

IOIPay FAQs

What was announced?

- Interlogic Outsourcing, Inc. (together with its affiliates, collectively “IOI Pay” or the “Company”) announced that the Company has voluntarily filed petitions for relief under chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for the Northern District of Indiana, (the “Court”). This court-supervised process will facilitate IOI to further pursue the robust solicitation process implemented prior to the commencement under court supervision and consummate a structured and orderly sale as a going concern.
- IOI has secured additional financing from its lender, KeyBank National Association (“KeyBank”) to support our operations and facilitate a going concern sale process.

What is Chapter 11?

- Chapter 11 is a chapter of the U.S. Bankruptcy Code that governs court-supervised corporate restructurings.
- A company that files for protection under Chapter 11 is allowed to continue to operate normally and **maintain its business “in the ordinary course” – or business as usual**, while also working to implement a restructuring plan that includes the sale of IOIPay as a going concern.
- A Chapter 11 will also allow the Company time to address the disruption events announced the week of July 8th, 2019 (“Disruption Date”).

Why are you using this process to explore a sale? How long will the sale process take?

- Pursuing a sale under the Court’s supervision provides the quickest and most efficient means of maximizing value for its assets.
- In addition, the Chapter 11 process will allow the Company to continue serving our customers while at the same time providing a forum to recover assets, collateral and funds inadvertently diverted as part of the Disruption Date and prior.
 - Court supervision provides a process to adjudicate all stakeholder claims that may arise from the Disruption Date and prior
- We are working through this process as expeditiously as possible.
- We will continue to provide updates as we move through the process.

What happens during Chapter 11?

- Upon the filing of a petition an “automatic stay” is imposed that prevents creditors from collecting money and debts owed by the company for activities that arose prior to the filing date.
- During Chapter 11, the Company is not allowed to make pre-petition payments absent approval by the Court, therefore certain pre-petition payments, as well as payments owed to vendors for goods and services received before the filing, may be delayed until the Court authorizes next steps
- Chapter 11 benefits corporations seeking to restructure since they are largely permitted to operate in the same manner as they did before the filing such as:
 - Company facilities will stay open;
 - Employees will continue to receive their regular wages and benefits;
 - Provide our customers uninterrupted payroll services. We are fully committed to providing the same exceptional customer experience you have come to expect from us; and
 - Goods and services purchased after the filing date will be paid for in the ordinary course of business.
 - **We will continue to provide tax obligation information (via IOIPay website and customer service) and a process to tally and submit a claim for the time period July 8th and prior**

(Disruption Date and prior). There will not be any disruption for payroll processing July 9th and forward.

Is the Company going out of business?

- No. The Company is not going out of business and operations will continue in the ordinary course throughout the restructuring process. The Company does not expect any interruptions in its day-to-day operations.
- Chapter 11 is intended to provide a company with the time and protection it needs to pursue an orderly sale as a going concern, not liquidate its assets.

Which entities are included in the filing?

Please click on the Debtors tab at the case website:

We are committed to keeping you updated, and you can access the case website for the latest filings and updates. In the meantime, if you have any questions, please contact us at support@ioipay.com or (888) 697-0021 or <https://cases.primeclerk.com/InterlogicOutsourcing/>. We greatly value your business and the confidence and trust you place in us. We are sincerely sorry for the disruptive events noted above and we appreciate the opportunity to serve you now, and in the future.

Will there be management changes?

- There are no currently anticipated changes to the current reporting structure.
- In fact, the corporate governance has been greatly improved with the appointment of an independent director.
 - The independent director then appointed Daniel P. Wikel from Huron Consulting Group (“Huron”) as the Chief Restructuring Officer and Interim President. Mr. Wikel along with a very seasoned and capable management team, will lead the organization through this court supervised process.

How will the restructuring process affect day-to-day operations?

- Importantly, the Company will continue normal business operations during this process.
- The Company believes it will have sufficient liquidity to support the business during this process.
- The Company intends to continue working closely with its customers, suppliers and pay for goods and services delivered after the filing under normal terms; the bankruptcy rules require the Company to do this.

Does the Company have adequate funding to conduct its operations during the restructuring?

- Yes. The Company has enough working capital and financing from KeyBank to operate in the ordinary course throughout the restructuring.

When is Company expected to emerge from Chapter 11?

While the length of a chapter 11 proceeding depends upon many factors, the Company expects to emerge from this process as soon as practicable and is committed to keeping you informed. We plan to pursue a robust solicitation process to identify a suitable owner and best position our business for the future.