you submit a rejecting Ballot, or if you abstain from submitting a Ballot, and in each case, you do not check the box below, you will be deemed to consent to the releases contained in Section 10.7(b) of the Plan to the fullest extent permitted by applicable law. The Holder of the Class 4 Second Lien Term Loan Claim set forth in Item 1 elects to:

☐ **OPT OUT** of the releases contained in Section 10.7(b) of the Plan.

Item 4. Acknowledgments. By signing this Ballot, the Holder (or authorized signatory of such Holder) acknowledges receipt of the Plan, the Disclosure Statement, and the other applicable solicitation materials, and certifies that (i) it has the power and authority to vote to accept or reject the Plan, (ii) it was the Holder (or is entitled to vote on behalf of such Holder) of the Second Lien Term Loan Claims described in Item 1 as of the Voting Record Date, (iii) it is an "accredited investor" within the meaning of Rule 501(a) under Regulation D of the Securities Act of 1933, as amended, and (iv) all authority conferred or agreed to be conferred pursuant to this Ballot, and every obligation of the undersigned hereunder, shall be binding on the transferees, successors, assigns, heirs, executors, administrators, trustees in bankruptcy, and legal representatives of the undersigned, and shall not be affected by, and shall survive, the death or incapacity of the undersigned.

_____
Name of Holder

_____
Signature

_____
If by Authorized Agent, Name and Title

_____
Name of Institution

_____
Street Address

_____
City, State, Zip Code

_____
Telephone Number

_____
Date Completed

_____
E-Mail Address

VOTING INFORMATION AND INSTRUCTIONS FOR COMPLETING THE BALLOT

1. Ballots received after the Voting Deadline (if the Voting Deadline has not been extended) may not, at the Debtors' discretion, be counted. **The Voting Agent will tabulate all properly completed Ballots received on or before the Voting Deadline.**

2. Submit your vote by either

   (i) Logging on to the online, electronic balloting platform maintained by Prime Clerk at https://cases.primeclerk.com/CTIfoodsballots/ ("**E-Ballot**"), clicking on the "Submit E-Ballot" link, and following the instructions set forth on the website[4], or

   (ii) Completing, executing, and submitting this paper Ballot ("**Paper Ballot**") to Prime Clerk via first class mail, overnight mail, or personal delivery to CTI Foods, LLC Ballot Processing, c/o Prime Clerk LLC, 830 Third Avenue, 3rd Floor, New York, New York 10022.

3. If a Holder submits its vote through E-Ballot, it does not need to submit a Paper Ballot.

4. Any Ballot that is illegible, contains insufficient information to identify the Holder, does not contain an original signature (with the understanding that a creditor's electronic signature submitted through E-Ballot will be deemed an "original signature" and to be immediately legally valid and effective), or is unsigned, will not be counted. Ballots may not be submitted to the Voting Agent by facsimile or e-mail. If neither the "accept" nor "reject" box is checked in Item 2, both boxes are checked in Item 2, or the Ballot is otherwise not properly completed, executed, or timely returned, then the Ballot shall not be counted in determining acceptance or rejection of the Plan.

5. You must vote all your Class 4 Second Lien Term Loan Claims under the Plan either to accept or reject the Plan. Accordingly, if you return more than one Ballot voting different Second Lien Term Loan Claims under the Plan, the Ballots are not voted in the same manner, and you do not correct this before the Voting Deadline, those Ballots will not be counted. An otherwise properly executed Ballot that attempts to partially accept and partially reject the Plan likewise will not be counted. Further, to the extent you vote multiple Claims within Class 4 consistently, the Debtors may, in their discretion, aggregate those votes for numerosity purposes.

6. If you hold a Claim in more than one Class entitled to vote, you may receive more than one Ballot for each such Claim. Each Ballot votes only your Claims indicated on that Ballot. Accordingly, you must complete and return each Ballot you receive to vote multiple Claims.

[4] The encrypted ballot data and audit trail created by such electronic E-Ballot submission shall become part of the record of any vote submitted in this manner and the creditor's electronic signature will be deemed to be immediately legally valid and effective.

7. If you voted to reject the Plan or if you are abstaining from voting to accept or reject the Plan, and in each case elect not to grant the releases contained in Section 10.7(b) of the Plan, you must check the box in Item 3. Election to withhold consent is at your option. If you submit a rejecting Ballot, or if you abstain from submitting a Ballot, and in each case, you do not check the box in Item 3, you will be deemed to consent to the releases set forth in Section 10.7(b) of the Plan.

8. If you vote to accept the Plan by checking the "accept" box in Item 2, but you also check the box in Item 3, your election not to grant the releases will not be counted, as your vote in favor of the Plan shall be deemed a consent to the releases set forth in Section 10.7(b) of the Plan.

9. The Ballot does not constitute, and shall not be deemed to be, a proof of Claim or an assertion or admission of Claims.

10. The Ballot is not a letter of transmittal and may not be used for any purpose other than to vote to accept or reject the Plan.

11. If you cast more than one Ballot voting the same Claims prior to the Voting Deadline, the latest received, properly executed Ballot submitted to the Voting Agent will supersede any prior Ballot.

12. If (i) the Debtors revoke or withdraw the Plan, or (ii) the Confirmation Order is not entered, or (iii) consummation of the Plan does not occur, this Ballot shall automatically be null and void and deemed withdrawn without any requirement of affirmative action by or notice to you.

