

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

In re:

RTW RETAILWINDS, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 20-18445 (JKS)

(Jointly Administered)

**NOTICE OF (A) APPROVAL OF THE DISCLOSURE STATEMENT,  
AND (B) HEARING TO CONSIDER CONFIRMATION OF THE PLAN  
AND THE OBJECTION DEADLINE RELATED THERETO**

TO ALL PARTIES IN INTEREST, PLEASE TAKE NOTICE THAT:

1. **Filing of the Disclosure Statement and Plan.** On September 30, 2020, the above-captioned debtors and debtors-in-possession (the “**Debtors**”) filed the *Disclosure Statement for the Joint Plan of RTW Retailwinds, Inc. and Affiliated Debtors Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 389] (as amended from time to time and including all exhibits and supplements thereto, the “**Disclosure Statement**”) and the *Joint Plan of Liquidation of RTW Retailwinds, Inc. and Affiliated Debtors Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 390] (as may be amended, supplemented or modified, including all exhibits thereto, the “**Plan**”).<sup>2</sup>
2. **Bankruptcy Court Approval of the Disclosure Statement and the Notice Procedures.** On October 29, 2020, the United States Bankruptcy Court for the District of New Jersey (the “**Bankruptcy Court**”) entered an order [Docket No. 515] (the “**Disclosure Statement Approval and Procedures Order**”) approving, among other things, the Disclosure Statement and authorizing the Debtors to provide notice of their intent to seek confirmation of the Plan pursuant to certain procedures set forth therein, including the solicitation of votes to accept or reject the Plan. The Bankruptcy Court’s approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court.
3. **The Confirmation Hearing.** A hearing to confirm the Plan (the “**Confirmation Hearing**”) will commence on **December 9, 2020 at 10:00 a.m. (ET)** before the

---

<sup>1</sup> The Debtors in these chapter 11 cases and the last four digits of each Debtor’s federal tax identification number, as applicable, are as follows: RTW Retailwinds, Inc. (1445); Lerner New York Holding, Inc. (2460); Lernco, Inc. (4787); Lerner New York, Inc. (2137); New York & Company, Inc. (4569); Lerner New York GC, LLC (6095); Lerner New York Outlet, LLC (6617); New York & Company Stores, Inc. (6483); FTF GC, LLC (7341); Lerner New York FTF, LLC (6279); Fashion to Figure, LLC (6997); FTF IP Company, Inc. (6936). The Debtors’ principal place of business is 330 W. 34th St., 9th Floor, New York, New York 10001.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Plan or the Disclosure Statement, as applicable.

Honorable John K. Sherwood, United States Bankruptcy Judge, in Courtroom 3D of the United States Bankruptcy Court for the District of New Jersey, 50 Walnut Street, Third Floor, Newark, New Jersey 07102. Please be advised that the Confirmation Hearing may be continued from time to time by the Bankruptcy Court or the Debtors without further notice other than by such adjournment being announced in open court or by a notice of adjournment filed with the Bankruptcy Court and served on parties entitled to notice under Bankruptcy Rule 2002 and the Local Rules or otherwise. In accordance with the Plan, the Plan may be modified, if necessary, prior to, during, or as a result of the Confirmation Hearing by further action of the Debtors and without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity.

4. **Objections to Confirmation of the Plan.** The Bankruptcy Court has established **December 2, 2020 at 4:00 p.m. (ET)**, as the last date and time for filing and serving objections to confirmation of the Plan (the “**Objection Deadline**”). Any objection to confirmation of the Plan must (a) be in writing, (b) conform to the Bankruptcy Rules and the Local Rules, (c) state the name and address of the objecting party and the amount and nature of the Claim or Interest of such Entity, (d) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection, and (e) be filed with the Clerk of the Bankruptcy Court for the District of New Jersey, 50 Walnut Street, Third Floor, Newark, New Jersey 07102, and served on the following: (i) counsel to the Debtors, Cole Schotz P.C., 25 Main Street, Hackensack, New Jersey 07601 (Attn: Michael D. Sirota, Esq. and Ryan T. Jareck, Esq.) (email: [msirota@coleschotz.com](mailto:msirota@coleschotz.com) and [rjareck@coleschotz.com](mailto:rjareck@coleschotz.com)); (ii) the Office of the United States Trustee, One Newark Center, 1085 Raymond Boulevard, Suite 2100, Newark, NJ 07102 (Attn: Fran B. Steele, Esq. and David Gerardi, Esq.); and (iii) counsel to the Committee, Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue, 34<sup>th</sup> Floor, New York, NY 10017 (Attn: Bradford J. Sandler, Esq. and Paul J. Labov, Esq.) (email: [bsandler@pszjlaw.com](mailto:bsandler@pszjlaw.com) and [plabov@pszjlaw.com](mailto:plabov@pszjlaw.com)), with proof of service of such objection filed when and as required under the Local Rules of the Bankruptcy Court.
5. The following chart summarizes the classification and treatment of Claims and Interests under the Plan:

