UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

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In re:	:	
	:	**Chapter 11**
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SOUTHEASTERN GROCERS, LLC, *et al.*	:	**Case No. 18– _____ ( )**
	:	
Debtors.[1]	:	**(Joint Administration Requested)**
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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) APPROVING NOTICE AND OBJECTION PROCEDURES FOR THE ASSUMPTION OR ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES; (V) EXTENDING TIME, AND UPON PLAN CONFIRMATION, WAIVING OF REQUIREMENTS TO (A) CONVENE SECTION 341 MEETING, AND (B) FILE STATEMENT OF FINANCIAL AFFAIRS AND SCHEDULES OF ASSETS AND LIABILITIES; AND (VI) GRANTING RELATED RELIEF

Southeastern Grocers, LLC ("**SEG**") and its affiliated debtors 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: Southeastern Grocers, LLC (5190); ARP Ballentine LLC (6936); ARP Chickamauga LLC (9515); ARP Hartsville LLC (7906); ARP James Island LLC (9163); ARP Moonville LLC (0930); ARP Morganton LLC (4010); ARP Winston Salem LLC (2540); BI-LO Finance Corp. (0498); BI-LO Holding Finance, Inc. (9227); BI-LO Holding Finance, LLC (1412); BI-LO Holding, LLC (5611); BI-LO, LLC (0130); Dixie Spirits Florida, LLC (6727); Dixie Spirits, Inc. (2359); Opal Holdings, LLC (2667); Samson Merger Sub, LLC (4402); Winn-Dixie Logistics, LLC (2949); Winn-Dixie Montgomery Leasing, LLC (6899); Winn-Dixie Montgomery, LLC (2119); Winn-Dixie Properties, LLC (7105); Winn-Dixie Raleigh Leasing, LLC (6812); Winn-Dixie Raleigh, LLC (0665); Winn-Dixie Stores, Inc. (4290); Winn-Dixie Stores Leasing, LLC (7019); Winn-Dixie Supermarkets, Inc. (8837); and Winn-Dixie Warehouse Leasing, LLC (6709). The Debtors' mailing address is 8928 Prominence Parkway, #200, Jacksonville, Florida 32256.

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.

2. Contemporaneously herewith, the Debtors have 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**").

3. On March 15, 2018, the Debtors executed a restructuring support agreement (the "**Restructuring Support Agreement**") with (a) holders of approximately eighty percent (80%) of the outstanding principal amount of the Debtors' 8.625%/9.375% Senior PIK Toggle Notes due 2018 (collectively, the "**Unsecured Notes**"), of which approximately 68% are held or controlled by the members of an ad hoc group (the "**Initial Consenting Noteholders**") and approximately 12% are held or controlled by LSF7 Bond Holdings Ltd. (together with the Initial Consenting Noteholders, the "**Consenting Parties**"), and (b) the prepetition equity sponsors (the "**Sponsors**"), which own or control in excess of ninety-nine percent (99%) of the prepetition equity in SEG (which directly or indirectly owns or controls one hundred percent (100%) of the prepetition equity in the other Debtors). Pursuant to the Restructuring Support Agreement, the Consenting Parties and the Sponsors agreed to vote in favor of and support confirmation of the *Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern*

Grocers, LLC and Its Affiliated Debtors (the "**Prepackaged Plan**")[2] that, upon implementation, provides for the Debtors to emerge from these chapter 11 cases substantially de-levered with overall debt levels decreased by over $500 million.

4. The Prepackaged Plan provides for a restructuring transaction pursuant to which:

- Each holder of an Allowed ABL Facility Claim will receive Cash in the full amount of its Allowed ABL Facility Claim from the proceeds of the Exit ABL Facility, and all existing commitments under the ABL Credit Agreement will be terminated.
- Each holder of an Allowed Secured Notes Claim will receive Cash in the full amount of its Allowed Secured Notes Claim from the proceeds of the Exit Term Loan Facility, and the Secured Notes will be cancelled.
- Each holder of an Allowed Unsecured Notes Claim will receive its pro rata share of one hundred percent (100%) of the New Common Stock issued pursuant to the Prepackaged Plan and outstanding immediately following the Effective Date, which will be subject to dilution only by (a) the New Common Stock issued (i) upon the exercise of the Warrant and (ii) pursuant to the Management Incentive Plan, and (b) other New Common Stock duly authorized and issued in accordance with the terms of Reorganized SEG's Amended Organizational Documents, and the Unsecured Notes will be cancelled.
- All Priority Non-Tax Claims, Other Secured Claims, General Unsecured Claims, Intercompany Claims, and Intercompany Interests are unimpaired by the Prepackaged Plan and will be satisfied in full in the ordinary course of business.
- SEG Parent will receive a 5% Warrant in full and final satisfaction, settlement, release, cancellation, and discharge of, and in exchange for, its Allowed Existing SEG Equity Interests.

5. Prior to the Petition Date, on March 15, 2018, the Debtors commenced the solicitation of votes of impaired creditors and interest holders on the Prepackaged Plan through the *Disclosure Statement for Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and Its Affiliated Debtors* (the "**Disclosure Statement**"), filed

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

contemporaneously herewith. The Prepackaged Plan has received overwhelming support. Specifically, as of the Petition Date, the Debtors already have received acceptances of the Prepackaged Plan from holders of Claims in Class 5 (Unsecured Notes Claims) that in the aggregate hold or control approximately 68% in amount of all Unsecured Notes, and holders of more than 99% of all Interests in Class 8 (Existing SEG Equity Interests), the only Impaired Classes entitled to vote under the Prepackaged Plan.

6. The solicitation period for the Prepackaged Plan will remain open until April 5, 2018. The Debtors have requested a joint hearing for confirmation of the Prepackaged Plan and approval of the Disclosure Statement to be held within forty-five (45) days of the Petition Date.

7. Additional information regarding the Debtors' business, capital structure, and the circumstances leading to the commencement of these chapter 11 cases is set forth in the *Declaration of Brian P. Carney in Support of the Debtors' Chapter 11 Petitions and First Day Relief* (the "**Carney Declaration**"), which has been filed with the Court contemporaneously herewith and is incorporated herein by reference, and the Disclosure Statement.

Jurisdiction

8. 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 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.

9. Pursuant to Rule 9013–1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "**Local Rules**"), 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

10. By this Motion, pursuant to sections 105(a), 341, 365, 521, 1125, 1126, 1128, and 1129 of the Bankruptcy Code, Bankruptcy Rules 1007, 2002, 3016, 3017, 3018, 3020, 6006, and 9006, and Local Rules 1007-1, 3017-1, 3018-1, 3018-2, and 9006-1, the Debtors request entry of the proposed form of order annexed hereto as **Exhibit A** (the "**Proposed Order**"):

(a) scheduling a combined hearing (the "**Combined Hearing**") to consider:

(i) adequacy of the Disclosure Statement;

(ii) adequacy of the solicitation procedures utilized in connection with the solicitation of votes to accept or reject the Prepackaged Plan (collectively, the "**Solicitation Procedures**"); and

(iii) confirmation of the Prepackaged Plan;

(b) establishing an objection deadline (the "**Plan/Disclosure Statement Objection Deadline**") to object to the adequacy of the Disclosure Statement, the Solicitation Procedures, and/or confirmation of the Prepackaged Plan;

(c) approving the notices and objection procedures in connection with the assumption or assumption and assignment of executory contracts and unexpired leases pursuant to the Prepackaged Plan attached as **Exhibits 2** and **3** to the Proposed Order;

(d) approving the form, manner, and sufficiency of notice of the Combined Hearing, the Plan/Disclosure Statement Objection Deadline, and notice of commencement;

(e) extending the time for: (i) the Debtors to convene the meeting of creditors pursuant to section 341(a) of the Bankruptcy Code (the "**Section 341(a) Meeting**") through and including May 28, 2018 (the "**Section 341(a) Meeting Deadline**") and waiving the requirement to convene a Section 341(a) Meeting if the Prepackaged Plan is confirmed prior to the Section 341(a) Meeting Deadline; and (ii) the Debtors to file their schedules of

assets and liabilities and statements of financial affairs (collectively, the "**Schedules and Statements**") through and including May 28, 2018 (the "**Schedules and Statements Deadline**") and waiving the requirement that the Debtors file the Schedules and Statements if the Prepackaged Plan is confirmed prior to the Schedules and Statements Deadline; and

(f) granting related relief.

11. The following table summarizes proposed dates related to relief requested in the Motion (subject to the Court's calendar), which comply with the milestones contained in the Restructuring Support Agreement:

Voting Record Date	March 12, 2018
Distribution of Solicitation Packages	March 15, 2018
Petition Date	March 27, 2018
Distribution of Combined Notice	Three (3) business days after entry of the Proposed Order, or as soon as practicable thereafter
Distribution of Assumption and Assumption and Assignment Notices	Three (3) business days after entry of the Proposed Order, or as soon as practicable thereafter
Voting Deadline	April 5, 2018
Plan Supplement Filing Deadline	Ten (10) days prior to the Plan/Disclosure Statement Objection Deadline (target date: April 20, 2018)
Plan/Disclosure Statement Objection Deadline	April 30, 2018
Reply Deadline	May 7, 2018
Combined Hearing	May 10, 2018
Section 341(a) Meeting / Schedules and Statements Deadline	May 28, 2018

12. Summarized below are the attachments and exhibits cited throughout this Motion:

Item	Exhibit
Proposed Order	Exhibit A to this Motion
Proposed Combined Notice	Exhibit 1 to the Proposed Order
Proposed Assumption Notice	Exhibit 2 to the Proposed Order
Proposed Assumption and Assignment Notice	Exhibit 3 to the Proposed Order
Forms of Ballot for Class 5 (Unsecured Notes Claims)	Exhibit B-1 and B-2 to this Motion
Form of Ballot for Class 8 (Existing SEG Equity Interests)	Exhibit B-3 to this Motion

13. The proposed timeline complies with the notice requirements of the Bankruptcy Rules and the Local Rules. In addition, all parties entitled to vote were provided with a copy of the Prepackaged Plan and the Disclosure Statement almost two weeks in advance of the Petition Date to evaluate such documents. Accordingly, parties in interest will have abundant notice to review and respond to the Prepackaged Plan, the Disclosure Statement, and the notices related thereto as described in this Motion.

The Prepackaged Plan

14. The Prepackaged Plan classifies Claims against, and Interests in, the Debtors, and provides for the treatment of each class as follows:[3]

Class	Claim or Equity Interest	Treatment	Impaired or Unimpaired	Entitled to Vote on the Plan	Approx. Recovery[4]
1	Priority Non-Tax Claims	Except to the extent that a holder of an Allowed Priority Non-Tax Claim against any of the Debtors agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Priority Non-Tax	Unimpaired	No (Presumed to accept)	100%

[3] This summary is for ease of reference only and shall not limit, modify, or amend the proposed treatment set forth in the Prepackaged Plan, which, in the event of any inconsistency, shall govern.

[4] The percentages set forth under Approx. Recovery are based on the range of reorganized equity value of the Debtors as described in the Valuation Analysis described in the Disclosure Statement. They represent the midpoint within the Debtors' range of estimated recoveries.

Class	Claim or Equity Interest	Treatment	Impaired or Unimpaired	Entitled to Vote on the Plan	Approx. Recovery[4]
		Claim, at the sole option of the Debtors or the Reorganized Debtors, as applicable, (i) each such holder shall receive payment in Cash in an amount equal to the Allowed amount of such Claim, payable on the later of the Effective Date and the date that is ten (10) Business Days after the date on which such Priority Non-Tax Claim becomes an Allowed Priority Non-Tax Claim, or as soon thereafter as is reasonably practicable, (ii) such holder's Allowed Priority Non-Tax Claim shall be Reinstated, or (iii) such holder shall receive such other treatment consistent with section 1129(a)(9) of the Bankruptcy Code so as to render such holder's Allowed Priority Non-Tax Claim Unimpaired.			
2	Other Secured Claims	Except to the extent that a holder of an Allowed Other Secured Claim against any of the Debtors agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Other Secured Claim, at the option of the Debtors (with the consent of the Requisite Consenting Noteholders) or the Reorganized Debtors, as applicable, 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 (i) Cash in an amount equal to the Allowed amount of such Claim, (ii) Reinstatement of such holder's Allowed Other Secured Claim, or (iii) such other treatment sufficient to render such holder's Allowed Other Secured Claim Unimpaired. In the event that an Other Secured Claim against any of the Debtors is treated under clause (i) of Section 4.2(b) of the Plan, the Liens securing such Other Secured Claim shall be deemed released immediately upon payment.	Unimpaired	No (Presumed to accept)	100%
3	ABL Facility Claims	Except to the extent that a holder of an Allowed ABL Facility Claim agrees to a less favorable treatment of such Claim or has been indefeasibly paid in full in Cash at the default rate before the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed ABL Facility Claim, on the Effective Date, each holder of an Allowed ABL Facility Claim shall (i) receive Cash in the full amount of its Allowed ABL Facility Claim and (ii) all issued and undrawn Letters of Credit (as defined in the ABL Credit Agreement) shall be replaced or cash collateralized in the amounts specified under the ABL Credit Agreement, from the proceeds of the Exit ABL Facility and the existing commitments under the ABL Credit Agreement shall be terminated.	Unimpaired	No (Presumed to accept)	100%
4	Secured Notes	Except to the extent that a holder of an Allowed	Unimpaired	No (Presumed to	100%

Class	Claim or Equity Interest	Treatment	Impaired or Unimpaired	Entitled to Vote on the Plan	Approx. Recovery[4]
	Claims	Secured Notes Claim agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Secured Notes Claim, on the Effective Date, or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Notes Claim shall receive Cash in the full amount of its Allowed Secured Notes Claim and the Secured Notes shall be cancelled.		accept)	
5	Unsecured Notes Claims	Except to the extent that a holder of an Allowed Unsecured Notes Claim agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Unsecured Notes Claim, on the Effective Date, each holder of an Allowed Unsecured Notes Claim shall receive its Pro Rata share of one hundred percent (100%) of the New Common Stock issued pursuant to the Plan and outstanding immediately following the Effective Date, subject to dilution only by the New Common Stock issued (i) upon the exercise of the Warrant, (ii) pursuant to the Management Incentive Plan, and (iii) other New Common Stock duly authorized and issued in accordance with the terms of Reorganized SEG's Amended Organizational Documents.	Impaired	Yes	75%
6	General Unsecured Claims	Except to the extent that a holder of an Allowed General Unsecured Claim agrees to a less favorable treatment of such Claim or has been paid before the Effective Date, on and after the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Claim, (i) the Reorganized Debtors shall continue to pay or treat each Allowed General Unsecured Claim in the ordinary course of business as if the Chapter 11 Cases had never been commenced, or (ii) such holder will receive such other treatment so as to render such holder's Allowed General Unsecured Claim Unimpaired pursuant to section 1124 of the Bankruptcy Code, in each case subject to all defenses or disputes the Debtors and the Reorganized Debtors may have with respect to such Claims, including as provided in Section 10.8 of the Plan; *provided* that, notwithstanding the foregoing, the Allowed amount of General Unsecured Claims shall be subject to and shall not exceed the limitations or maximum amounts permitted by the Bankruptcy Code, including sections 502 or 503 of the Bankruptcy Code, to	Unimpaired	No (Presumed to accept)[5]	100%

[5] General Unsecured Claims include rejection damages claims for non-residential real property leases that will be rejected during the Chapter 11 Cases. Pursuant to the Prepackaged Plan, the Debtors will pay such rejection damages claims in full, up to the maximum amounts permitted by section 502(b)(6) of the Bankruptcy Code. Under applicable law, such treatment renders rejection damages claims unimpaired.

Class	Claim or Equity Interest	Treatment	Impaired or Unimpaired	Entitled to Vote on the Plan	Approx. Recovery[4]
		the extent applicable. For the avoidance of doubt, any Claim arising out of or relating to the rejection of a non-residential real property lease identified on the Schedule of Rejected Leases or pursuant to an order entered by the Bankruptcy Court shall not exceed the maximum allowable amount of such Claim pursuant to section 502(b)(6) of the Bankruptcy Code.			
7	Intercompany Claims	On the Effective Date, or as soon as practicable thereafter, all Intercompany Claims shall be paid, adjusted, continued, settled, Reinstated, discharged, contributed to capital, or eliminated, in each case to the extent determined to be appropriate by the Debtors (with the consent of the Requisite Consenting Noteholders) or the Reorganized Debtors, as applicable.	Unimpaired	No (Presumed to accept)	100%
8	Existing SEG Equity Interests	On the Effective Date, all Existing SEG Equity Interests shall be cancelled without further action by or order of the Bankruptcy Court and, pursuant to the Global Settlement, SEG Parent shall be entitled to receive the Warrant in full and final satisfaction, settlement, release, and discharge of, and in exchange for, its Allowed Existing SEG Equity Interests.	Impaired	Yes	N/A
9	Intercompany Interests	On the Effective Date, or as soon as practicable thereafter, all Intercompany Interests shall be Reinstated	Unimpaired	No (Presumed to accept)	100%
10	Other Interests	Holders of Other Interests shall not receive or retain any property under the Plan on account of such Other Interests. On the Effective Date, or as soon as practicable thereafter, all Interests shall be deemed cancelled without further action by or order of the Bankruptcy Court, and shall be of no further force and effect, whether surrendered for cancellation or otherwise.	Impaired	No (Deemed to reject)	N/A

Prepetition Solicitation

15. In connection with the Prepackaged Plan, the Debtors prepared the Disclosure Statement, describing, among other things, the Debtors' proposed reorganization and its effect on holders of Claims against, and Interests in, the Debtors. Following execution of the Restructuring Support Agreement, and to effectuate the terms of their restructuring, on March 15, 2018, the Debtors, through their voting agent, Prime Clerk LLC (the "**Voting Agent**" or "**Prime Clerk**"), caused copies of the following materials in connection with voting on the Prepackaged Plan (the "**Solicitation Packages**") to be transmitted to holders of Claims in Class 5

(Unsecured Notes Claims) or Interests in Class 8 (Existing SEG Equity Interests) (collectively, the "**Voting Claims and Interests**"):

- the Disclosure Statement;
- the following exhibits to the Disclosure Statement:
  - Prepackaged Plan;
  - Restructuring Support Agreement;
  - Liquidation Analysis;
- the following exhibits to the Restructuring Support Agreement:
  - Cash Collateral Term Sheet;
  - Exit Commitment Letter and Term Sheet;
  - Warrant Agreement;
  - Master Sublease Agreement;
  - Stockholders Agreement;
  - Summary of Material Terms of C&S Supply Agreement;
  - GreenCo Letter Agreement;
  - Form of Joinder Agreement for Consenting Noteholders; and
- ballots containing instructions on how to vote on the Prepackaged Plan.[6]

16. The instructions on the ballots provided to holders of Voting Claims and Interests to vote to accept or reject the Prepackaged Plan (the "**Ballots**") advised parties that for a vote to be counted, the Ballot must be properly executed and completed in accordance with the instructions included therein and delivered to the Voting Agent so that it, or the master ballot submitted to brokers, dealers, commercial banks, trust companies, or other agent or nominee of beneficial holders of certain Claims (a "**Master Ballot**") transmitting such vote (as described

[6] The forms of ballots are annexed hereto as **Exhibits B-1** through **B-3**.

herein), is received by the Voting Agent no later than 5:00 p.m. (Prevailing Eastern Time) on April 5, 2018 (the "**Voting Deadline**"), unless such deadline is extended by the Debtors.