13. There may be changes made to the Plan that do not cause material adverse effects on an accepting Class. If such non-material changes are made to the Plan, the Debtors will not resolicit votes for acceptance or rejection of the Plan.

14. Any votes rejected as non-conforming to the aforementioned provisions will be set forth on an exhibit to Prime Clerk's voting certification.

15. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS BALLOT, ANY SUPPLEMENTAL INFORMATION PROVIDED BY THE DEBTORS, OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT.

16. PLEASE RETURN YOUR BALLOT PROMPTLY.

17. IF YOU HAVE RECEIVED A DAMAGED BALLOT OR HAVE LOST YOUR BALLOT, OR IF YOU HAVE ANY QUESTIONS CONCERNING THIS BALLOT OR THE VOTING PROCEDURES, PLEASE CONTACT THE VOTING AGENT BY CALLING (844) 339-4265 (DOMESTIC) OR (929) 272-0423 (INTERNATIONAL) OR BY SENDING AN ELECTRONIC MAIL MESSAGE TO

CTIBALLOTS@PRIMECLERK.COM WITH "CTI" IN THE SUBJECT LINE. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT.

18. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

19. ALL BALLOTS MUST BE FULLY EXECUTED TO BE COUNTED. IF YOU ARE COMPLETING THIS BALLOT ON BEHALF OF ANOTHER PERSON OR ENTITY, INDICATE YOUR RELATIONSHIP WITH SUCH PERSON OR ENTITY AND THE CAPACITY IN WHICH YOU ARE SIGNING. YOU MAY BE REQUIRED TO PROVIDE ADDITIONAL INFORMATION OR DOCUMENTATION WITH RESPECT TO SUCH RELATIONSHIP.

E-Ballot Voting Instructions

To properly submit your vote electronically, you must electronically complete, sign, and return this customized Ballot by utilizing the E-ballot platform on Prime Clerk's website by visiting https://cases.primeclerk.com/CTIfoodsballots/, clicking on the "Submit E-Ballot" link and following the instructions set forth on the website. Your Ballot must be received by Prime Clerk no later than 5:00 P.M. (Prevailing Eastern Time) on April 1, 2019, the Voting Deadline, unless such time is extended by the Debtors. HOLDERS ARE STRONGLY ENCOURAGED TO SUBMIT THEIR BALLOTS VIA THE E-BALLOT PLATFORM. Prime Clerk's "E-Ballot" platform is the sole manner in which ballots will be accepted via electronic or online transmission. Ballots submitted by facsimile, email, or other means of electronic transmission will not be counted.

IMPORTANT NOTE: You will need the following information to retrieve and submit your customized electronic Ballot:

Unique E-Ballot ID#: _____

Each E-Ballot ID# is to be used solely for voting only those Claims described in Item 1 of your electronic Ballot. Please complete and submit an E-Ballot for each E-Ballot ID# you receive, as applicable.

If you are unable to use the E-Ballot platform or need assistance in completing and submitting your vote, please contact Prime Clerk:

VIA PHONE AT (844) 339-4265 (DOMESTIC) OR (929) 272-0423 (INTERNATIONAL) OR EMAIL AT CTIballots@primeclerk.com.

Holders who cast a Ballot using Prime Clerk's "E-Ballot" platform should NOT also submit a Paper Ballot.

Paper Ballot Voting Instructions

To properly submit your vote by Paper Ballot, you must complete, sign, and return this customized Paper Ballot via (i) the enclosed, pre-paid envelope, (ii) first class mail, (iii) overnight courier, or (iv) hand delivery, so that the Paper Ballot is **actually received** by the Voting Agent no later than the Voting Deadline at the following address:

CTI FOODS, LLC BALLOT PROCESSING
C/O PRIME CLERK LLC
830 THIRD AVENUE, 3RD FLOOR
NEW YORK, NY 10022
Email: CTIballots@primeclerk.com

THE VOTING DEADLINE TO ACCEPT OR REJECT THE PLAN IS APRIL 1, 2019 AT 5:00 P.M. (PREVAILING EASTERN TIME).

Exhibit A

"Accredited Investor"

"Accredited Investor" is defined in Rule 501 of the Securities Act of 1933 as:

(a) any person who comes within any of the following categories, or who the issuer reasonably believes comes within any of the following categories, at the time of the sale of the securities to that person:

(1) any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(a)(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000;

(4) any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director,

executive officer, or general partner of a general partner of that issuer;

(5) any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds $1,000,000.

(i) Except as provided in paragraph (a)(5)(ii) of this section, for purposes of calculating net worth under this paragraph (a)(5):

(A) The person's primary residence shall not be included as an asset;

(B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

(ii) Paragraph (a)(5)(i) of this section will not apply to any calculation of a person's net worth made in connection with a purchase of securities in accordance with a right to purchase such securities, provided that:

(A) Such right was held by the person on July 20, 2010;

(B) The person qualified as an accredited investor on the basis of net worth at the time the person acquired such right; and

(C) The person held securities of the same issuer, other than such right, on July 20, 2010.

(6) Any natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with that person's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities

offered, whose purchase is directed by a sophisticated person as described in §230.506(b)(2)(ii); and

(8) Any entity in which all of the equity owners are accredited investors.