CLAIMS/INTERESTS & DESCRIPTION	ESTIMATED ALLOWED CLAIMS	TREATMENT	ESTIMATED RECOVERY
Administrative Claims (unclassified)	\$761,000	Unimpaired	Estimated Recovery Percentage: 100% Form of Recovery: Cash
Priority Tax Claims (unclassified)	\$0.00	Unimpaired	Estimated Recovery Percentage: 100% Form of Recovery: Cash
Secured Tax Claims (Class 1)	\$0.00	Unimpaired – Deemed to Accept	Estimated Recovery Percentage: 100% Form of Recovery: Cash
Other Secured Claims (Class 2)	\$0.00	Unimpaired – Deemed to Accept	Estimated Recovery Percentage: 100% Form of Recovery: Cash

Other Priority Claims (Class 3)	\$387,000.00	Unimpaired – Deemed to Accept	Estimated Recovery Percentage: 100% Form of Recovery: Cash
Prepetition Credit Party Claims (Class 4)	\$0.00	Unimpaired – Deemed to Accept	Estimated Recovery Percentage: 100% Form of Recovery: Cash
General Unsecured Claims (Class 5)	\$235,819,000.00	Impaired – Entitled to Vote	Estimated Recovery Percentage: 31%-38% <sup>3</sup> Form of Recovery: Beneficial Trust Interests
Intercompany Claims (Class 6)	N/A	Impaired – Deemed to Reject	Estimated Recovery Percentage: 0% Form of Recovery: None
Subordinated Claims (Class 7)	N/A	Impaired – Deemed to Reject	Estimated Recovery Percentage: 0% Form of Recovery: None
Interests (Class 8)	N/A	Impaired – Deemed to Reject	Estimated Recovery Percentage: 0% Form of Recovery: None

6. **Voting Procedures.** Holders of Class 5 Claims as of (i) **October 28, 2020, at 4:00 p.m. (ET)** (the “**Record Date**”) or (ii) **November 6, 2020, at 4:00 p.m. (ET)** (the “**Claims Bar Date**”) for Claims filed between the Record Date and the Claims Bar Date, are entitled to vote to accept or reject the Plan. If you hold such a Claim, you will receive a solicitation package which shall include, among other things, a copy of (i) this Notice, (ii) the Plan (electronic copies of the Plan Documents via download from the website maintained by the Debtors’ noticing, claims and administrative agent, Prime Clerk or on a disk in PDF format), (iii) the Disclosure Statement (electronic copies of the Plan Documents via download from the website maintained by the Debtors’ noticing, claims and administrative agent, Prime Clerk or on a disk or USB flash drive in PDF format), and (iv) a ballot. Please review the ballot and the instructions included therewith for how to vote on the Plan. Failure to follow the voting instructions may disqualify your vote. Please be advised that the Holders of Class 5 Claims are the only holders of Claims or Interests that are entitled to vote on the Plan.
7. **Voting Deadline.** The deadline to vote on the Plan is **December 2, 2020 at 4:00 pm (ET)** (the “**Voting Deadline**”). The Debtors’ notice, claims and balloting agent, Prime Clerk (the “**Balloting Agent**” or “**Prime Clerk**”), must receive your ballot with an original signature by the Voting Deadline, otherwise your vote will not be counted. In order for your Ballot to count, you must (1) properly complete, date, and execute the Ballot and (2) deliver the Ballot by (a) first class mail, in the return envelope provided with each Ballot; (b) overnight courier; or (c) hand-delivery so that such Ballot is actually received by the Balloting Agent on or before the Voting Deadline.