17. Class 5 (Unsecured Notes Claims) and Class 8 (Existing SEG Equity Interests) are the only classes that are entitled to vote on the Prepackaged Plan. As of the Petition Date, holders of Claims in Class 5 (Unsecured Notes Claims) holding or controlling approximately eighty percent (80%) in amount of all Unsecured Notes Claims, and holders of Interests in Class 8 (Existing SEG Equity Interests) owning or controlling more than ninety-nine percent (99%) in amount of all Existing SEG Equity Interests, have voted to accept the Prepackaged Plan.

18. Holders of Claims in Class 1 (Priority Non-Tax Claims), Class 2 (Other Secured Claims), Class 3 (ABL Facility Claims), Class 4 (Secured Notes Claims), Class 6 (General Unsecured Claims), Class 7 (Intercompany Claims), and Class 9 (Intercompany Interests) are unimpaired under the Prepackaged Plan and, pursuant to section 1126(f) of the Bankruptcy Code, these classes are presumed to have accepted the Prepackaged Plan and were not solicited. The Debtors also did not solicit votes from the holders of Interests in Class 10 (Other Interests) as such class will receive no recovery under the Prepackaged Plan and is deemed to reject the Prepackaged Plan pursuant to section 1126(g) of the Bankruptcy Code. As described below, all holders of Claims and Interests, including those who were not solicited, will receive a copy of the Combined Notice (as defined below).

Relief Requested Should be Granted

A. Scheduling Combined Hearing on Disclosure Statement, Solicitation Procedures, and Prepackaged Plan

19. Section 105(d)(2)(B)(vi) of the Bankruptcy Code authorizes the Bankruptcy Court to combine a hearing on a disclosure statement with a hearing on the confirmation of a plan of reorganization. 11 U.S.C. § 105(d)(2)(B)(vi).

20. A Combined Hearing in these chapter 11 cases will promote judicial economy and will allow the Debtors to expeditiously effectuate their restructuring and maximize value. The adverse effects of the chapter 11 filings upon the Debtors' businesses and going concern value will be minimized, and the benefit to all stakeholders maximized, through prompt distributions to holders of claims against and interests in the Debtors and the reduction of administrative expenses of the estates. Such benefits are the hallmarks of a prepackaged plan of reorganization. Therefore, the Debtors request entry of the Proposed Order, pursuant to section 105(d)(2)(B)(vi) of the Bankruptcy Code, setting a date for the Combined Hearing for the Court to consider (a) the adequacy and approval of the Disclosure Statement, (b) the adequacy and approval of the Solicitation Procedures, and (c) confirmation of the Prepackaged Plan.

21. Bankruptcy Rules 2002(b) and 3017(a) require that twenty-eight (28) days' notice be given by mail to all creditors of the time fixed for filing objections and the hearing to approve a disclosure statement, subject to the Court's discretion to shorten such period under Bankruptcy Rule 9006(c)(1). Local Rule 3017-1(a) requires that the hearing date on a disclosure statement be at least thirty-five (35) days following service of notice thereof. Section 1128(a) of the Bankruptcy Code provides that, "[a]fter notice, the court shall hold a hearing on confirmation of a Plan." 11 U.S.C. § 1128(a).

22. The Debtors seek to consummate the Prepackaged Plan expeditiously and efficiently. Accordingly, the Debtors request that the Combined Hearing be held, subject to the Court's schedule, on or about May 10, 2018, in compliance with Bankruptcy Rules 2002(b) and 3017(a), and Local Rule 3017-1. 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.

23. It is in the best interests of the Debtors, their estates, creditors, and parties in interest to hold the Combined Hearing as soon as practicable, consistent with the timing requirements of the Bankruptcy Code and the Bankruptcy Rules. The proposed schedule affords all parties in interest sufficient notice of the Combined Hearing. Specifically, the proposed schedule affords parties more than thirty-five (35) days after notice of the Combined Hearing to evaluate their rights in respect of the Prepackaged Plan and respond if necessary, as required by the Local Rules. Moreover, holders of Voting Claims and Interests received a copy of the Disclosure Statement (including the Prepackaged Plan as an exhibit) approximately two weeks in advance of the Petition Date. Thus, all voting parties have been provided a copy of the Prepackaged Plan and the Disclosure Statement with sufficient time to evaluate such documents prior to the proposed Combined Hearing and the Plan/Disclosure Statement Objection Deadline. All other parties in interest will receive notice of their treatment under the Prepackaged Plan and have an opportunity to obtain a copy of the Prepackaged Plan and the Disclosure Statement so they have more than twenty-eight (28) days to evaluate such documents prior to the proposed Combined Hearing and the Plan/Disclosure Statement Objection Deadline. Therefore, no party in interest will be prejudiced by the relief requested herein.

B. Deadline and Procedures for Objections to Adequacy of Disclosure Statement and Solicitation Procedures, and/or Confirmation of Prepackaged Plan

24. Bankruptcy Rule 3017(c) provides that "[o]n or before approval of the disclosure statement, the court . . . may fix a date for the hearing on confirmation." Fed. R. Bankr. P. 3017(c). Moreover, Bankruptcy Rule 2002(b) requires that all creditors be given at least twenty-eight (28) days' notice by mail of the time fixed for filing objections to approval of a disclosure statement or confirmation of a plan of reorganization, subject to the discretion of the Bankruptcy Court to reduce such time period under Bankruptcy Rule 9006(c)(1). Fed. R. Bankr. P. 2002(b).

25. The Debtors require at least three (3) business days following entry of the Proposed Order for the service of notice of the Combined Hearing. As set forth above, the Debtors propose that the Combined Hearing be set, subject to the Court's schedule, on May 10, 2018.

26. The Debtors request that the Court set April 30, 2018 at 4:00 p.m. (Prevailing Eastern Time) as the **Plan/Disclosure Statement Objection Deadline** (i.e., the deadline to file objections to the adequacy and approval of the Disclosure Statement and the Solicitation Procedures, and confirmation of the Prepackaged Plan). The Debtors further propose that the Court direct that any objections with respect to the Disclosure Statement, the Solicitation Procedures, and/or the Prepackaged Plan must (a) be in writing; (b) state the name and address of the objecting party and the amount and nature of the Claim or Interest of such party; (c) state with particularity the legal and factual basis for, and nature of, any objection; (d) conform to the Bankruptcy Rules and the Local Rules; and (e) be filed with the Court, together with proof of service. In addition to being filed with the Bankruptcy Court, any such responses or objections must be served on the following parties, including such other parties as

the Court may order, so as to be received by **no later than the Plan/Disclosure Statement Objection Deadline**:

i. the Debtors, c/o Southeastern Grocers, LLC, 8928 Prominence Parkway, #200, Jacksonville, FL 32256 (Attn: M. Sandlin Grimm, Esq.);

ii. the Office of the United States Trustee for the District of Delaware (the "**U.S. Trustee**"), 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Benjamin Hackman, Esq.);

iii. proposed counsel to the Debtors, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray Schrock, Esq., Matthew S. Barr, Esq., and Sunny Singh, Esq.) and (b) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Daniel J. DeFranceschi, Esq., Paul N. Heath, Esq., and Amanda R. Steele, Esq.);

iv. counsel to the Sponsors, King & Spalding LLP, 1180 Peachtree Street NW, Atlanta, GA 30309 (Attn: W. Austin Jowers, Esq. and Paul K. Ferdinands, Esq.);

v. counsel to the Initial Consenting Noteholders, (a) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019 (Attn: Dennis L. Jenkins, Esq. and Brett H. Miller, Esq.) and (b) Drinker Biddle & Reath LLP, 222 Delaware Avenue, Wilmington, DE 19801 (Attn: Steven K. Kortanek, Esq., Robert K. Malone, Esq., and Joseph N. Argentina, Jr., Esq.);

vi. counsel to the ABL Facility Agent and Deutsche Bank Securities Inc. in its capacity as Lead Arranger under the Exit Term Loan Facility, White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020 (Attn: Andrew C. Ambruoso, Esq., David Bilkis, Esq., and Elizabeth Feld, Esq.);

vii. counsel to the Exit ABL Facility Agent and the Exit Term Loan Facility Agent, White & Case LLP, Southeast Financial Center, 200 South Biscayne Boulevard, Suite 4900, Miami, FL 33131 (Attn: Eric Klar, Esq.);

viii. counsel to the Secured Notes Trustee, Pryor Cashman LLP, 7 Times Square, New York, NY 10036 (Attn: Seth H. Lieberman, Esq. and Patrick Sibley, Esq.);

ix. counsel to the Unsecured Notes Trustee, Kelly Drye & Warren LLP, 101 Park Avenue, New York, NY 10178 (Attn: James S. Carr, Esq., Benjamin D. Feder, Esq. and Pamela Bruzzese-Szczygiel, Esq.); and

x. counsel to the Treasury Bank, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110 (Attn: Kevin J. Simard, Esq.).

27. The Plan/Disclosure Statement Objection Deadline will provide parties in interest with sufficient time for filing objections to the Disclosure Statement, the Solicitation Procedures, and/or the Prepackaged Plan, while still providing the Debtors sufficient time to respond to such objections. The Debtors propose to file their brief and affidavit in support of confirmation and a reply to any objections no later than May 7, 2018, three (3) business days before the Combined Hearing (the "**Reply Deadline**"). The proposed schedule for the Combined Hearing, including the fixing of the Plan/Disclosure Statement Objection Deadline, is in the best interests of the Debtors, their estates, creditors, and all parties in interest.

C. Approval of Form, Manner, and Sufficiency of Notice of Combined Hearing and Commencement of These Chapter 11 Cases

28. A debtor is required to provide all creditors, equity holders, and parties in interest with notice of the commencement of its chapter 11 case. *See* Fed. R. Bankr. P. 2002(d), 2002(f)(1). Bankruptcy Rule 2002(a) provides, in relevant part, that "the clerk, or some other person as the court may direct shall give the debtor, the trustee, all creditors and indenture trustees at least 21 days' notice by mail of the meeting of creditors under § 341 or § 1104(b) of the Code."

29. In these chapter 11 cases, it would be efficient and cost-effective if the Debtors were permitted to serve parties in interest with a combined notice of these events rather than separate notices. Therefore, the Debtors request authorization, in accordance with Bankruptcy Rule 9007, to mail, or cause to be mailed, by first-class mail within three (3) business days after the entry of the Proposed Order, a combined notice of the commencement of the chapter 11 cases, the Combined Hearing, and the deferral of the Section 341(a) Meeting until confirmation of the Prepackaged Plan, and notice that such meeting will not be convened if the

Prepackaged Plan is confirmed by the Section 341(a) Meeting Deadline (the "**Combined Notice**"), substantially in the form annexed as **Exhibit 1** to the Proposed Order, to (a) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19899-0035 (Attn: Benjamin Hackman); (b) the Debtors' thirty (30) largest unsecured creditors on a consolidated basis; (c) counsel to the Initial Consenting Noteholders, (i) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019 (Attn: Dennis L. Jenkins, Esq. and Brett H. Miller, Esq.) and (ii) Drinker Biddle & Reath LLP, 222 Delaware Avenue, Wilmington, DE 19801 (Attn: Steven K. Kortanek, Esq., Robert K. Malone, Esq., and Joseph N. Argentina, Jr., Esq.); (d) counsel to the Sponsors, King & Spalding LLP, 1180 Peachtree Street NW, Atlanta, GA 30309 (Attn: W. Austin Jowers, Esq. and Paul K. Ferdinands, Esq.); (e) counsel to the ABL Facility Agent and Deutsche Bank Securities Inc. in its capacity as Lead Arranger under the Exit Term Loan Facility, White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020 (Attn: Andrew C. Ambruoso, Esq., David Bilkis, Esq. and Elizabeth Feld, Esq.); (f) counsel to the Exit ABL Facility Agent and the Exit Term Loan Facility Agent, White & Case LLP, Southeast Financial Center, 200 South Biscayne Boulevard, Suite 4900, Miami, FL 33131 (Attn: Eric Klar, Esq.); (g) counsel to the Secured Notes Trustee, Pryor Cashman LLP, 7 Times Square, New York, NY 10036 (Attn: Seth H. Lieberman, Esq. and Patrick Sibley, Esq.); (h) counsel to the Unsecured Notes Trustee, Kelly Drye & Warren LLP, 101 Park Avenue, New York, NY 10178 (Attn: James S. Carr, Esq., Benjamin D. Feder, Esq. and Pamela Bruzzese-Szczygiel, Esq.); (i) counsel to Wells Fargo Bank, National Association, in its capacity as Treasury Bank, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110 (Attn: Kevin J. Simard, Esq.); (j) the Securities and Exchange Commission; (k) the Internal Revenue Service; (l) the United States Attorney's Office for the District of Delaware; and (m) all other

entities required to be served by Bankruptcy Rules 2002 and 3017 and the Local Rule 9013-1(m); or otherwise in compliance with the Bankruptcy Code, the Bankruptcy Rules, and Local Rules (collectively, the "**Combined Notice Recipients**").

30. Among other things, the Combined Notice sets forth (a) the notice of commencement of the Debtors' chapter 11 cases, (b) the date, time, and place of the Combined Hearing, (c) instructions for obtaining copies of the Disclosure Statement and the Prepackaged Plan, (d) the Plan/Disclosure Statement Objection Deadline and procedures for filing objections to the adequacy of the Disclosure Statement and the Solicitation Procedures, and the confirmation of the Prepackaged Plan, and (e) a summary of the Prepackaged Plan, including a chart summarizing the distributions under the Prepackaged Plan. The Combined Notice also clearly provides that holders of unimpaired Claims and Interests that do not timely object to the releases provided in Section 10.6(b) of the Prepackaged Plan (which provision is annexed to the Combined Notice) by the Plan/Disclosure Statement Objection Deadline will be deemed to have consented to the releases therein. In addition, the Combined Notice informs parties in interest of deferral of the Section 341(a) Meeting and that such meeting will not be convened if the Prepackaged Plan is confirmed within sixty (60) days after the Petition Date.

31. In connection with the mailing of the Combined Notice to holders of Claims in Class 5 (Secured Notes Claims) and Interests in Class 8 (Existing SEG Equity Interests), the Debtors propose to send the Combined Notice to holders of these Voting Claims and Interests as reflected in the records maintained by the Unsecured Notes Trustee and the Debtors, respectively, as of the close of business on March 12, 2018 (the "**Voting Record Date**"). The Debtors recognize that the records maintained by the Unsecured Notes Trustee reflect that the Unsecured Notes are held exclusively through the Depository Trust Company

("**DTC**") by brokers, dealers, commercial banks, trust companies, or other nominees (collectively, the "**Nominees**") who hold the Unsecured Notes in "street name" on behalf of the underlying beneficial holders of the Unsecured Notes. Accordingly, the Debtors request that the Court authorize (a) the Debtors to provide the Nominees with sufficient copies of the Combined Notice to forward to the beneficial holders of the Unsecured Notes Claims, and (b) the Nominees to forward the Combined Notice or copies thereof to the beneficial holders within five (5) business days of the receipt by such Nominees of the Combined Notice. To the extent the Nominees incur out-of-pocket expenses in connection with distribution of the Combined Notice, the Debtors request authority to reimburse such entities for their reasonable and customary expenses incurred in this regard.

32. To provide additional notice to parties in interest in these cases, the Debtors propose to post to a website (the "**Website**") maintained by the Voting Agent various chapter 11 documents, including: (a) the Prepackaged Plan; (b) the Disclosure Statement; (c) this Motion and any order entered in connection therewith; and (d) the Combined Notice. The Website address is: www.cases.primeclerk.com/seg.

33. Bankruptcy Rule 2002(l) permits the Court to order "notice by publication if it finds that notice by mail is impracticable or that it is desirable to supplement the notice." In accordance therewith, the Debtors, in their discretion, propose to publish a notice (the "**Publication Notice**") of the Combined Hearing on a date no later than seven (7) days after entry of an order granting this Motion, or as soon thereafter as is practicable. The Debtors believe that the publication of certain of the contents of the Combined Notice in this manner would provide sufficient notice of the date, time, and place of the Combined Hearing and the

Plan/Disclosure Statement Objection Deadline (and related procedures) to persons who do not otherwise receive the Combined Notice by mail.