<sup>3</sup> The estimated recovery percentage for Class 5 General Unsecured Claims does not include any proceeds for recoveries on account of Retained Causes of Action. At this time, the Debtors have not conducted a separate valuation of any of the Retained Causes of Action.

8. **Directions to Obtain the Plan Documents and Make Inquiries.** If you have not received copies of the Plan, the Disclosure Statement, the Disclosure Statement Approval and Procedures Order (the “**Plan Documents**”) and wish to obtain copies of the same, you may do so by: (a) accessing Prime Clerk’s chapter 11 case website at <https://cases.primeclerk.com/RTWRetailwinds/Home-Index>; (b) writing to Prime Clerk at RTW Retailwinds, Inc. Ballot Processing, c/o Prime Clerk LLC, One Grand Central Place, 60 East 42<sup>nd</sup> Street, Suite 1440, New York, NY 10165, (c) calling Prime Clerk at (877) 455-3240 (Domestic) or (347) 817-4075 (International); (iv) emailing Prime Clerk at [rtwretailwindsinfo@primeclerk.com](mailto:rtwretailwindsinfo@primeclerk.com); and/or (v) visiting (for a fee) PACER at <http://www.njb.uscourts.gov>.
9. **Settlement, Release, Exculpation, and Injunction Language in the Plan.** Please be advised that Article VIII of the Plan, as proposed, contains the following exculpation, releases, and injunction provisions:

Article VIII.D(1) Releases by the Debtor

**Pursuant to section 1123(b) of the Bankruptcy Code and to the fullest extent authorized by applicable law, and except as otherwise specifically provided in the Plan, including, without limitation the Retained Causes of Action, for good and valuable consideration, the adequacy of which is hereby confirmed, on and after the Effective Date, each Released Party<sup>4</sup> is expressly, unconditionally, generally, and individually and collectively released, acquitted, and discharged by the Debtors and their Estates from any and all actions, claims, obligations, rights, suits, judgments, damages, demands, debts, rights, remedies, Causes of Action, and liabilities of any nature whatsoever, or any other claim against any Released Party, asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, matured or unmatured, fixed or contingent, liquidated or unliquidated, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, that the 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 any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the purchase, sale or rescission of the purchase or sale of, or any other transaction relating to any Security of the Debtors, the Debtors, the Debtors’ restructuring efforts, the Chapter 11 Cases, the Plan, 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 negotiation and consummation of any sale of the Debtors’ assets during the Chapter 11 Cases, the restructuring of Claims and Interests before or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan or related agreements, instruments or other documents (including, for the avoidance of doubt, providing any legal**

---

<sup>4</sup> Released Parties means (a) the Debtors; (b) the Creditors’ Committee; (c) the members of the Creditors’ Committee (but only in their capacity as such); (d) the Prepetition Credit Parties and (e) with respect to each of the foregoing in clauses (a) through (d) such Person’s or Entity’s predecessors, successors and assigns, current and former Affiliates, subsidiaries, beneficial owners, current or former officers, directors, managers, principals, shareholders, direct and indirect equity holders, general partners, limited partners, members, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in their capacity as such.

opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date; *provided, however*, that the foregoing releases shall have no effect on the liability of any person or Entity that results from any act or omission based on or arising out of gross negligence, fraud or willful misconduct.

Article VIII.D(2) Consensual Third-Party Releases

Unless a holder of a Claim or Interest (i) opts out of the Consensual Third-Party Releases, or (ii) files an objection to the Consensual Third-Party Releases in connection with Plan confirmation that is not resolved before confirmation, for good and valuable consideration, the adequacy of which is hereby confirmed, each holder of a Claim or Interest shall be deemed to forever release, waive, and discharge the Released Parties of all claims, obligations suits, judgments, damages, demands, debts, rights, remedies, Causes of Action, and liabilities of any nature whatsoever, whether direct or derivative, known, or unknown, foreseen or unforeseen, matured or unmatured, fixed or contingent, liquidated or unliquidated, existing or hereinafter arising, in law, equity, or otherwise, whether for tort, contract, violations of federal or state securities laws, or otherwise, including, without limitation, any of the foregoing based on or relating to, or in any manner arising from, in whole or in part, the purchase, sale or rescission of the purchase, sale, or any other transaction relating to any Security of the Debtors, the Debtors, the Debtors' restructuring efforts, the Chapter 11 Cases, the Plan, 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 negotiation and consummation of any sale of the Debtors' assets during the Chapter 11 Cases, the restructuring of Claims and Interests before or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan or related agreements, instruments or other documents (including, for the avoidance of doubt, providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date; *provided, however*, that the foregoing releases shall have no effect on the liability of any person or Entity that results from any act or omission based on or arising out of gross negligence, fraud or willful misconduct.

### Article VIII.C Exculpation

Effective as of the Effective Date, no Exculpated Party<sup>5</sup> shall have or incur, and each Exculpated Party is hereby released and exculpated from, any Exculpated Claim<sup>6</sup> or any obligation, Cause of Action, or liability for any Exculpated Claim; *provided, however*, that the foregoing exculpation shall have no effect on the liability of any person or Entity that results from any act or omission based on or arising out of gross negligence, fraud or willful misconduct.

### Article VIII.E Injunction

Except as otherwise provided in the Plan or the Confirmation Order, as of the Effective Date, all Entities that have held, hold or may hold any Interest in the Debtors or a Claim, Cause of Action, or other debt or liability against the Debtors or against any Released Party that have been released and/or exculpated under the this Plan (the “Released Claims and Interests”) are permanently enjoined from taking any of the following actions against the Debtors, the Estates, the Liquidation Trust, the Liquidation Trustee, the Liquidation Trust Assets, or the Released Parties or their respective predecessors, successors and assigns, subsidiaries, Affiliates, current (as of the Effective Date) directors, officers, principals, shareholders, members, partners, employees, agents, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other Professionals solely in their respective capacities as such or any property of the same, on account of such Released Claims and Interests: (i) commencing or continuing, in any manner or in any place, any action or other proceeding; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order; (iii) creating, perfecting, or enforcing any lien or encumbrance; (iv) asserting any right of setoff (other than setoffs exercised prior to the Petition Date), or subrogation of any kind against any debt, liability or obligation on account of or in connection with or with respect to any Released Claims or Interests; and (c) commencing or continuing in any manner or in any place, any action that does not comply with or is inconsistent with this provision; *provided, however*, that the foregoing injunction shall have no effect on the liability of any person or Entity that

---

<sup>5</sup> Exculpated Party means each of: (a) the Debtors; (b) the Creditors’ Committee; (c) the members of the Creditors’ Committee solely in their capacities as such; and (c) with respect to each of the foregoing Entities in clauses (a) and (b), such Entity’s officers and directors, managers, members, employees, agents, representatives, financial advisors, professionals, accountants, attorneys, and each of their predecessors, successors, and assigns, but only to the extent that such party served in such a capacity any time during the Chapter 11 Cases.

<sup>6</sup> Exculpated Claim means any Cause of Action, arising during the period commencing on the Petition Date through the Effective Date related to any act or omission derived from, based upon, related to or arising from (a) the Chapter 11 Cases; (b) the formulation, preparation, dissemination, or negotiation of any document in connection with the Chapter 11 Cases, the Disclosure Statement, the Plan, and/or the Plan Supplement; (c) the formulation, preparation, or negotiation of any documents with respect to, or the consummation of, any sale of the Debtors’ assets during the Chapter 11 Cases; (d) any contract, instrument, release, and/or other agreement or document created or entered into in connection with the foregoing subsections (a), (b), or (c); (e) the pursuit of Consummation; and/or (f) the filing, administration, and/or implementation of the Chapter 11 Cases, the Plan, or the distribution of property in connection therewith or thereunder.

**results from any act or omission based on or arising out of gross negligence, fraud or willful misconduct.**

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

Dated: October 29, 2020

**COLE SCHOTZ P.C.**

By: /s/ Michael D. Sirota

Michael D. Sirota, Esq.

Stuart Komrower, Esq.

Ryan T. Jareck, Esq.

Matteo Percontino, Esq.

Court Plaza North

25 Main Street

Hackensack, NJ 07601

Telephone: (201) 489-3000

Facsimile: (201) 489-1536

Email: msirota@coleschotz.com

skomrower@coleschotz.com

rjareck@coleschotz.com

mpercontino@coleschotz.com

*Attorneys for Debtors and Debtors in Possession*