34. The proposed service of the Combined Notice will provide sufficient notice to all parties in interest of the commencement of the chapter 11 cases, the date, time, and place of the Combined Hearing, and the procedures for objecting to the adequacy of the Disclosure Statement and the Solicitation Procedures, and confirmation of the Prepackaged Plan. In addition, the Publication Notice will provide sufficient notice to persons who did not otherwise receive notice pursuant to the Combined Notice.

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

35. The Plan provides that all executory contracts to which any of the Debtors are parties, and which have not expired or terminated by their own terms on or prior to the Effective Date, including Employment Arrangements (subject to Section 5.12 of the Prepackaged Plan), shall be deemed assumed by the Debtors. With respect to unexpired leases of nonresidential real property under which the Debtors are lessees, the Prepackaged Plan generally provides for one of the following treatments: (a) leases to be assumed by the Reorganized Debtors (the "**Assumed Leases**"); (b) leases to be assumed and assigned to SEG II in accordance with the Global Settlement (the "**SEG II Leases**"); and (c) leases to be rejected (the "**Rejected Leases**"). Schedules of the Assumed Leases, the SEG II Leases, and the Rejected Leases were attached to the Prepackaged Plan subject to revision prior to the Plan Supplement Deadline. *See* Prepackaged Plan, Article 8.1. The Debtors intend to serve a notice on parties to executory contracts, the Assumed Leases, and the SEG II Leases, substantially in the forms attached as **Exhibits 2** and **3**, respectively, to the Proposed Order (the "**Assumption Notice**" and the "**Assumption and Assignment Notice**," respectively), reflecting the Debtors'

intention to either assume or assume and assign the executory contract or unexpired lease in connection with the Prepackaged Plan and indicating that the Cure Amount shall be asserted against the Debtors, the Reorganized Debtors, or SEG II, as applicable, in the ordinary course of business.[7] In addition, each of the Assumption Notice and the Assumption and Assignment Notice will indicate that, in the event of any Assumption Dispute pertaining to the assumption of an executory contract or unexpired lease, such dispute will be addressed pursuant to Section 8.2(b) 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.

36. The Debtors respectfully submit that these notices and procedures are appropriate under the circumstances. Pursuant to the procedures proposed by the Debtors, the Debtors' will serve the Assumption Notice and the Assumption and Assignment Notice on all applicable counterparties to executory contracts and unexpired leases within three (3) business days after entry of the Proposed Order (or as soon as reasonably possible).

E. Extension and Conditional Waiver of Requirements to Convene Section 341(a) Meeting and File Schedules and Statements

37. The purpose of the Section 341(a) Meeting is to provide parties in interest with a meaningful opportunity to obtain and examine important information about the Debtors. The Debtors request that the Proposed Order provide that: (a) the time for filing the Schedules and Statements be extended until the Section 341(a) Meeting Deadline, which is sixty (60) days

[7] In the *Omnibus Motion of Debtors Pursuant to 11 U.S.C. §§ 365 and 554 and Fed. R. Bankr. P. 6006 and 6007 for Authority to (I) Reject Certain Unexpired Leases and Subleases of Nonresidential Real Property and Abandon Certain Property in Connection Therewith Effective as of the Petition Date and (II) Implement Procedures for the Rejection of Certain Leases and to Fix Rejection Damages Claims*, filed contemporaneously herewith, the Debtors have sought approval of certain notices and rejection procedures with respect to the contemplated Rejected Leases.

after the Petition Date; (b) the Section 341(a) Meeting shall not be scheduled by the U.S. Trustee before the Section 341(a) Meeting Deadline; and (c) if the Prepackaged Plan is confirmed on or before the Section 341(a) Meeting Deadline, the requirement to convene a Section 341(a) Meeting and file the Schedules and Statements shall be waived, in each case without further order of the Court. This relief is appropriate under the circumstances, because the Debtors anticipate the near-term confirmation of the Prepackaged Plan and subsequent emergence from chapter 11, with all holders of Allowed General Unsecured Claims paid in full or otherwise unimpaired.

1. Section 341(a) Meeting

38. Section 341(a) of the Bankruptcy Code requires that the Section 341(a) Meeting be held within a "reasonable" time after the Petition Date. However, section 341(e) of the Bankruptcy Code 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).

39. In these chapter 11 cases, 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 in interest are not likely to receive any benefit from the Section 341(a) Meeting, and the Debtors submit that a deferral of the Section 341(a) Meeting until the Section 341(a) Meeting Deadline is

appropriate. Accordingly, given the timeline for confirmation of the Prepackaged Plan requested by the Debtors in this Motion, the Debtors propose that the Court direct that the Section 341(a) Meeting be deferred until confirmation of the Prepackaged Plan and need not be convened unless the Prepackaged Plan is not confirmed before the Section 341(a) Meeting Deadline or such later date as may be determined by the Court.

40. This Court has granted the requested waiver in other prepackaged chapter 11 cases. *See, e.g.*, *In re American Gilsonite Company*, No. 16-12316 (CSS) (Bankr. D. Del. October 24, 2016) (D.I. 9); *In re Halcón Res. Corp.*, No. 16-11724 (BLS) (Bankr. D. Del. July 29, 2016) (D.I. 50); *In re Offshore Group Inv. Ltd.*, No. 15-12422 (BLS) (Bankr. D. Del. Dec. 4, 2015) (D.I. 37); *In re Seegrid Corp.*, No. 14-12391 (BLS) (Bankr. D. Del. Oct. 22, 2014) (D.I. 26); *In re The Dolan Co.*, No. 14-10614 (BLS) (Bankr. D. Del. Mar. 25, 2014) (D.I. 80); *In re Sorenson Commc'ns, Inc.*, No. 14-10454 (BLS) (Bankr. D. Del. Mar. 4, 2014) (D.I. 43); *In re Physiotherapy Holdings, Inc.*, No. 13-12965 (KG) (Bankr. D. Del. Nov. 14, 2013) (D.I. 49).

41. Accordingly, the Debtors propose that if the Prepackaged Plan is confirmed by the Section 341(a) Meeting Deadline, the Section 341(a) Meeting need not be held. If the Section 341(a) Meeting will be convened, the Debtors will file, serve on all known holders of Claims against and Interests in the Debtors, and post on the Website at www.cases.primeclerk.com/seg, not less than seven (7) days before the date scheduled for such meeting, a notice of the date, time, and place of such meeting.

2. Schedules and Statements

42. Section 521 of the Bankruptcy Code requires a debtor to file Schedules and Statements unless otherwise ordered by the Bankruptcy Court. 11 U.S.C. § 521(a)(1)(A)–(B). Schedules and Statements must be filed within fourteen (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). In a voluntary chapter 11 case where the debtor has more than 200 creditors and otherwise satisfies the conditions of Local Rule 1007–2, the time within which the debtor must file its Schedules and Statements is extended to thirty (30) days from the petition date. Local Rule 1007–1(b). A further extension may be granted for cause upon filing of a motion on notice in accordance with the Local Rules. *Id*. Section 105(a) of the Bankruptcy Code also empowers a Bankruptcy Court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of" the Bankruptcy Code. 11 U.S.C. § 105(a).

43. An extension of time to file the Schedules and Statements through and including the Section 341(a) Meeting Deadline is appropriate in light of the circumstances. The purposes of filing the Schedules and Statements are to provide notice to creditors and to disclose information about the debtor to holders of claims. Under the Debtors' circumstances, the benefits of filing the Schedules and Statements are heavily outweighed by their costs. Completing the Schedules and Statements would be time consuming, distracting to the Debtors' advisors and management, and costly to the Debtors' estates. No party in interest would be prejudiced by the Court granting the Debtors' request for an extension through and including the Section 341(a) Meeting Deadline because the Debtors have proposed the Prepackaged Plan, under which general unsecured claims will ride through the bankruptcy unimpaired and be enforceable against the Reorganized Debtors, and all executory contracts will be assumed.

44. It is appropriate for the Court to waive the requirement to file the Schedules and Statements if the Prepackaged Plan is confirmed. As stated above, the Debtors require an extension of time to prepare and file its Schedules and Statements. Further, no party in interest would be prejudiced if the requirement to file the Schedules and Statements were waived, because the Debtors have proposed the Prepackaged Plan, under which general

unsecured claims will be unimpaired. Accordingly, the primary justification for requiring the Debtors to file the Schedules and Statements—to allow interested parties to assess the Debtors' assets and liabilities and thereafter negotiate and confirm a plan of reorganization—does not exist in these chapter 11 cases. If the requirement to file the Schedules and Statements is not waived, the cost of filing will deplete the Debtors' estates of funds that otherwise would be available to fund obligations under the Prepackaged Plan.

45. Accordingly, in light of the facts and circumstances surrounding these prepackaged chapter 11 cases, this Court has the authority, consistent with section 521(a) of the Bankruptcy Code, to grant the requested relief. *See, e.g.*, *In re Halcón Res. Corp.*, No. 16-11724 (BLS) (Bankr. D. Del. July 29, 2016) (D.I. 50) (granting debtors' motion extending time, and, upon plan confirmation, waiving requirement to file schedules and SOFAs); *In re Offshore Group Inv. Ltd.*, No. 15-12422 (BLS) (Bankr. D. Del. Dec. 4, 2015) (D.I. 37) (same); *In re Hercules Offshore, Inc.*, No. 15-11685 (KJC) (Bankr. D. Del. Aug. 14, 2015) (D.I. 42) (same); *In re The Dolan Co.*, No. 14-10614 (BLS) (Bankr. D. Del. Mar. 25, 2014) (D.I. 69) (permanently waiving the requirement to file schedules and SOFAs); *In re Dex One Corp.*, No. 13-10533 (KG) (Bankr. D. Del. Mar. 19, 2013) (D.I. 54) (granting debtors' motion extending time, and, upon plan confirmation, waiving requirement to file schedules and SOFAs); *In re Hawkeye Renewables, LLC*, No. 09-14461 (KJC), 2010 WL 2745975, at *24 (Bankr. D. Del. June 2, 2010) (granting debtor's motion waiving, upon confirmation of debtor's prepackaged chapter 11 plan, requirement to file schedules and SOFAs); *In re Elec. Components Int'l, Inc.*, 2010 WL 3350305, at *25 (Bankr. D. Del. May 11, 2010) (same).

F. Solicitation Procedures and Forms of Solicitation Materials

46. As described herein, the Debtors distributed the Disclosure Statement and solicited votes on the Prepackaged Plan prior to the commencement of these chapter 11 cases

from the holders of Claims in Class 5 (Unsecured Notes Claims) and Interests in Class 8 (Existing SEG Equity Interests). The Voting Deadline was established on a date that was twenty-one (21) days after commencement of the solicitation in compliance with applicable nonbankruptcy law, if any. Section 1126(b) of the Bankruptcy Code specifically provides that:

> [A] holder of a claim or interest that has accepted or rejected the Prepackaged Plan before the commencement of the case under this title is deemed to have accepted or rejected such Plan, as the case may be, if –
>
> > (1) the solicitation of such acceptance or rejection was in compliance with any applicable nonbankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation; or
> >
> > (2) if there is not any such law, rule, or regulation, such acceptance or rejection was solicited after disclosure to such holder of adequate information, as defined in section 1125(a) of this title.

11 U.S.C. § 1126(b). Bankruptcy Rule 3017(d) sets forth the materials that must be provided to holders of claims and equity interests for the purpose of soliciting their votes to accept or reject a prepackaged plan of reorganization. Bankruptcy Rule 3017(e) provides that "the court shall consider the procedures for transmitting the documents and information required by [Bankruptcy Rule 3017(d)] to beneficial holders of stock, bonds, debentures, notes, and other securities, determine the adequacy of such procedures, and enter any orders as the court deems appropriate." Fed. R. Bankr. P. 3017(e). As set forth herein, the Solicitation Packages and prepetition Solicitation Procedures utilized by the Debtors are in compliance with the Bankruptcy Code and the Bankruptcy Rules.

1. Non-Solicitation of Classes Presumed to Accept or Deemed to Reject the Prepackaged Plan

47. The Prepackaged Plan provides that specific Classes of Claims against, and Interests in, the Debtors are presumed to accept or deemed to reject the Prepackaged Plan.

Specifically, the Prepackaged Plan provides that holders of Claims in Class 1 (Priority Non-Tax Claims), Class 2 (Other Secured Claims), Class 3 (ABL Facility Claims), Class 4 (Secured Notes Claims), Class 6 (General Unsecured Claims), Class 7 (Intercompany Claims), and Class 9 (Intercompany Interests) are unimpaired by the Prepackaged Plan. Pursuant to section 1126(f) of the Bankruptcy Code, each holder of a claim or interest in an unimpaired class is "conclusively presumed to have accepted the plan, and solicitation of acceptances with respect to such class . . . is not required." 11 U.S.C. § 1126(f). Accordingly, holders of Claims in each of the above-mentioned unimpaired Classes are conclusively presumed to accept the Prepackaged Plan and were not solicited. Holders of Interests in Class 10 (Other Interests) are not entitled to any distribution or to retain any property pursuant to the Prepackaged Plan. Pursuant to section 1126(g) of the Bankruptcy Code, such Interest holders are conclusively deemed to have rejected the Prepackaged Plan and, thus, are not entitled to vote. Accordingly, the Debtors have not solicited votes from such holders.

48. Pursuant to the Prepackaged Plan, and as provided in the Combined Notice, holders of unimpaired Claims or Interests that do not timely object to the releases set forth in Section 10.6(b) of the Prepackaged Plan will be deemed to have consented to the terms of such releases.

49. With respect to the specific Classes of Claims against and Interests in the Debtors that were presumed to accept or deemed to reject the Prepackaged Plan, the Solicitation Procedures described herein comply with the Bankruptcy Code and applicable law, 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.

50. For the reasons set forth herein, the Debtors request a waiver of the Bankruptcy Rule requirement that the Debtors mail copies of the Prepackaged Plan and the Disclosure Statement to holders of Claims or Interests presumed to accept or deemed to reject the Prepackaged Plan. *See* Fed. R. Bankr. P. 3017(d) (requiring transmission of court-approved disclosure statement to, *inter alia*, classes of unimpaired creditors and equity security holders). Because the Debtors commenced solicitation on the Prepackaged Plan prepetition, no disclosure statement was "approved" under Bankruptcy Rule 3017(d), and therefore Bankruptcy Rule 3017 is not applicable here. The Debtors will make the Disclosure Statement and the Prepackaged Plan available at no cost on the Website (www.cases.primeclerk.com/seg) and will include a summary of the Prepackaged Plan in the Combined Notice. Moreover, it would be a significant and unnecessary administrative burden on the Debtors to transmit the Disclosure Statement and the Prepackaged Plan to holders of Claims or Interests that have been presumed to accept or deemed to reject the Prepackaged Plan. Accordingly, the Debtors should not be required to transmit copies of the Solicitation Packages to the holders of Claims or Interests not entitled to vote to accept or reject the Prepackaged Plan.

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

51. Two Classes of Claims or Interests are impaired and entitled to vote to accept or reject the Prepackaged Plan—Class 5 (Unsecured Notes Claims) and Class 8 (Existing SEG Equity Interests) (collectively, the "**Voting Classes**").

52. On March 15, 2018, the Debtors commenced soliciting votes from members of the Voting Classes. The Voting Agent transmitted copies of the Solicitation Packages to (a) the record holder of the Existing SEG Equity Interests; (b) the record holder of the Unsecured Notes and various securities depositories; and (c) the Nominees (as defined

herein) for the beneficial holders of the Unsecured Notes and their mailing agents by overnight next-business day delivery with instructions to the Nominees and their mailing agents to deliver the Solicitation Packages to the beneficial holders of the Unsecured Notes Claims by first-class mail or according to their customary method of transmitting such information to their beneficial holder clients. The Voting Deadline is 5:00 p.m. (Prevailing Eastern Time) on April 5, 2018.

i. **Voting Record Date**

53. Bankruptcy Rule 3017(d) provides that, for the purposes of soliciting votes in connection with the confirmation of a plan of reorganization, "creditors and equity security holders shall include holders of stock, bonds, debentures, notes and other securities of record on the date the order approving the disclosure statement is entered or another date fixed by the court, for cause, after notice and a hearing." Fed R. Bankr. P. 3017(d). Bankruptcy Rule 3018(a) contains a similar provision regarding determination of the record date for voting purposes. Bankruptcy Rule 3018(b) provides that "[a]n equity security holder or creditor whose claim is based on a security of record . . . shall not be deemed to have accepted or rejected the plan . . . unless the equity security holder or creditor was the holder of record of the security on the date specified in the solicitation of such acceptance or rejection for the purposes of such solicitation." Fed. R. Bankr. P. 3018(b).

54. The Solicitation Packages identified March 12, 2018 as the Voting Record Date for determining which holders of Claims and Interests were entitled to vote to accept or reject the Prepackaged Plan. Accordingly, the Debtors' designation of the Voting Record Date conforms to the applicable Bankruptcy Rules.

ii. **Voting Deadline**

55. On March 15, 2018, the Debtors caused the Voting Agent to distribute the Solicitation Packages to holders of Claims and Interests in the Voting Classes. The Debtors

established April 5, 2018 at 5:00 p.m (Prevailing Eastern Time) as the Voting Deadline thereby establishing a solicitation period of twenty-one (21) days (the "**Solicitation Period**").

56. Bankruptcy Rule 3018(b) provides that prepetition acceptances or rejections of a prepackaged plan are valid only if the prepackaged plan was transmitted to substantially all of the holders of claims or equity interests in each solicited class and the time for voting was not unreasonably short. Fed. R. Bankr. P. 3018(b). Bankruptcy Rule 3018(b) also requires that the solicitation comply with section 1126(b) of the Bankruptcy Code (*i.e.*, that the solicitation comply with applicable nonbankruptcy law or contain "adequate information"). The Debtors submit that the Solicitation Procedures satisfy the standards set forth in Bankruptcy Rule 3018(b) and section 1126(b) of the Bankruptcy Code.

57. Many of the holders of Claims in Class 5 (Unsecured Notes Claims) and Interests in Class 8 (Existing SEG Equity Interests) are sophisticated institutional creditors and investors, many with substantial knowledge of the Debtors' businesses and operations, and experience with both in-and out-of-court restructuring transactions. Moreover, before the commencement of the Solicitation Period, the Debtors and approximately 80% in amount of the holders of Claims in Class 5 (Unsecured Notes Claims) and approximately 99% in amount of the holders of Interests in Class 8 (Existing SEG Equity Interests), spent a substantial amount of time negotiating a comprehensive restructuring of the Debtors' capital structure—a process that culminated in the Restructuring Support Agreement and the Prepackaged Plan. Thus, before the Solicitation Period began, a substantial portion of the holders of Claims and Interests in the Voting Classes were already intimately familiar with the terms of the Prepackaged Plan and the Disclosure Statement. Indeed, under the terms of the Restructuring Support Agreement, which was executed on March 15, 2018, the Consenting Parties, who represent approximately eighty

percent (80%) in dollar amount of all Class 5 Claims, and the Sponsors, who represent approximately ninety-nine percent (99%) in dollar amount of all Class 8 Interests, were obligated to vote their claims and interests in favor of the Prepackaged Plan.

58. For these reasons, the Debtors believe that the Solicitation Period, which lasts twenty-one (21) days, is sufficient and appropriate for holders of Claims and Interests in the Voting Classes to make an informed decision to accept or reject the Prepackaged Plan.

iii. **Forms of Ballots**

59. 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 or Interests entitled to vote on the Prepackaged Plan.

60. With respect to Class 5 (Unsecured Notes Claims), the Debtors distributed two forms of Ballots: (a) a form of Ballot for a Nominee that holds the Unsecured Notes in "street name" for one or more beneficial holders of the Unsecured Notes (or an agent thereof) with instructions to collect the votes of their beneficial holder clients (the "**Master Ballot**"), annexed hereto as **Exhibit B-1**; and (b) a form of Ballot for a beneficial holder holding Unsecured Notes Claims through a Nominee or as record holder in its own name (the "**Beneficial Holder Ballot**"), annexed hereto as **Exhibit B-2**. The Debtors permitted beneficial holders of the Unsecured Notes to request that their Nominee sign and pre-validate the Beneficial Holder Ballot and allow the beneficial holder to submit the Beneficial Holder Ballot directly to the Voting Agent. With respect to Class 8 (Existing SEG Equity Interests), the Debtors distributed one form of Ballot, annexed hereto as **Exhibit B-3**.

61. Each Ballot contains detailed instructions on how to complete it and how to make any applicable elections contained therein. In particular, the Ballots indicate that, to be counted as votes to accept or reject the Prepackaged Plan, the Ballots must be properly executed, completed, and delivered to the Voting Agent so that they are received no later than the Voting Deadline; provided that beneficial holders of Unsecured Notes Claims that received a Beneficial Holder Ballot from a Nominee that was not pre-validated were advised to return the Beneficial Holder Ballot to such Nominee with sufficient time for the Nominee to complete and return the Master Ballot to the Voting Agent prior to the Voting Deadline.

62. The Ballots clearly indicate that, by voting to accept the Prepackaged Plan, the creditor or interest holder will be deemed to consent to the release, injunction, and exculpation provisions set forth in Sections 10.5, 10.6, and 10.7 of the Prepackaged Plan (which provisions are reproduced in the Ballots). The Ballots also provide that if a creditor or interest holder in a voting class, as applicable, does not vote to accept or reject the Prepackaged Plan or votes to reject the Prepackaged Plan and, in each case, does not check the box in Item 3 of the Ballot indicating an intent to opt out of granting the releases provided in Section 10.6(b) of the Prepackaged Plan, such creditor or interest holder will be deemed to have consented to the release provisions set forth in such section 10.6(b).

63. Moreover, the materials in the Solicitation Packages establish and communicate how the Voting Agent will tabulate the votes and elections contained in the Ballot. Those tabulation rules provide, among other things, that: (a) a timely properly completed Ballot submitted by a holder of Claims or Interests in a Voting Class supersedes and revokes any prior Ballot(s) submitted by that holder; (b) Ballots that attempt to partially accept and partially reject the Prepackaged Plan will not be counted; (c) illegible Ballots will not be counted; (d) Ballots

containing insufficient information to identify the claimant will not be counted; and (e) Ballots received after the Voting Deadline (provided that the Voting Deadline has not been extended) will not be counted. As specified on the Ballot, any Ballot that is otherwise properly completed, executed, and timely returned to the Voting Agent, but does not indicate an acceptance or rejection of the Prepackaged Plan, or that indicates both an acceptance and rejection of the Prepackaged Plan, will not be counted.

3. Approval of Procedures for Vote Tabulation

64. The Debtors respectfully request that the Court approve the voting and tabulation procedures described herein in accordance with section 1126(c) and 1126(d) of the Bankruptcy Code. Section 1126(c) of the Bankruptcy Code provides as follows:

> A class of claims has accepted a plan if such plan has been accepted by creditors, other than any entity designated under subsection (e) of this section, that hold at least two-thirds in amount and more than one-half in number of the allowed claims of such class held by creditors, other than any entity designated under subsection (e) of this section, that have accepted or rejected such plan.

Section 1126(d) of the Bankruptcy Code provides as follows:

> A class of interests has accepted a plan if such plan has been accepted by holders of such interests, other than any entity designated under subsection (e) of this section, that hold at least two-thirds in amount of the allowed interests of such class held by holders of such interests, other than any entity designated under subjection (e) of this section, that have accepted or rejected such plan.

65. In tabulating the votes of creditors, the Voting Agent will not count or consider for any purpose in determining whether the Prepackaged Plan has been accepted or rejected the following Ballots: (a) except in the Debtors' sole discretion, any Ballot received after the Voting Deadline; (b) any Ballot that is illegible or contains insufficient information to permit the identification of the claimant; (c) any Ballot cast by a person or entity that does not

hold a claim or interest in a Voting Class; (d) any unsigned or non-original Ballot, provided that for the avoidance of doubt, a Ballot submitted via the Voting Agent's online balloting portal or via e-mail in the case of a Nominee returning a Master Ballot shall be deemed an original signature; or (e) except in the Debtors' sole discretion, any Ballot transmitted to the Voting Agent by telecopy, facsimile, e-mail, or other electronic means (other than through the Voting Agent's online portal or by e-mail solely in the case of Nominees submitting Master Ballots). As specified on the Ballot, any Ballot that is otherwise properly completed, executed, and timely returned to the Voting Agent, but does not indicate an acceptance or rejection of the Prepackaged Plan, or that indicates both an acceptance and rejection of the Prepackaged Plan, will not be counted.

66. The Debtors required that the holders of Claims and Interests in the Voting Classes vote all of their Claims or Interests either to accept or reject the Prepackaged Plan. Notwithstanding Bankruptcy Rule 3018(a), the Debtors propose that whenever two or more Ballots are cast voting the same Claim or Interest prior to the Voting Deadline, the last timely Ballot received prior to the Voting Deadline should be deemed to reflect the voter's intent and to thus supersede any prior Ballot(s), without prejudice to the Debtors' right to object to the validity of the second Ballot on any basis permitted by law.

67. Such procedures provide for a fair and equitable voting process and should be approved in these chapter 11 cases.

G. Debtors' Prepetition Solicitation Was Exempt from Registration and Disclosure Requirements Otherwise Applicable under Nonbankruptcy Law

68. Section 1126(b) of the Bankruptcy Code provides, in relevant part, as follows:

> [A] holder of a claim or interest that has accepted or rejected the Prepackaged Plan before the commencement of the case under this

> title is deemed to have accepted or rejected such Plan, as the case may be, if — (1) the solicitation of such acceptance or rejection was in compliance with any applicable nonbankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation; or (2) if there is not any such law, rule, or regulation, such acceptance or rejection was solicited after disclosure to such holder of adequate information, as defined in section 1125(a) of this title.

11 U.S.C. § 1126(b). Thus, prepetition solicitation must comply with either generally applicable federal or state securities laws and regulations (including the registration and disclosure requirements thereof) or, if such laws and regulations do not apply, the solicited holders must receive "adequate information" under section 1125 of the Bankruptcy Code.

69. The Debtors' prepetition Solicitation Procedures are exempt from registration pursuant to section 4(a)(2) and Regulation D of the Securities Act of 1933, 15 U.S.C. §§ 77a-77aa (as amended from time to time, the "**Securities Act**"). Specifically, section 4(a)(2) of the Securities Act creates an exemption from the registration requirements under the Securities Act for transactions not involving a "public offering." The Debtors have complied with the requirements of section 4(a)(2) and Regulation D of the Securities Act because the prepetition solicitation of acceptances would constitute a private placement of securities. The solicitation to creditors and interest holders was made only to those holders of Claims in Class 5 (Unsecured Notes Claims) and Interests in Class 8 (Existing SEG Equity Interests) that are "Accredited Investors" (within the meaning of rule 501(a) of Regulation D of the Securities Act). Therefore, the requirements of section 1126(b)(1) of the Bankruptcy Code are inapplicable to the Debtors' prepetition solicitation. As discussed more fully below, the Debtors will seek a determination from the Court at the Combined Hearing that all solicited holders received "adequate information," as defined in section 1125(a) of the Bankruptcy Code, in accordance with section 1126(b)(2) of the Bankruptcy Code.

H. Adequacy of Disclosure Statement

70. At the Combined Hearing, in addition to seeking confirmation of the Prepackaged Plan, the Debtors will seek the Court's ruling that the prepetition solicitation complied with section 1126(b)(2) of the Bankruptcy Code because the Disclosure Statement provided adequate information within the meaning of section 1125(a)(1) of the Bankruptcy Code.

71. Pursuant to section 1125 of the Bankruptcy Code, a prepackaged plan proponent must provide holders of impaired claims and interests with "adequate information" regarding a debtor's proposed prepackaged plan of reorganization. Section 1125(a)(1) of the Bankruptcy Code provides that:

> "adequate information" means information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor's books and records, including a discussion of the potential material Federal tax consequences of the plan to the debtor, any successor to the debtor, and a hypothetical investor typical of the holders of claims or interests in the case, that would enable such a hypothetical investor of the relevant class to make an informed judgment about the plan.

11 U.S.C. § 1125(a)(1).

72. Whether a disclosure statement contains adequate information is intended by Congress to be a flexible, fact-specific inquiry left within the discretion of the bankruptcy court:

> Precisely what constitutes adequate information in any particular instance will develop on a case-by-case basis. Courts will take a practical approach as to what is necessary under the circumstances of each case, such as the cost of preparation of the statements, the need for relative speed in solicitation and confirmation, and, of course, the need for investor protection. There will be a balancing of interests in each case. In reorganization cases, there is frequently great uncertainty. Therefore the need for flexibility is greatest.

H.R. Rep. 95-595, at 409 (1977), *reprinted in* 1978 U.S.C.C.A.N. 5963, 6365. *See also Oneida Motor Freight, Inc. v. United Jersey Bank*, 848 F.2d 414, 417 (3d Cir. 1988) (observing that "adequate information will be determined by the facts and circumstances of each case"); *Tex. Extrusion Corp. v. Lockheed Corp. (In re Tex. Extrusion Corp.)*, 844 F.2d 1142, 1157 (5th Cir. 1988) (opining that what constitutes adequate information is "subjective," "made on a case-by-case basis," and "largely in the discretion of the bankruptcy court").

73. The Disclosure Statement is extensive and comprehensive and contains descriptions and summaries of, among other things, (a) the Prepackaged Plan, (b) the transactions to be effected in connection with the Prepackaged Plan, (c) certain events preceding the commencement of these chapter 11 cases, (d) the treatment of Claims asserted against the Debtors' estates under the Prepackaged Plan, (e) risk factors affecting the Prepackaged Plan, (f) a liquidation analysis, (g) financial information that would be relevant to creditors' and interest holders' determinations of whether to accept or reject the Prepackaged Plan, and (h) federal tax law consequences of the Prepackaged Plan.

74. Accordingly, and for the reasons that will be more fully established at the Combined Hearing, the Disclosure Statement contains adequate information as defined in section 1125(a)(1) of the Bankruptcy Code and should be approved.

I. Confirmation of Prepackaged Plan

75. The Prepackaged Plan satisfies all of the requirements for confirmation under the Bankruptcy Code. As noted above, the Debtors have requested that the Court schedule the Combined Hearing at which time the Debtors will seek confirmation of the Prepackaged Plan. Prior to the Combined Hearing, the Debtors will file a brief and/or affidavit in support of the Prepackaged Plan demonstrating that the Prepackaged Plan satisfies each requirement for confirmation and responding to any objections to confirmation.

Reservation of Rights

76. Nothing contained herein is intended or shall be construed as (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' or any appropriate party in interest's rights to dispute the amount of, basis for, or validity of any claim against the Debtors; (c) a waiver of any claims or causes of action that may exist against any creditor or interest holder; or (d) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy between the Debtors and any third party 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

77. Notice of this Motion will be provided to (a) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19899 (Attn: Benjamin Hackman); (b) the holders of the thirty (30) largest unsecured claims against the Debtors on a consolidated basis; (c) counsel to the Initial Consenting Noteholders, (i) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019 (Attn: Dennis L. Jenkins, Esq. and Brett H. Miller, Esq.) and (ii) Drinker Biddle & Reath LLP, 222 Delaware Avenue, Wilmington, DE 19801 (Attn: Steven K. Kortanek, Esq., Robert K. Malone, Esq., and Joseph N. Argentina, Jr., Esq.); (d) counsel to the Sponsors, King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, GA 30309 (Attn: W. Austin Jowers, Esq. and Paul K. Ferdinands, Esq.); (e) counsel to the ABL Facility Agent and Deutsche Bank Securities Inc. in its capacity as Lead Arranger under the Exit Term Loan Facility, White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020 (Attn: Andrew C. Ambruoso, Esq., David Bilkis, Esq.

and Elizabeth Feld, Esq.); (f) counsel to the Exit ABL Facility Agent and the Exit Term Loan Facility Agent, White & Case LLP, Southeast Financial Center, 200 South Biscayne Boulevard, Suite 4900, Miami, FL 33131 (Attn: Eric Klar, Esq.); (g) counsel to the Secured Notes Trustee, Pryor Cashman LLP, 7 Times Square, New York, NY 10036 (Attn: Seth H. Lieberman, Esq. and Patrick Sibley, Esq.); (h) counsel to the Unsecured Notes Trustee, Kelley Drye & Warren LLP, 101 Park Avenue, New York, NY 10178 (Attn: James S. Carr, Esq., Benjamin D. Feder, Esq. and Pamela Bruzzese-Szczygiel, Esq.); (i) counsel to Wells Fargo Bank, National Association, in its capacity as Treasury Bank, Choate Hall & Stewart LLP, Two International Place, Boston, MA 02110 (Attn: Kevin J. Simard, Esq.); (j) the Securities and Exchange Commission; (k) the Internal Revenue Service; (l) the United States Attorney's Office for the District of Delaware; and (m) any other party entitled to notice pursuant to Local Rule 9013-1(m) (the "**Notice Parties**").

78. The Debtors respectfully submit that no further notice is required. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

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 27, 2018
Wilmington, Delaware

/s/ Daniel J. DeFranceschi
RICHARDS, LAYTON & FINGER, P.A.
Daniel J. DeFranceschi (No. 2732)
Paul N. Heath (No. 3704)
Amanda R. Steele (No. 5530)
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700
Facsimile: (302) 651-7701

-and-

WEIL, GOTSHAL & MANGES LLP
Ray C. Schrock, P.C.
Matthew S. Barr
Sunny Singh
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

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

---------- x		
In re:	:	
	:	**Chapter 11**
	:	
SOUTHEASTERN GROCERS, LLC, *et al.*	:	**Case No. 18– _____ ( )**
	:	
Debtors.[1]	:	**(Jointly Administered)**
	:	**Re: Docket No.**
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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) APPROVING NOTICE AND OBJECTION PROCEDURES FOR THE ASSUMPTION OR ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES; (V) EXTENDING TIME, AND UPON PLAN CONFIRMATION, WAIVING OF REQUIREMENTS TO (A) CONVENE SECTION 341 MEETING, AND (B) FILE STATEMENT OF FINANCIAL AFFAIRS AND SCHEDULES OF ASSETS AND LIABILITIES; AND (VI) GRANTING RELATED RELIEF

Upon the motion (the "**Motion**")[2] of Southeastern Grocers, LLC and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the "**Debtors**"), pursuant to sections 105, 341, 1125, 1126, 1128, and 1129 of title

[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: Southeastern Grocers, LLC (5190); ARP Ballentine LLC (6936); ARP Chickamauga LLC (9515); ARP Hartsville LLC (7906); ARP James Island LLC (9163); ARP Moonville LLC (0930); ARP Morganton LLC (4010); ARP Winston Salem LLC (2540); BI-LO Finance Corp. (0498); BI-LO Holding Finance, Inc. (9227); BI-LO Holding Finance, LLC (1412); BI-LO Holding, LLC (5611); BI-LO, LLC (0130); Dixie Spirits Florida, LLC (6727); Dixie Spirits, Inc. (2359); Opal Holdings, LLC (2667); Samson Merger Sub, LLC (4402); Winn-Dixie Logistics, LLC (2949); Winn-Dixie Montgomery Leasing, LLC (6899); Winn-Dixie Montgomery, LLC (2119); Winn-Dixie Properties, LLC (7105); Winn-Dixie Raleigh Leasing, LLC (6812); Winn-Dixie Raleigh, LLC (0665); Winn-Dixie Stores, Inc. (4290); Winn-Dixie Stores Leasing, LLC (7019); Winn-Dixie Supermarkets, Inc. (8837); and Winn-Dixie Warehouse Leasing, LLC (6709). The Debtors' mailing address is 8928 Prominence Parkway, #200, Jacksonville, Florida 32256.

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

11 of the United States Code (the "**Bankruptcy Code**"), Rules 1007, 2002, 3016, 3017, 3018, 3020, and 9006 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rules 1007-1, 3017-1, 3018-1, 3018-2, and 9006-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "**Local Rules**"), for entry of an order (a) scheduling a Combined Hearing to consider (i) the adequacy of the Disclosure Statement (the "**Disclosure Statement**") for the *Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and Its Affiliated Debtors* (the "**Prepackaged Plan**") and the Solicitation Procedures, and (ii) confirmation of the Prepackaged Plan; (b) establishing procedures for objecting to the Disclosure Statement, the Solicitation Procedures, and the Prepackaged Plan; (c) approving the form, manner, and sufficiency of notice of the Combined Hearing and commencement of these chapter 11 cases; (d) approving the Assumption Notice, the Assumption and Assignment Notice, and related objection procedures for the assumption or assumption and assignment of executory contracts and unexpired leases and associated Cure Amounts; (e) extending time for the Debtors to (i) file the Schedules and Statements through and including the Section 341(a) Meeting Deadline and waiving the requirement that the Debtors file the Schedules and Statements upon confirmation of the Prepackaged Plan and (ii) convene the Section 341(a) Meeting through and including the Section 341(a) Meeting Deadline and waiving the requirement that the Debtors convene the Section 341(a) Meeting if the Prepackaged Plan is confirmed by the Section 341(a) Meeting Deadline; and (f) granting related relief, all as more fully set forth in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 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

requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided to the Notice Parties; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and the Court having reviewed the Motion; and the Court having held a hearing to consider the relief requested in the Motion (the "**Hearing**"); and upon the Carney Declaration filed contemporaneously with the Motion, and the record of the Hearing; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their estates, creditors, and all parties in interest; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is granted to the extent set forth herein.

2. The Combined Hearing (at which time the Bankruptcy Court will consider, among other things, the adequacy of the Disclosure Statement and the Solicitation Procedures, and confirmation of the Prepackaged Plan) will be held before the Honorable _____, United States Bankruptcy Judge, in courtroom __ of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, _____ Floor, Wilmington, Delaware, **on _____, 2018 at _____ (Prevailing Eastern Time).** 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 objections to the approval of the Disclosure Statement, the Solicitation Procedures, or confirmation of the Prepackaged Plan must: (a) be in writing; (b) state the name and address of the objecting party and the amount and nature of the claim or interest of such party; (c) state the legal and factual basis for and nature of any objection; (d) conform to the Bankruptcy Rules and the Local Rules; and (e) be filed with the Bankruptcy Court, together with proof of service, so as to be received by **no later than 4:00 p.m. (Prevailing Eastern Time) on April 30, 2018**. In addition to being filed with the Bankruptcy Court, any such responses or objections must be served on the following parties:

i. the Debtors, c/o Southeastern Grocers, LLC, 8928 Prominence Parkway, #200, Jacksonville, FL 32256 (Attn: M. Sandlin Grimm, Esq.);

ii. proposed counsel to the Debtors, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray Schrock, Esq., Matthew S. Barr, Esq., and Sunny Singh, Esq.) and (b) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Daniel J. DeFranceschi, Esq., Paul N. Heath, Esq., and Amanda R. Steele, Esq.); and

iii. the Notice Parties.

4. Objections, if any, not timely filed and served in the manner set forth above may, in the Court's discretion, not be considered and may be overruled.

5. The Debtors shall file their brief in support of confirmation of the Prepackaged Plan and their reply to any objections thereto no later than three (3) days before the Combined Hearing. The Debtors may file reply briefs in response to any objections to the assumption of executory contracts and unexpired leases or Cure Amounts at any time prior to the Combined Hearing.

6. The Debtors are authorized to combine the notice of the Combined Hearing and notice of the commencement of the chapter 11 cases.

7. Notice of the Combined Hearing as proposed in the Motion and the form of Combined Notice, substantially in the form attached hereto as **Exhibit 1**, shall be deemed good and sufficient notice of the Combined Hearing and no further notice need be given; provided 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, shall be waived. The Debtors shall cause Prime Clerk to mail a copy of the Combined Notice to the parties set forth in the Motion within three (3) business days of the entry of this Order or as soon as reasonably possible.

8. To the extent the Nominees incur out-of-pocket expenses in connection with distribution of the Combined Notice, the Debtors are authorized, but not directed, to reimburse such entities for their reasonable and customary expenses incurred in this regard.

9. Substantially contemporaneously with the service of the Combined Notice, the Debtors shall cause to be posted to the Website various chapter 11 related documents, including, among others, the following: (a) the Prepackaged Plan; (b) the Disclosure Statement; (c) the Motion and this Order; and (d) the Combined Notice. The Website address is: www.cases.primeclerk.com/seg.

10. The Debtors are authorized, pursuant to Bankruptcy Rule 2002(l), to give supplemental publication notice of the Combined Hearing by publishing a notice of the Combined Hearing on a date no later than seven (7) days after entry of this Order.

11. 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.

12. The notice procedures set forth in the Motion and herein constitute good and sufficient notice of the commencement of the chapter 11 cases, the Combined Hearing, and the deadlines and procedures for objecting to the adequacy of the Disclosure Statement and the Solicitation Procedures, confirmation of the Prepackaged Plan, and the assumption or assumption and assignment of executory contracts and unexpired leases and/or associated Cure Amounts, and no other or further notice shall be necessary.

13. The time within which the Debtors shall file their Schedules and Statements is extended through and including May 28, 2018 (the "**Schedules and Statements Deadline**"), 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; provided that the requirement that the Debtors file the Schedules and Statements is permanently waived effective upon the date of confirmation of the Prepackaged Plan, if confirmation of the Prepackaged Plan occurs on or before the Schedules and Statements Deadline.

14. The Section 341(a) Meeting shall be deferred until the Schedules and Statements Deadline and shall be waived if confirmation of the Prepackaged Plan occurs on or before the Schedules and Statements Deadline.

15. The Ballots, substantially in the forms attached to the Motion as **Exhibits B-1, B-2**, and **B-3**, are approved.

16. The procedures proposed for tabulation of votes to accept or reject the Prepackaged Plan as set forth in the Motion and as provided by the Ballots are approved.

17. Any objections to the assumption or assumption and assignment of executory contracts and unexpired leases or associated Cure Amounts 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; and (d) be filed with the Bankruptcy Court, together with proof of service, so as to be received by **no later than fifteen (15) days after service of the Motion**.

18. The Assumption Notice and the Assumption and Assignment Notice, substantially in the forms attached hereto as **Exhibit 2** and **3,** respectively, are approved. The Debtors shall transmit the Assumption Notice and the Assumption and Assignment Notice to all applicable counterparties to executory contracts and unexpired leases three (3) business days after entry of this Order, or as soon as practicable thereafter.

19. The Debtors are authorized to take all actions necessary to implement the relief granted in this Order.

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

Dated: _____, 2018
Wilmington, Delaware

_____
THE HONORABLE _____
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Combined Notice

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	
	:	**Chapter 11**
	:	
SOUTHEASTERN GROCERS, LLC, *et al.*	:	**Case No. 18– _____ ( )**
	:	
Debtors.[1]	:	**(Joint Administration Requested)**
	:	

NOTICE OF COMMENCEMENT OF CASES
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

-AND-

SUMMARY OF JOINT PREPACKAGED CHAPTER 11 PLAN AND NOTICE OF HEARING TO CONSIDER (A) ADEQUACY OF DISCLOSURE STATEMENT AND SOLICITATION PROCEDURES; (B) CONFIRMATION OF PLAN OF REORGANIZATION; AND (C) RELATED MATERIALS

PLEASE TAKE NOTICE THAT:

1. On March 27, 2018 (the "**Petition Date**"), Southeastern Grocers, LLC ("**SEG**") and its debtor affiliates, as debtors and debtors in possession (collectively, the "**Debtors**"), each commenced a case 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**"). On the Petition Date, the Debtors filed the *Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and Its Affiliated Debtors*, dated as of March 27, 2018 (the "**Prepackaged Plan**"),[2] and a disclosure statement for the Prepackaged Plan, dated as of March 27, 2018 (the "**Disclosure Statement**") pursuant to sections 1125 and 1126(b) of the Bankruptcy Code.

[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: Southeastern Grocers, LLC (5190); ARP Ballentine LLC (6936); ARP Chickamauga LLC (9515); ARP Hartsville LLC (7906); ARP James Island LLC (9163); ARP Moonville LLC (0930); ARP Morganton LLC (4010); ARP Winston Salem LLC (2540); BI-LO Finance Corp. (0498); BI-LO Holding Finance, Inc. (9227); BI-LO Holding Finance, LLC (1412); BI-LO Holding, LLC (5611); BI-LO, LLC (0130); Dixie Spirits Florida, LLC (6727); Dixie Spirits, Inc. (2359); Opal Holdings, LLC (2667); Samson Merger Sub, LLC (4402); Winn-Dixie Logistics, LLC (2949); Winn-Dixie Montgomery Leasing, LLC (6899); Winn-Dixie Montgomery, LLC (2119); Winn-Dixie Properties, LLC (7105); Winn-Dixie Raleigh Leasing, LLC (6812); Winn-Dixie Raleigh, LLC (0665); Winn-Dixie Stores, Inc. (4290); Winn-Dixie Stores Leasing, LLC (7019); Winn-Dixie Supermarkets, Inc. (8837); and Winn-Dixie Warehouse Leasing, LLC (6709). The Debtors' mailing address is 8928 Prominence Parkway, #200, Jacksonville, Florida 32256.

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

Prepackaged Plan and Disclosure Statement

2. Copies of the Prepackaged 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**" or "**Prime Clerk**"), at www.cases.primeclerk.com/seg. Copies of the Prepackaged Plan and the Disclosure Statement may also be obtained by calling the Voting Agent at (877) 755-8288 (domestic toll-free) or (347) 817-4198 (international toll) or sending an electronic mail message to segballots@primeclerk.com.

3. The Prepackaged Plan provides for a reorganization transaction pursuant to which:

- Each holder of an Allowed ABL Facility Claim will receive Cash in the full amount of its Allowed ABL Facility Claim from the proceeds of the Exit ABL Facility, and all existing commitments under the ABL Credit Agreement will be terminated.

- Each holder of an Allowed Secured Notes Claim will receive Cash in the full amount of its Allowed Secured Notes Claim from the proceeds of the Exit Term Loan Facility, and the Secured Notes will be cancelled.

- Each holder of an Allowed Unsecured Notes Claim will receive its pro rata share of one hundred percent (100%) of the New Common Stock issued pursuant to the Prepackaged Plan and outstanding immediately following the Effective Date, which will be subject to dilution only by (a) the New Common Stock issued (i) upon the exercise of the Warrant and (ii) pursuant to the Management Incentive Plan, and (b) other New Common Stock duly authorized and issued in accordance with the terms of Reorganized SEG's Amended Organizational Documents, and the Unsecured Notes will be cancelled.

- All Priority Non-Tax Claims, Other Secured Claims, General Unsecured Claims, Intercompany Claims, and Intercompany Interests are unimpaired by the Prepackaged Plan and will be satisfied in full in the ordinary course of business.

- SEG Parent will receive a 5% Warrant in full and final satisfaction, settlement, release, cancellation, and discharge of, and in exchange for, its Allowed Existing SEG Equity Interests.

4. Only holders of Claims in Class 5 (Unsecured Notes Claims) and Interests in Class 8 (Existing SEG Equity Interests) are entitled to vote to accept or reject the Prepackaged Plan. All other classes of Claims or Interests were either presumed to accept or deemed to reject the Prepackaged Plan. On March 15, 2018, the Debtors commenced solicitation of votes to accept the Prepackaged Plan from the holders of Claims in Class 5 and Interests in Class 8 of record as of March 12, 2018. **The deadline for the submission of votes to accept or reject the Prepackaged Plan is April 5, 2018 at 5:00 p.m. (Prevailing Eastern Time).**

Combined Hearing

5. A combined hearing to consider (a) the adequacy of (i) the Disclosure Statement and (ii) the solicitation procedures utilized in connection with the solicitation of votes to accept or reject the Prepackaged Plan (the "**Solicitation Procedures**") and (b) confirmation of the Prepackaged Plan, and any objections thereto, will be held before the Honorable _____, United States Bankruptcy Judge, in Room ____ of the United States Bankruptcy Court, 824 Market Street, _____ Floor, Wilmington, Delaware 19801, on May 10, **2018 at** [●] **(Prevailing Eastern Time)** or as soon thereafter as counsel may be heard (the "**Combined Hearing**"). 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 and the Voting Agent's website at www.cases.primeclerk.com/seg.

6. Any objections to the Disclosure Statement, the Solicitation Procedures, and/or confirmation of the Prepackaged Plan must (a) be in writing; (b) state the name and address of the objecting party and the amount and nature of the claim or interest of such party; (c) state the legal and factual basis for and nature of any objection; (d) conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware; and (e) be filed with the Bankruptcy Court, together with proof of service, and served on the following parties so as to be received by **no later than April 30, 2018, at 4:00 p.m. (Prevailing Eastern Time) (the "Plan/Disclosure Statement Objection Deadline"):**

i. the Debtors, c/o Southeastern Grocers, LLC, 8928 Prominence Parkway, #200, Jacksonville, FL 32256 (Attn: M. Sandlin Grimm, Esq.);

ii. the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"), 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Benjamin Hackman, Esq.);

iii. proposed counsel to the Debtors, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray Schrock, Esq., Matthew S. Barr, Esq., and Sunny Singh, Esq.) and (b) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Daniel J. DeFranceschi, Esq., Paul N. Heath, Esq., and Amanda R. Steele, Esq.);

iv. counsel to the Sponsors, King & Spalding LLP, 1180 Peachtree Street NW, Atlanta, GA 30309 (Attn: W. Austin Jowers, Esq. and Paul K. Ferdinands, Esq.);

v. counsel to the Initial Consenting Noteholders, (i) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019 (Attn: Dennis L. Jenkins, Esq. and Brett H. Miller, Esq.) and (ii) Drinker Biddle & Reath LLP, 222 Delaware Avenue, Wilmington, DE 19801 (Attn: Steven K.

Kortanek, Esq., Robert K. Malone, Esq., and Joseph N. Argentina, Jr., Esq.);

vi. counsel to the ABL Facility Agent and Deutsche Bank Securities Inc. in its capacity as Lead Arranger under the Exit Term Loan Facility, White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020 (Attn: Andrew C. Ambruoso, Esq., David Bilkis, Esq., and Elizabeth Feld, Esq.);

vii. counsel to the Exit ABL Facility Agent and the Exit Term Loan Facility Agent, White & Case LLP, Southeast Financial Center, 200 South Biscayne Boulevard, Suite 4900, Miami, FL 33131 (Attn: Eric Klar, Esq.);

viii. counsel to the Secured Notes Trustee, Pryor Cashman LLP, 7 Times Square, New York, NY 10036 (Attn: Seth H. Lieberman, Esq. and Patrick Sibley, Esq.);

ix. counsel to the Unsecured Notes Trustee, Kelly Drye & Warren LLP, 101 Park Avenue, New York, NY 10178 (Attn: James S. Carr, Esq., Benjamin D. Feder, Esq. and Pamela Bruzzese-Szczygiel, Esq.); and

x. counsel to the Treasury Bank, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110 (Attn: Kevin J. Simard, Esq.).

Section 341(a) Meeting

7. A meeting of creditors pursuant to section 341(a) of the Bankruptcy Code (the "**Section 341(a) Meeting**") will be deferred until May 28, 2018. **If the Prepackaged Plan is confirmed by May 28, 2018, the Debtors will not convene a Section 341(a) Meeting.** If the Section 341(a) Meeting will be convened, the Debtors will file, serve on the parties on whom it served this notice, and post on the Voting Agent's website at www.cases.primeclerk.com/seg, not less than seven (7) days before the date scheduled for such meeting, a notice of the date, time, and place of such meeting. The meeting may be adjourned or continued from time to time by notice at the meeting, without further notice to creditors.

Summary of the Prepackaged Plan[3]

8. **Classification and Treatment.** A chart summarizing the treatment provided by the Prepackaged Plan to each class of Claims and Interests is included in **Annex A**.

[3] The statements contained herein are summaries of the provisions contained in the Disclosure Statement and the Prepackaged Plan and do not purport to be precise or complete statements of all the terms and provisions of the Prepackaged Plan or documents referred to therein. For a more detailed description of the Prepackaged Plan, please refer to the Disclosure Statement. Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Prepackaged Plan. The Prepackaged Plan provisions that relate to paragraphs 8–11 of this notice are set forth in **Annex A**.

9. **Treatment of Employee Contracts and Interests.** Pursuant to the Prepackaged Plan, the Debtors will assume all Employee Arrangements and all Benefit Plans existing as of the Petition Date and continue to honor obligations to employees in the ordinary course of business, except that any Interests in the Debtors granted to current or former employees, officers, directors, or contractors under any Employment Arrangement shall be deemed cancelled on the Effective Date. Any Other Interests granted prior to the Effective Date to a current or former employee, officer, director or contractor under an Employee Arrangement or otherwise shall be deemed cancelled on the Effective Date. For the avoidance of doubt, if a Benefit Plan or an Employee Arrangement is assumed and the Benefit Plan or Employment Arrangement provides in part for an award or potential award of Interests in the Debtors, such Benefit Plan or Employment Arrangement shall be assumed in all respects other than the provisions of such agreement relating to Interest awards.

10. **Releases. Please be advised that under the Prepackaged Plan, the following holders are deemed to have granted the releases contained in Section 10.6 of the Prepackaged Plan (as reflected on Annex A):**

(a) holders of impaired Claims or Interests except those (I) deemed to reject the Prepackaged Plan or who voted to reject or abstained from voting on the Prepackaged Plan and (II) who have indicated on their ballot that they have opted out of granting the releases provided in the Prepackaged Plan; and

(b) holders of unimpaired Claims or Interests who do not timely object to the releases provided in the Prepackaged Plan by filing an objection with the Bankruptcy Court before the Plan/Disclosure Statement Objection Deadline. IF YOU DO NOT OBJECT TO THE RELEASES CONTAINED IN THE PREPACKAGED PLAN BY THE PLAN/DISCLOSURE STATEMENT OBJECTION DEADLINE, YOU WILL BE DEEMED TO HAVE CONSENTED TO SUCH RELEASES.

Election to withhold consent to the releases contained in the Prepackaged Plan is at the holder's option.

11. The Prepackaged Plan also contains other release, discharge, and injunction provisions that may affect your rights.

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

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

Dated: _____, 2018
Wilmington, Delaware

RICHARDS, LAYTON & FINGER, P.A.
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-and-

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Proposed Attorneys for Debtors
and Debtors in Possession

Annex A

Selected Prepackaged Plan Provisions

Classification and Treatment Chart

Class	Claim or Equity Interest	Treatment	Impaired or Unimpaired	Entitled to Vote on the Plan	Approx. Recovery[1]
1	Priority Non-Tax Claims	Except to the extent that a holder of an Allowed Priority Non-Tax Claim against any of the Debtors agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Priority Non-Tax Claim, at the sole option of the Debtors or the Reorganized Debtors, as applicable, (i) each such holder shall receive payment in Cash in an amount equal to the Allowed amount of such Claim, payable on the later of the Effective Date and the date that is ten (10) Business Days after the date on which such Priority Non-Tax Claim becomes an Allowed Priority Non-Tax Claim, or as soon thereafter as is reasonably practicable, (ii) such holder's Allowed Priority Non-Tax Claim shall be Reinstated, or (iii) such holder shall receive such other treatment consistent with section 1129(a)(9) of the Bankruptcy Code so as to render such holder's Allowed Priority Non-Tax Claim Unimpaired.	Unimpaired	No (Presumed to accept)	100%
2	Other Secured Claims	Except to the extent that a holder of an Allowed Other Secured Claim against any of the Debtors agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Other Secured Claim, at the option of the Debtors (with the consent of the Requisite Consenting Noteholders) or the Reorganized Debtors, as applicable, 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	Unimpaired	No (Presumed to accept)	100%

[1] The amounts and/or percentages set forth under Approx. Recovery are based on the range of reorganized equity value of the Debtors as described in the Valuation Analysis described in the Disclosure Statement. They represent the midpoint within the Debtors' range of estimated recoveries.

Class	Claim or Equity Interest	Treatment	Impaired or Unimpaired	Entitled to Vote on the Plan	Approx. Recovery[1]
		Claim (i) Cash in an amount equal to the Allowed amount of such Claim, (ii) Reinstatement of such holder's Allowed Other Secured Claim, or (iii) such other treatment sufficient to render such holder's Allowed Other Secured Claim Unimpaired. In the event that an Other Secured Claim against any of the Debtors is treated under clause (i) of Section 4.2(b) of the Plan, the Liens securing such Other Secured Claim shall be deemed released immediately upon payment.			
3	ABL Facility Claims	Except to the extent that a holder of an Allowed ABL Facility Claim agrees to a less favorable treatment of such Claim or has been indefeasibly paid in full in Cash at the default rate before the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed ABL Facility Claim, on the Effective Date, each holder of an Allowed ABL Facility Claim shall (i) receive Cash in the full amount of its Allowed ABL Facility Claim and (ii) all issued and undrawn Letters of Credit (as defined in the ABL Credit Agreement) shall be replaced or cash collateralized in the amounts specified under the ABL Credit Agreement, from the proceeds of the Exit ABL Facility and the existing commitments under the ABL Credit Agreement shall be terminated.	Unimpaired	No (Presumed to accept)	100%
4	Secured Notes Claims	Except to the extent that a holder of an Allowed Secured Notes Claim agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Secured Notes Claim, on the Effective Date, or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Notes Claim shall receive Cash in the full amount of its Allowed Secured Notes Claim and the Secured Notes shall be cancelled.	Unimpaired	No (Presumed to accept)	100%
5	Unsecured Notes Claims	Except to the extent that a holder of an Allowed Unsecured Notes Claim agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Unsecured Notes Claim, on the Effective Date, each holder of an Allowed Unsecured Notes Claim shall receive its Pro Rata share of one hundred percent (100%) of the New Common Stock	Impaired	Yes	75%

Class	Claim or Equity Interest	Treatment	Impaired or Unimpaired	Entitled to Vote on the Plan	Approx. Recovery[1]
		issued pursuant to the Plan and outstanding immediately following the Effective Date, subject to dilution only by the New Common Stock issued (i) upon the exercise of the Warrant, (ii) pursuant to the Management Incentive Plan, and (iii) other New Common Stock duly authorized and issued in accordance with the terms of Reorganized SEG's Amended Organizational Documents.			
6	General Unsecured Claims	Except to the extent that a holder of an Allowed General Unsecured Claim agrees to a less favorable treatment of such Claim or has been paid before the Effective Date, on and after the Effective Date, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Claim, (i) the Reorganized Debtors shall continue to pay or treat each Allowed General Unsecured Claim in the ordinary course of business as if the Chapter 11 Cases had never been commenced, or (ii) such holder will receive such other treatment so as to render such holder's Allowed General Unsecured Claim Unimpaired pursuant to section 1124 of the Bankruptcy Code, in each case subject to all defenses or disputes the Debtors and the Reorganized Debtors may have with respect to such Claims, including as provided in Section 10.8 of the Plan; *provided* that, notwithstanding the foregoing, the Allowed amount of General Unsecured Claims shall be subject to and shall not exceed the limitations or maximum amounts permitted by the Bankruptcy Code, including sections 502 or 503 of the Bankruptcy Code, to the extent applicable. For the avoidance of doubt, any Claim arising out of or relating to the rejection of a non-residential real property lease identified on the Schedule of Rejected Leases or pursuant to an order entered by the Bankruptcy Court shall not exceed the maximum allowable amount of such Claim pursuant to section 502(b)(6) of the Bankruptcy Code.	Unimpaired	No (Presumed to accept)[2]	100%

[2] General Unsecured Claims include rejection damages claims for non-residential real property leases that will be rejected during the Chapter 11 Cases. Pursuant to the Plan, the Debtors will pay such rejection damages claims in full, up to the maximum amounts permitted by section 502(b)(6) of the Bankruptcy Code. Under applicable law, such treatment renders rejection damages claims unimpaired.

Class	Claim or Equity Interest	Treatment	Impaired or Unimpaired	Entitled to Vote on the Plan	Approx. Recovery[1]
7	Intercompany Claims	On the Effective Date, or as soon as practicable thereafter, all Intercompany Claims shall be paid, adjusted, continued, settled, Reinstated, discharged, contributed to capital, or eliminated, in each case to the extent determined to be appropriate by the Debtors (with the consent of the Requisite Consenting Noteholders) or the Reorganized Debtors, as applicable.	Unimpaired	No (Presumed to accept)	100%
8	Existing SEG Equity Interests	On the Effective Date, all Existing SEG Equity Interests shall be cancelled without further action by or order of the Bankruptcy Court and, pursuant to the Global Settlement, SEG Parent shall be entitled to receive the Warrant in full and final satisfaction, settlement, release, and discharge of, and in exchange for, its Allowed Existing SEG Equity Interests.	Impaired	Yes	N/A
9	Intercompany Interests	On the Effective Date, or as soon as practicable thereafter, all Intercompany Interests shall be Reinstated	Unimpaired	No (Presumed to accept)	100%
10	Other Interests	Holders of Other Interests shall not receive or retain any property under the Plan on account of such Other Interests. On the Effective Date, or as soon as practicable thereafter, all Interests shall be deemed cancelled without further action by or order of the Bankruptcy Court, and shall be of no further force and effect, whether surrendered for cancellation or otherwise.	Impaired	No (Deemed to reject)	N/A

Select Defined Terms

"Consenting Lone Star Parties" means, collectively, SEG Parent, LSF SEG Investments, L.P., LSF5 Bi-Lo Holdings, LLC, LSF7 Opal Holdings, LLC, and LSF7 Bond Holdings Ltd.

"Consenting Noteholders" has the meaning ascribed to it in the Restructuring Support Agreement.

"Exculpated Parties" means collectively, and in each case in their capacities as such, the Debtors, the Reorganized Debtors, and all Persons and Entities who acted on their behalf in connection with the matters as to which exculpation is provided herein.

"Released Parties" means each of, and solely in its capacity as such, (a) the Debtors or the Reorganized Debtors, (b) the ABL Facility Agent, (c) the ABL Secured Parties, (d) the Consenting Noteholders, (e) the Unsecured Notes Indenture Trustee, (f) the Lone Star Related Parties, (g) the Secured Notes Indenture Trustee, (h) the Lead Arrangers, (i) the Exit ABL Facility Agent, (j) the Exit Term Loan Facility Agent, (k) the Exit Facility Lenders, and (l) the Related Parties for each of the foregoing; provided that, Released Parties shall exclude any of the foregoing parties that do not (or are not deemed to) provide the releases under the Plan.

"Reorganized Debtors" means each of the Debtors or any successor thereto (excluding for the avoidance of doubt, SEG II), as reorganized on the Effective Date in accordance with the Plan.

Section 5.12 of the Prepackaged Plan: Employee Matters

(a) Subject to Section 5.12(c) of the Plan, on the Effective Date, the Reorganized Debtors shall be deemed to have assumed all employee compensation plans, Benefit Plans, employment agreements, offer letters, or award letters to which any Debtor is a party (collectively, the "**Employee Arrangements**"); *provided that* notwithstanding anything contrary in the Employee Arrangements, the consummation of the Plan shall not be treated as a change in control or change of control or other similar transaction under the Employee Arrangements.

(b) Within thirty (30) days following the Effective Date, the New Board shall establish the Management Incentive Plan for members of the Reorganized Debtors' management. The participants and the amounts allocated under the Management Incentive Plan shall be determined in the sole discretion of the New Board, provided that the New Board shall consult with the Chief Executive Officer of Reorganized SEG regarding the participants and allocation of amounts to other members of the Reorganized Debtors' management.

(c) Any Other Interests granted prior to the Effective Date to a current or former employee, officer, director or contractor under an Employee Arrangement or otherwise shall be deemed cancelled on the Effective Date. For the avoidance of doubt, if a Benefit Plan or an Employee Arrangement is assumed and the Benefit Plan or Employment Arrangement provides in part for an award or potential award of Interests in the Debtors, such Benefit Plan or Employment Arrangement shall be assumed in all respects other than the provisions of such agreement relating to Interest awards.

Section 10.3 of the Prepackaged Plan: Discharge of Claims and Termination of Interests

Upon the Effective Date and in consideration of the Distributions to be made hereunder, except as otherwise expressly provided herein, each holder (as well as any representatives, trustees, or agents on behalf of each holder) of a Claim or Interest and any affiliate of such holder shall be deemed to have forever waived, released, and discharged the Debtors, to the fullest extent permitted by section 1141 of the Bankruptcy Code, of and from any and all Claims, Interests, rights, and liabilities that arose prior to the Effective Date. Upon the Effective Date, all such Entities shall be forever precluded and enjoined, pursuant to section 524 of the Bankruptcy Code, from prosecuting or asserting any such discharged Claim against or terminated Interest in the Debtors against the Debtors, the Reorganized Debtors, or any of their assets or property, whether or not such holder has filed a proof of Claim and whether or not the facts or legal bases therefor were known or existed prior to the Effective Date.

Section 10.4 of the Prepackaged Plan: Term of Injunction or Stays

Unless otherwise provided herein, the Confirmation Order, or in a Final Order of the Bankruptcy Court, all injunctions or stays arising under or entered during the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay. For the avoidance of doubt, the orders entered by the Bankruptcy Court approving the Motion of Debtors for Interim and Final Orders Establishing Notification Procedures and Approving Restrictions on Certain Transfers of Interests in the Debtors and Claiming a Worthless Securities Deduction Pursuant to 11 U.S.C. §§ 105(a) and 362 (ECF Nos. ___) shall remain in full force and effect on and after the Effective Date with respect to Existing SEG Equity Interests.

Section 10.5 of the Prepackaged Plan: Injunction

(a) **Upon entry of the Confirmation Order, all holders of Claims and Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan in relation to any Claim or Interest extinguished, discharged or released pursuant to the Plan.**

(b) **Except as expressly provided in the Plan, the Confirmation Order, or a separate order of the Bankruptcy Court or as agreed to by the Debtors and a holder of a Claim against or Interest in the Debtors, all Entities who have held, hold, or may hold Claims against or Interests in any or all of the Debtors (whether proof of such Claims or Interests has been filed or not and whether or not such Entities vote in favor of, against or abstain from voting on the Plan or are presumed to have accepted or deemed to have rejected the Plan) and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates are permanently enjoined, on and after the Effective Date, solely with respect to any Claims, Interests, and Causes of Action that will be or are extinguished, discharged, or released pursuant to the Plan from (i)**

commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the Released Parties or the property of any of the Released Parties, (ii) enforcing, levying, attaching (including, without limitation, any prejudgment attachment), collecting, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against the Released Parties or the property of any of the Released Parties, (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Released Parties or the property of any of the Released Parties, (iv) asserting any right of setoff, directly or indirectly, against any obligation due the Released Parties or the property of any of the Released Parties, except as contemplated or allowed by the Plan; and (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan.

(c) **By accepting Distributions pursuant to the Plan, each holder of an Allowed Claim or Interest extinguished, discharged, or released pursuant to the Plan shall be deemed to have affirmatively and specifically consented to be bound by the Plan, including, without limitation, the injunctions set forth in this Section 10.5**.

(d) **The injunctions in this Section 10.5 shall extend to any successors of the Debtors and the Reorganized Debtors and their respective property and interests in property**.

Section 10.6(a) of the Prepackaged Plan: Releases by Debtors

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, the Released Parties shall be deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates, and any person seeking to exercise the rights of the Estates, including any successors to the Debtors or any Estates representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, from any and all Claims, obligations, rights, suits, judgments, damages, demands, debts, rights, Causes of Action, remedies, losses, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates, 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 Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the conduct of the Debtors' businesses, 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 the Debtors and any Released Party, the Debtors' restructuring, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the ABL Facility Documents, the Cash Collateral Orders, the Disclosure Statement, the Restructuring Support Agreement, and the Plan and related agreements,

instruments, and other documents (including the Definitive Documents), and the negotiation, formulation, or preparation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, including, without limitation, all Avoidance Actions; provided that nothing in this Section 10.6(a) shall be construed to release the Released Parties from willful misconduct or intentional fraud as determined by a Final Order.

Section 10.6(b) of the Prepackaged Plan: Consensual Releases by Holders of Claims or Interests

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, each of the Released Parties shall be deemed released and discharged by

i. **the holders of Impaired Claims or Interests who abstain from voting on the Plan or vote to reject the Plan but do not opt-out of these releases on the Ballots;**

ii. **the holders of Unimpaired Claims or Interests who do not object to the releases by filing an objection to the Plan (provided that holders of Unimpaired Claims or Interests shall not be deemed to have released the Debtors or the Reorganized Debtors pursuant to this section);**

iii. **the holders of Impaired Claims or Interests who vote to accept the Plan;**

iv. **the Consenting Noteholders; and**

v. **the Lone Star Related Parties;**

and with respect to any Entity in the foregoing clauses (i) through (v), (x) such Entity's predecessors, successors, and assigns, and (y) all Persons entitled to assert Claims through or on behalf of such Entities with respect to the matters for which the releasing Entities are providing releases, in each case, from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert in their own right (whether individually or collectively) based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the Debtors' restructuring, 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 (other than assumed contracts or leases), the restructuring of Claims and Interests before or during the Chapter 11 Cases, the ABL Facility Documents, the Cash Collateral Orders, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Restructuring Support Agreement, the Definitive Documents, or any related agreements, instruments or other documents, or the solicitation of votes with respect to the Plan, in all cases based upon any other act or omission, transaction, agreement, event or other occurrence taking

place on or before the Effective Date; *provided* that nothing herein shall be construed to release any party or Entity from willful misconduct or intentional fraud as determined by a Final Order; *provided, further,* that nothing in the Plan shall limit the liability of professionals to their clients pursuant to applicable law

Section 10.6(c) of the Prepackaged Plan

Notwithstanding anything to the contrary herein, (i) any Person or Entity (A) releasing claims hereunder who does not provide (or is not deemed to provide) a valid and binding release of the Released Parties, or (B) who has asserted or later asserts a claim against a Released Party shall not be (or be deemed to be) a Released Party, and (ii) any Claim of the Debtors, their Estates or any of the Debtors' direct or indirect subsidiaries, on the one hand, against the Debtors, their Estates or any of the Debtors' direct or indirect subsidiaries, on the other hand, shall not be (or be deemed to be) released pursuant to the Plan.

Section 10.7 of the Prepackaged Plan: Exculpation

Notwithstanding anything herein to the contrary, and to the maximum extent permitted by applicable law, no Exculpated Party will have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, remedy, loss, and liability for any claim in connection with or arising out of the administration of the Chapter 11 Cases, the negotiation, formulation, preparation, and pursuit of the Disclosure Statement, the Restructuring Support Agreement, the transactions relating to the Debtors' restructuring, the Plan, or the solicitation of votes for, or confirmation of, the Plan, the funding or consummation of the Plan (including the Plan Supplement), the Definitive Documents, or any related agreements, instruments, or other documents, the solicitation of votes on the Plan, the offer, issuance, and Distribution of any Securities issued or to be issued pursuant to the Plan, whether or not such Distribution occurs following the Effective Date, the occurrence of the Effective Date, negotiations regarding or concerning any of the foregoing, or the administration of the Plan or property to be distributed under the Plan, except for actions determined by Final Order to constitute gross negligence, willful misconduct, or intentional fraud. 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. Nothing herein shall be deemed to be a release or waiver of the Reorganized Debtors' obligations under the Exit Facility Documents.

Exhibit 2

Proposed Assumption Notice

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	
	:	**Chapter 11**
	:	
SOUTHEASTERN GROCERS, LLC, *et al.*	:	**Case No. 18– _____ ( )**
	:	
Debtors.[1]	:	**(Joint Administration Requested)**
	:	

NOTICE OF ASSUMPTION OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES OF DEBTORS AND RELATED PROCEDURES

PLEASE TAKE NOTICE that on March 27, 2018, Southeastern Grocers, LLC and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (the "**Debtors**"), filed the *Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and its Affiliated Debtors* [D.I. __] (as it may be amended, modified, or supplemented from time to time, the "**Prepackaged Plan**").[2]

PLEASE TAKE FURTHER NOTICE that in accordance with Section 8.1 of the Prepackaged 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, and which have not expired on their own terms on or prior to the Effective Date, including Employment Arrangements (subject to Section 5.12 of the Prepackaged Plan) and Assumed Leases shall be deemed assumed by the Debtors except for any executory contract or unexpired lease that (i) previously has been assumed, assumed and assigned, or rejected pursuant to a Final Order of the Bankruptcy Court, (ii) is the subject of a separate motion filed by the Debtors on or before the Confirmation Date seeking to assume, assume and assign, or reject pursuant to section 365 of the Bankruptcy Code, (iii) is the subject of a pending adequate assurance dispute, (iv) is specifically

[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: Southeastern Grocers, LLC (5190); ARP Ballentine LLC (6936); ARP Chickamauga LLC (9515); ARP Hartsville LLC (7906); ARP James Island LLC (9163); ARP Moonville LLC (0930); ARP Morganton LLC (4010); ARP Winston Salem LLC (2540); BI-LO Finance Corp. (0498); BI-LO Holding Finance, Inc. (9227); BI-LO Holding Finance, LLC (1412); BI-LO Holding, LLC (5611); BI-LO, LLC (0130); Dixie Spirits Florida, LLC (6727); Dixie Spirits, Inc. (2359); Opal Holdings, LLC (2667); Samson Merger Sub, LLC (4402); Winn-Dixie Logistics, LLC (2949); Winn-Dixie Montgomery Leasing, LLC (6899); Winn-Dixie Montgomery, LLC (2119); Winn-Dixie Properties, LLC (7105); Winn-Dixie Raleigh Leasing, LLC (6812); Winn-Dixie Raleigh, LLC (0665); Winn-Dixie Stores, Inc. (4290); Winn-Dixie Stores Leasing, LLC (7019); Winn-Dixie Supermarkets, Inc. (8837); and Winn-Dixie Warehouse Leasing, LLC (6709). The Debtors' mailing address is 8928 Prominence Parkway, #200, Jacksonville, Florida 32256.

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

designated as an unexpired lease to be rejected on the Schedule of Rejected Leases, or (v) is an Assumed SEG II Lease.[3]

PLEASE TAKE FURTHER NOTICE that the Debtors have attempted to identify all of its assumed unexpired real property leases and subleases on **Exhibit B** to the Prepackaged Plans. The inadvertent omission of a lease intended to be an Assumed Lease does not mean that such lease is being rejected. **The Debtors are assuming all Assumed Contracts other than the Rejected Leases and the Assumed SEG II Leases pursuant to the Prepackaged Plan whether or not they are listed on Exhibit B** to the Prepackaged Plan**.** If you believe you are a party to an Assumed Lease with the Debtors that is not identified on such exhibit, you must notify the Debtors and otherwise comply with the procedures in this notice.

PLEASE TAKE FURTHER NOTICE that as a matter of administrative convenience, in certain cases the Debtors may have listed the original parties to the documents listed on **Exhibit B** to the Prepackaged Plan without taking into account any succession of parties or any other transfers or assignments from one party to another, and the fact that the current parties to a particular Assumed Lease may not be named on such exhibit is not intended to affect the assumption of such Assumed Lease. References to any Assumed Lease to be assumed are to the applicable agreement and other operative documents, as they may have been amended, modified, or supplemented from time to time and as is in effect as of the date hereof, and as may be further amended, modified, or supplemented by the parties thereto between such date and the Effective Date.

PLEASE TAKE FURTHER NOTICE that any monetary amounts by which any executory contract or unexpired lease to be assumed hereunder is in default shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by the Reorganized Debtors upon assumption thereof in the ordinary course. 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.

PLEASE TAKE FURTHER NOTICE that to the extent that you object to the assumption of an Assumed Contract on any basis, including, without limitation, 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 below, so that such Objection is actually received no later than **[___]** (the "**Assumption Objection Deadline**")[4]:

i. the Debtors, c/o Southeastern Grocers, LLC, 8928 Prominence Parkway, #200, Jacksonville, FL 32256 (Attn: M. Sandlin Grimm, Esq.);

[3] The Schedule of Assumed Leases, Schedule of Assumed SEG II Leases, and Schedule of Rejected Leases have been modified from the versions filed with the Prepackaged Plan, and may be further modified.

[4] Fifteen (15) days after service of the Motion.

ii. the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"), 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Benjamin Hackman, Esq.);

iii. proposed counsel to the Debtors, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray Schrock, Esq., Matthew S. Barr, Esq., and Sunny Singh, Esq.) and (b) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Daniel J. DeFranceschi, Esq., Paul N. Heath, Esq., and Amanda R. Steele, Esq.);

iv. counsel to the Sponsors, King & Spalding LLP, 1180 Peachtree Street NW, Atlanta, GA 30309 (Attn: W. Austin Jowers, Esq. and Paul K. Ferdinands, Esq.);

v. counsel to the Initial Consenting Noteholders, (a) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019 (Attn: Dennis L. Jenkins, Esq. and Brett H. Miller, Esq.) and (b) Drinker Biddle & Reath LLP, 222 Delaware Avenue, Wilmington, DE 19801 (Attn: Steven K. Kortanek, Esq., Robert K. Malone, Esq., and Joseph N. Argentina, Jr., Esq.);

vi. counsel to the ABL Facility Agent and Deutsche Bank Securities Inc. in its capacity as Lead Arranger under the Exit Term Loan Facility, White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020 (Attn: Andrew C. Ambruoso, Esq., David Bilkis, Esq., and Elizabeth Feld, Esq.);

vii. counsel to the Exit ABL Facility Agent and the Exit Term Loan Facility Agent, White & Case LLP, Southeast Financial Center, 200 South Biscayne Boulevard, Suite 4900, Miami, FL 33131 (Attn: Eric Klar, Esq.);

viii. counsel to the Secured Notes Trustee, Pryor Cashman LLP, 7 Times Square, New York, NY 10036 (Attn: Seth H. Lieberman, Esq. and Patrick Sibley, Esq.);

ix. counsel to the Unsecured Notes Trustee, Kelly Drye & Warren LLP, 101 Park Avenue, New York, NY 10178 (Attn: James S. Carr, Esq., Benjamin D. Feder, Esq. and Pamela Bruzzese-Szczygiel, Esq.); and

x. counsel to the Treasury Bank, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110 (Attn: Kevin J. Simard, Esq.).

PLEASE TAKE FURTHER NOTICE that 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. To the extent you have more than one unexpired lease identified on **Exhibit B** to the Prepackaged Plan, an Objection with respect to one unexpired lease shall have no impact on the other unexpired leases to which you are a party for which no Objection has been filed and served.

PLEASE TAKE FURTHER NOTICE that the Debtors request that before filing an Objection you contact the Debtors prior to the Assumption Objection Deadline to attempt to resolve such dispute consensually. The Debtors' contact for such matters is Josh Apfel, Esq., Weil, Gotshal & Manges LLP, at (212) 310-8058 or by e-mail at joshua.apfel@weil.com. If such dispute cannot be resolved consensually prior to the Assumption 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.

PLEASE TAKE FURTHER NOTICE that 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, 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.

Dated: _____, 2018
Wilmington, Delaware

RICHARDS, LAYTON & FINGER, P.A.
Daniel J. DeFranceschi (No. 2732)
Paul N. Heath (No. 3704)
Amanda R. Steele (No. 5530)
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-and-

WEIL, GOTSHAL & MANGES LLP
Ray C. Schrock, P.C.
Matthew S. Barr
Sunny Singh
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 3

Proposed SEG II Assumption and Assignment Notice

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	:	
	:	**Chapter 11**
	:	
SOUTHEASTERN GROCERS, LLC, *et al.*	:	**Case No. 18– _____ ( )**
	:	
Debtors.[1]	:	**(Joint Administration Requested)**
	:	

NOTICE OF ASSUMPTION AND ASSIGNMENT OF UNEXPIRED LEASES OF DEBTORS AND RELATED PROCEDURES

PLEASE TAKE NOTICE that on March 27, 2018, Southeastern Grocers, LLC and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (the "**Debtors**"), filed the *Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and its Affiliated Debtors* [D.I.__] (as it may be amended, modified, or supplemented from time to time, the "**Prepackaged Plan**").[2]

PLEASE TAKE FURTHER NOTICE that the Debtors propose to assume and assign to SEG II the unexpired leases listed on **Exhibit C** to the Prepackaged Plan (collectively, the "**Assumed SEG II Leases**") pursuant to, and on the Effective Date of, the Prepackaged Plan.[3]

PLEASE TAKE FURTHER NOTICE that you are receiving this notice because you or one of your affiliates is a counterparty to one or more of the Assumed SEG II Leases listed on **Exhibit C** to the Prepackaged Plan.

[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: Southeastern Grocers, LLC (5190); ARP Ballentine LLC (6936); ARP Chickamauga LLC (9515); ARP Hartsville LLC (7906); ARP James Island LLC (9163); ARP Moonville LLC (0930); ARP Morganton LLC (4010); ARP Winston Salem LLC (2540); BI-LO Finance Corp. (0498); BI-LO Holding Finance, Inc. (9227); BI-LO Holding Finance, LLC (1412); BI-LO Holding, LLC (5611); BI-LO, LLC (0130); Dixie Spirits Florida, LLC (6727); Dixie Spirits, Inc. (2359); Opal Holdings, LLC (2667); Samson Merger Sub, LLC (4402); Winn-Dixie Logistics, LLC (2949); Winn-Dixie Montgomery Leasing, LLC (6899); Winn-Dixie Montgomery, LLC (2119); Winn-Dixie Properties, LLC (7105); Winn-Dixie Raleigh Leasing, LLC (6812); Winn-Dixie Raleigh, LLC (0665); Winn-Dixie Stores, Inc. (4290); Winn-Dixie Stores Leasing, LLC (7019); Winn-Dixie Supermarkets, Inc. (8837); and Winn-Dixie Warehouse Leasing, LLC (6709). The Debtors' mailing address is 8928 Prominence Parkway, #200, Jacksonville, Florida 32256

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

[3] The Schedule of Assumed Leases, Schedule of Assumed SEG II Leases, and Schedule of Rejected Leases have been modified from the versions filed with the Prepackaged Plan, and may be further modified.

PLEASE TAKE FURTHER NOTICE that as a matter of administrative convenience, in certain cases the Debtors may have listed the original parties to the documents listed on **Exhibit C** to the Prepackaged Plan without taking into account any succession of parties or any other transfers or assignments from one party to another. The fact that the current parties to a particular Assumed SEG II Lease may not be named in **Exhibit C** to the Prepackaged Plan is not intended to affect the assumption of such Assumed SEG II Lease. References to any Assumed SEG II Lease are to the applicable agreement and other operative documents, as they may have been amended, modified, or supplemented from time to time and as is in effect as of the date hereof, and as may be further amended, modified, or supplemented by the parties thereto between such date and the Effective Date.

PLEASE TAKE FURTHER NOTICE that any monetary amounts by which any unexpired lease to be assumed and assigned hereunder is in default shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by the Debtors before March 21, 2018, and by SEG II on and after March 21, 2018, upon assumption and assignment thereof in the ordinary course. If you believe that any Cure Amounts are due by the Debtors or SEG II, as applicable, in connection with the assumption and assignment of your unexpired lease, you must assert such Cure Amounts against the Debtors or SEG II, as applicable, in the ordinary course of business.

PLEASE TAKE FURTHER NOTICE that to the extent that you object to the assumption of an Assumed SEG II Lease on any basis, including without limitation, 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 SEG II Lease, 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 below, so that such Objection is actually received no later than **[___], 2018** (the "**Assigned SEG II Lease Objection Deadline**")[4]:

i. the Debtors, c/o Southeastern Grocers, LLC, 8928 Prominence Parkway, #200, Jacksonville, FL 32256 (Attn: M. Sandlin Grimm, Esq.(3));

ii. the Office of the United States Trustee for the District of Delaware (the "U.S. Trustee"), 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Benjamin Hackman, Esq.);

iii. proposed counsel to the Debtors, (a) Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 (Attn: Ray Schrock, Esq., Matthew S. Barr, Esq., and Sunny Singh, Esq.) and (b) Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 (Attn: Daniel J. DeFranceschi, Esq., Paul N. Heath, Esq., and Amanda R. Steele, Esq.);

[4] Fifteen (15) days after service of the Motion.

iv. counsel to the Sponsors, King & Spalding LLP, 1180 Peachtree Street NW, Atlanta, GA 30309 (Attn: W. Austin Jowers, Esq. and Paul K. Ferdinands, Esq.);

v. counsel to the Initial Consenting Noteholders, (a) Morrison & Foerster LLP, 250 West 55th Street, New York, NY 10019 (Attn: Dennis L. Jenkins, Esq. and Brett H. Miller, Esq.) and (b) Drinker Biddle & Reath LLP, 222 Delaware Avenue, Wilmington, DE 19801 (Attn: Steven K. Kortanek, Esq., Robert K. Malone, Esq., and Joseph N. Argentina, Jr., Esq.);

vi. counsel to the ABL Facility Agent and Deutsche Bank Securities Inc. in its capacity as Lead Arranger under the Exit Term Loan Facility, White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020 (Attn: Andrew C. Ambruoso, Esq., David Bilkis, Esq., and Elizabeth Feld, Esq.);

vii. counsel to the Exit ABL Facility Agent and the Exit Term Loan Facility Agent, White & Case LLP, Southeast Financial Center, 200 South Biscayne Boulevard, Suite 4900, Miami, FL 33131 (Attn: Eric Klar, Esq.);

viii. counsel to the Secured Notes Trustee, Pryor Cashman LLP, 7 Times Square, New York, NY 10036 (Attn: Seth H. Lieberman, Esq. and Patrick Sibley, Esq.);

ix. counsel to the Unsecured Notes Trustee, Kelly Drye & Warren LLP, 101 Park Avenue, New York, NY 10178 (Attn: James S. Carr, Esq., Benjamin D. Feder, Esq. and Pamela Bruzzese-Szczygiel, Esq.); and

x. counsel to the Treasury Bank, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110 (Attn: Kevin J. Simard, Esq.).

PLEASE TAKE FURTHER NOTICE that if no Objection is timely received with respect to an Assumed SEG II Lease, (a) you shall be deemed to have assented to (i) the assumption and assignment of such Assumed SEG II Lease, (b) the date of such assumption and assignment, and (iii) the satisfaction of the requirement under section 365(b)(1)(C) of the Bankruptcy Code to provide adequate assurance of future performance under such Assumed SEG II Lease, and (b) you shall be forever barred, estopped, and enjoined from challenging the validity of such assumption and assignment or the adequate assurance of future performance contemplated herein. To the extent you have more than one Assumed SEG II Lease identified on **Exhibit C** to the Prepackaged Plan, an Objection with respect to one Assumed SEG II Lease shall have no impact on the other Assumed SEG II Lease(s) to which you are a party for which no Objection has been filed and served.

PLEASE TAKE FURTHER NOTICE that the Debtors request that before filing an Objection, you contact the Debtors prior to the Assigned SEG II Lease Objection Deadline to attempt to resolve such dispute consensually. The Debtors' contact for such matters is Josh Apfel, Esq., Weil, Gotshal & Manges LLP, at (212) 310-8058 or by e-mail at

joshua.apfel@weil.com. If such dispute cannot be resolved consensually prior to the Assigned SEG II Lease 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.

PLEASE TAKE FURTHER NOTICE that if a timely Objection is filed and served in accordance with this notice pertaining to assumption and assignment of an Assumed SEG II Lease, and cannot be otherwise resolved by the parties, 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.

Dated: _____, 2018
Wilmington, Delaware

RICHARDS, LAYTON & FINGER, P.A.
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Paul N. Heath (No. 3704)
Amanda R. Steele (No. 5530)
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-and-

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Ray C. Schrock, P.C.
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Proposed Attorneys for Debtors and Debtors in Possession

Exhibit B-1

Form of Master Ballot for Unsecured Notes Claims

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re: **SOUTHEASTERN GROCERS, LLC, *et al.*** **Debtors.**[1]	**Chapter 11 (Voluntary)** **IMPORTANT:** No chapter 11 cases have been commenced as of the date of distribution of this ballot. This ballot is a prepetition solicitation of your vote on a prepackaged plan of reorganization.

MASTER BALLOT FOR ACCEPTING OR REJECTING
THE JOINT PREPACKAGED CHAPTER 11 PLAN OF REORGANIZATION
OF SOUTHEASTERN GROCERS, LLC AND ITS AFFILIATED DEBTORS

MASTER BALLOT FOR: *CLASS 5 – Unsecured Notes Claims*

IN ORDER FOR YOUR VOTE TO BE COUNTED TOWARDS CONFIRMATION OF THE PLAN, THIS BALLOT MUST BE COMPLETED, EXECUTED, AND RETURNED SO THAT IT IS ACTUALLY RECEIVED BY THE VOTING AGENT ON OR BEFORE 5:00 P.M., EASTERN TIME, ON APRIL 5, 2018 (THE "VOTING DEADLINE"), UNLESS EXTENDED BY THE DEBTORS.

This master ballot (the "**Master Ballot**") is being submitted to brokers, dealers, commercial banks, trust companies, or other agents designated as nominees ("**Nominees**") of beneficial holders of certain Claims (a "**Beneficial Holder**") against Southeastern Grocers, LLC and its affiliated debtors in connection with the *Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and its Affiliated Debtors*, dated March 15, 2018 (as it may be amended or modified, the "**Plan**"). The Plan is attached as Exhibit A to the *Disclosure Statement for the Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and its Affiliated Debtors*, dated March 15, 2018 (as it may be amended or modified, the "**Disclosure Statement**"), which accompanies this Ballot. All capitalized terms used but not defined herein or in the enclosed voting instructions have the meanings ascribed to

[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: Southeastern Grocers, LLC (5190); ARP Ballentine LLC (6936): ARP Chickamauga LLC (9515); ARP Hartsville LLC (7906); ARP James Island LLC (9163); ARP Moonville LLC (0930); ARP Morganton LLC (4010); ARP Winston Salem LLC (2540); BI-LO Finance Corp. (0498); BI-LO Holding Finance, Inc. (9227); BI-LO Holding Finance, LLC (1412); BI-LO Holding, LLC (5611); BI-LO, LLC (0130); Dixie Spirits Florida, LLC (6727); Dixie Spirits, Inc. (2359); Opal Holdings, LLC (2667); Samson Merger Sub, LLC (4402); Winn-Dixie Logistics, LLC (2949); Winn-Dixie Montgomery Leasing, LLC (6899); Winn-Dixie Montgomery, LLC (2119); Winn-Dixie Properties, LLC (7105); Winn-Dixie Raleigh Leasing, LLC (6812); Winn-Dixie Raleigh, LLC (0665); Winn-Dixie Stores, Inc. (4290); Winn-Dixie Stores Leasing, LLC (7019); Winn-Dixie Supermarkets, Inc. (8837); and Winn-Dixie Warehouse Leasing, LLC (6709). The Debtors' mailing address is 8928 Prominence Parkway, #200, Jacksonville, Florida 32256.

such terms in the Plan. Please review the Disclosure Statement and the Plan in their entirety before you submit this Master Ballot.

The Debtors intend to commence voluntary cases under chapter 11 of the Bankruptcy Code. The Plan can thereafter be confirmed by the Bankruptcy Court and thereby made binding on you if it is accepted by the holders of (i) at least two-thirds in amount of the allowed Claims or Interests voted in each Impaired Class, and (ii) if the Impaired Class is a class of Claims, more than one-half in number of the allowed Claims voted in each Impaired Class, and if the Plan otherwise satisfies the applicable requirements of section 1129(a) under the Bankruptcy Code. If the requisite acceptances are not obtained, the Bankruptcy Court may nonetheless confirm the Plan if it finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan and (b) 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.

Pursuant to the Plan and upon the effectiveness thereof, except to the extent that a holder of an Allowed Unsecured Notes Claim agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Unsecured Notes Claim, on the Effective Date, each holder of an Allowed Unsecured Notes Claim shall receive its Pro Rata share of one hundred percent (100%) of the New Common Stock issued pursuant to the Plan and outstanding immediately following the Effective Date, subject to dilution only by (i) the New Common Stock issued (a) upon the exercise of the Warrant and (b) pursuant to the Management Incentive Plan, and (ii) other New Common Stock duly authorized and issued in accordance with the terms of Reorganized SEG's Amended Organizational Documents.

Specifically, this Master Ballot is being submitted to Nominees of Beneficial Holders that are (i) Beneficial Holders, as of March 12, 2018 (the "**Voting Record Date**"), of Claims against the Debtors arising under or relating to that certain Indenture, dated as of September 20, 2013, between BI-LO Holding Finance, LLC, BI-LO Holding Finance, Inc., the guarantors named therein, and Wells Fargo Bank, National Association, as trustee, as amended, modified, or supplemented from time to time, pursuant to which BI-LO Holding Finance, LLC and BI-LO Holding Finance, Inc. issued certain 8.625%/9.375% Senior PIK Toggle Notes due 2018 (the "**Unsecured Notes Claims**" and the holders of such Unsecured Notes Claims, the "**Unsecured Noteholders**"), **and** (ii) an "Accredited Investor" (within the meaning of Rule 501(a) of the Securities Act)[2] (an "**Eligible Holder**"). Only Eligible Holders holding Unsecured Notes Claims may vote to accept or reject the Plan using this Ballot. Nominees should use this Master Ballot to tabulate votes on behalf of Eligible Holders of Unsecured Notes Claims to accept or reject the Plan.

If you have any questions on how to properly complete this Ballot, please call Prime Clerk LLC (the "**Voting Agent**") at (877) 755-8288 (domestic toll-free) or (347) 817-4198 (international

[2] The definition of "Accredited Investor" is attached hereto as **Exhibit B**.

toll) or email segballots@primeclerk.com. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

This Master Ballot should be used to tabulate votes by holders of Class 5 Claims (Unsecured Notes Claims) to accept or reject the Plan. The terms of the Plan are described in the Disclosure Statement, including all exhibits thereto. In order for these votes to be counted, this Master Ballot must be properly completed, signed, and returned to the Voting Agent so that it is actually received no later than 5:00 p.m. (Eastern Time) on April 5, 2018 (the "Voting Deadline"), unless such time is extended by the Debtors.

This Master 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 5 Claims (Unsecured Notes Claims).

INSTRUCTIONS FOR COMPLETING THE MASTER BALLOT

1. To have the votes of your Beneficial Holders count, you should already have delivered to each such holder a copy of the Disclosure Statement, along with a Beneficial Holder Ballot (which may be a pre-validated ballot, as described in ¶ 2 below), with a return envelope addressed to you (or the Voting Agent in the case of a pre-validated ballot), so such holder may (i) return their Beneficial Holder Ballot to you in sufficient time for you to complete and return the Master Ballot to the Voting Agent, so that the Voting Agent actually receives the Master Ballot before the Voting Deadline or (ii) in the case of a pre-validated ballot, return their Beneficial Holder Ballot to the Voting Agent before the Voting Deadline. You may also transmit the Beneficial Holder Ballot and Disclosure Statement and collect votes from Beneficial Holders in accordance with your customary procedures to transmit materials to and solicit votes from Beneficial Holders, including the use of a "voting instruction form" as applicable.

2. You may pre-validate the Beneficial Holder Ballots by (i) signing the Beneficial Holder Ballot and indicating on the Beneficial Holder Ballot the name of the Nominee and DTC Participant Number, (ii) indicating the amount of the Unsecured Notes Claims held by the Nominee for the Eligible Holder, and (iii) forwarding such Beneficial Holder Ballot, together with the Disclosure Statement, a preaddressed, postage-paid return envelope addressed to, and provided by, the Voting Agent. The Eligible Holder will be required to complete the information requested in Items 1 – 5 of the Beneficial Holder Ballot and return the Beneficial Holder Ballot directly to the Voting Agent so that it is received before the Voting Deadline.

3. With regard to any Beneficial Holder Ballots returned to you, to have the vote of your Beneficial Holders count, you must: (i) retain such Beneficial Holder Ballots in your files and transfer the requested information from each such Beneficial Holder Ballot onto the Master Ballot, (ii) execute the Master Ballot, and (iii) deliver the Master Ballot to the Voting Agent in accordance with these instructions.

4. Please keep any records of Beneficial Holder Ballots, voting information forms, or any other communication used to solicit and collect votes from your beneficial holder clients including records of the Eligible Holders to whom pre-validated Beneficial Holder Ballots were delivered, for at least one (1) year after the Effective Date (or such other date as is set by order of

the Bankruptcy Court). You may be ordered to produce the Beneficial Holder Ballots to the Debtors or the Bankruptcy Court.

5. If you are both the Nominee and a Beneficial Holder, and you wish to vote such Unsecured Notes Claims for which you are a Beneficial Holder, you may return either a Beneficial Holder Ballot or the Master Ballot for such Claims.

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

7. The Master Ballot may not be used for any purpose other than to vote to accept or reject the Plan.

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

9. The following ballots shall not be counted in determining the acceptance or rejection of the Plan: (i) any ballot that is illegible or contains insufficient information to permit the identification of the Beneficial Holder, (ii) any ballot cast by a Person that does not hold a Claim in a Class entitled to vote on the Plan, (iii) any unsigned ballot, and (iv) any ballot that does not contain an original signature. An otherwise properly completed, executed, and timely returned Ballot failing to indicate either acceptance or rejection of the Plan or indicating both acceptance and rejection of the Plan will not be counted.

10. If the Master Ballot is received after the Voting Deadline, it will not be counted, unless otherwise determined by the Debtors. The method of delivery of the Master Ballot to the Voting Agent is at your election and risk.

11. If a Beneficial Holder submits ballots for multiple Class 5 Claims (Unsecured Notes Claims), whether held in other accounts on your books and records or through other Nominees, and such ballots indicate different or inconsistent votes to accept or reject the Plan, then all such ballots will not be counted.

12. If a Beneficial Holder submits more than one ballot voting the same Claims prior to the Voting Deadline, the latest received, properly executed timely Ballot submitted to the Voting Agent will supersede any prior Ballot.

13. To the extent that conflicting votes or "overvotes" are submitted by a Nominee, the Voting Agent, in good faith, will attempt to reconcile discrepancies with the Nominee. To the extent that any "overvotes" are not reconcilable prior to the preparation of the vote certification, the Voting Agent will apply the votes to accept and to reject the Plan in the same proportion as the votes to accept and reject the Plan submitted on the Master Ballots or pre-validated beneficial ballots that contained the overvote, but only to the extent of the Nominee's position in the applicable security.

14. The Master Ballot should not be sent to the Debtors, the Bankruptcy Court, or the Debtors' financial or legal advisors.

15. There may be changes made to the Plan that do not have 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.

IF YOU (I) HAVE ANY QUESTIONS REGARDING THE MASTER BALLOT, (II) DID NOT RECEIVE A COPY OF THE DISCLOSURE STATEMENT OR THE PLAN, OR (III) NEED ADDITIONAL COPIES OF THE BALLOT OR OTHER ENCLOSED MATERIALS, PLEASE CONTACT THE VOTING AGENT BY CALLING (877) 755-8288 (DOMESTIC TOLL-FREE) OR (347) 817-4198 (INTERNATIONAL TOLL) OR EMAIL SEGBALLOTS@PRIMECLERK.COM. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

5 [CUSIP indicated on Exhibit A hereto]

IMPORTANT INFORMATION REGARDING THE INJUNCTIONS, RELEASES, AND EXCULPATIONS IN THE PLAN

Section 10.5 of the Plan contains the following provisions:

10.5 Injunction

(a) **Upon entry of the Confirmation Order, all holders of Claims and Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan in relation to any Claim or Interest extinguished, discharged or released pursuant to the Plan.**

(b) **Except as expressly provided in the Plan, the Confirmation Order, or a separate order of the Bankruptcy Court or as agreed to by the Debtors and a holder of a Claim against or Interest in the Debtors, all Entities who have held, hold, or may hold Claims against or Interests in any or all of the Debtors (whether proof of such Claims or Interests has been filed or not and whether or not such Entities vote in favor of, against or abstain from voting on the Plan or are presumed to have accepted or deemed to have rejected the Plan) and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates are permanently enjoined, on and after the Effective Date, solely with respect to any Claims, Interests, and Causes of Action that will be or are extinguished, discharged, or released pursuant to the Plan from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the Released Parties or the property of any of the Released Parties, (ii) enforcing, levying, attaching (including, without limitation, any prejudgment attachment), collecting, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against the Released Parties or the property of any of the Released Parties, (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Released Parties or the property of any of the Released Parties, (iv) asserting any right of setoff, directly or indirectly, against any obligation due the Released Parties or the property of any of the Released Parties, except as contemplated or allowed by the Plan; and (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan.**

(c) **By accepting Distributions pursuant to the Plan, each holder of an Allowed Claim or Interest extinguished, discharged, or released pursuant to the Plan shall be deemed to have affirmatively and specifically consented to be bound by the Plan, including, without limitation, the injunctions set forth in this Section 10.5.**

(d) **The injunctions in this Section 10.5 shall extend to any successors of the Debtors and the Reorganized Debtors and their respective property and interests in property.**

Section 10.6(a) of the Plan contains the following provisions:

10.6 Releases

(a) **Releases by Debtors**.

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, the Released Parties shall be deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates, and any person seeking to exercise the rights of the Estates, including any successors to the Debtors or any Estates representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, from any and all Claims, obligations, rights, suits, judgments, damages, demands, debts, rights, Causes of Action, remedies, losses, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates, 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 Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the conduct of the Debtors' businesses, 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 the Debtors and any Released Party, the Debtors' restructuring, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the ABL Facility Documents, the Cash Collateral Orders, the Disclosure Statement, the Restructuring Support Agreement, and the Plan and related agreements, instruments, and other documents (including the Definitive Documents), and the negotiation, formulation, or preparation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, including, without limitation, all Avoidance Actions; *provided that* nothing in this Section 10.6(a) shall be construed to release the Released Parties from willful misconduct or intentional fraud as determined by a Final Order.

Section 10.6(b) of the Plan contains the following provisions:

(b) **Consensual Releases by Holders of Claims or Interests.**

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, each of the Released Parties shall be deemed released and discharged by

i. the holders of Impaired Claims or Interests who abstain from voting on the Plan or vote to reject the Plan but do not opt-out of these releases on the Ballots;

ii. the holders of Unimpaired Claims or Interests who do not object to the releases by filing an objection to the Plan (provided that holders of Unimpaired Claims or Interests shall not be deemed to have released the Debtors or the Reorganized Debtors pursuant to this section);

iii. the holders of Impaired Claims or Interests who vote to accept the Plan;

iv. the Consenting Noteholders; and

v. the Lone Star Related Parties;

and with respect to any Entity in the foregoing clauses (i) through (v), (x) such Entity's predecessors, successors, and assigns, and (y) all Persons entitled to assert Claims through or on behalf of such Entities with respect to the matters for which the releasing Entities are providing releases, in each case, from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert in their own right (whether individually or collectively) based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the Debtors' restructuring, 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 (other than assumed contracts or leases), the restructuring of Claims and Interests before or during the Chapter 11 Cases, the ABL Facility Documents, the Cash Collateral Orders, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Restructuring Support Agreement, the Definitive Documents, or any related agreements, instruments or other documents, or the solicitation of votes with respect to the Plan, in all cases based upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date; *provided* that nothing herein shall be construed to release any party or Entity from willful misconduct or intentional fraud as determined by a Final Order; *provided, further,* that nothing in the Plan shall limit the liability of professionals to their clients pursuant to applicable law.

Section 10.6(c) of the Plan contains the following provisions:

(c) **Notwithstanding anything to the contrary herein, (i) any Person or Entity (A) releasing claims hereunder who does not provide (or is not deemed to provide) a valid and binding release of the Released Parties, or (B) who has asserted or later asserts a claim against a Released Party shall not be (or be deemed to be) a Released Party, and (ii) any Claim of the Debtors, their Estates or any of the Debtors' direct or indirect subsidiaries, on the one hand,**

against the Debtors, their Estates or any of the Debtors' direct or indirect subsidiaries, on the other hand, shall not be (or be deemed to be) released pursuant to the Plan.

Section 10.7 of the Plan contains the following provisions:

10.7 Exculpation

Notwithstanding anything herein to the contrary, and to the maximum extent permitted by applicable law, no Exculpated Party will have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, remedy, loss, and liability for any claim in connection with or arising out of the administration of the Chapter 11 Cases, the negotiation, formulation, preparation, and pursuit of the Disclosure Statement, the Restructuring Support Agreement, the transactions relating to the Debtors' restructuring, the Plan, or the solicitation of votes for, or confirmation of, the Plan, the funding or consummation of the Plan (including the Plan Supplement), the Definitive Documents, or any related agreements, instruments, or other documents, the solicitation of votes on the Plan, the offer, issuance, and Distribution of any Securities issued or to be issued pursuant to the Plan, whether or not such Distribution occurs following the Effective Date, the occurrence of the Effective Date, negotiations regarding or concerning any of the foregoing, or the administration of the Plan or property to be distributed under the Plan, except for actions determined by Final Order to constitute gross negligence, willful misconduct, or intentional fraud. 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. **Nothing herein shall be deemed to be a release or waiver of the Reorganized Debtors obligations under Exit Facility Documents**.

"Exculpated Parties" means collectively, and in each case in their capacities as such, the Debtors, the Reorganized Debtors, and all Persons and Entities who acted on their behalf in connection with the matters as to which exculpation is provided under the Plan.

"Released Parties" means each of, and solely in its capacity as such, (a) the Debtors or the Reorganized Debtors, (b) the ABL Facility Agent, (c) the ABL Secured Parties, (d) the Consenting Noteholders, (e) the Unsecured Notes Indenture Trustee, (f) the Lone Star Related Parties, (g) the Secured Notes Indenture Trustee, (h) the Lead Arrangers, (i) the Exit ABL Facility Agent, (j) the Exit Term Loan Facility Agent, (k) the Exit Facility Lenders, and (l) the Related Parties for each of the foregoing; provided that, Released Parties shall exclude any of the foregoing parties that do not (or are not deemed to) provide the releases under the Plan.

PLEASE COMPLETE THE FOLLOWING:

Item 1. **Certification of Authority to Vote**. The undersigned certifies that, as of the Voting Record Date, the undersigned (please check the applicable box):

☐ is a Nominee for the Beneficial Holders holding Unsecured Notes in the principal amount listed in Item 2 below;

☐ is acting under a power of attorney and/or agency (a copy of which must be provided upon request) granted by a Nominee for the Beneficial Holders holding Unsecured Notes in the principal amount listed in Item 2 below; or

☐ has been granted a proxy (an original of which is annexed hereto) from a Beneficial Holder or the Nominee for the Beneficial Holder holding Unsecured Notes in the principal amount listed in Item 2 below, and accordingly, has full power and authority to vote to accept or reject the Plan on behalf of the Beneficial Holders of the Unsecured Notes listed in Item 2 below.

Item 2. **Vote on the Plan**.

The undersigned transmits the following votes of Beneficial Holders in respect of their Class 5 Claims (Unsecured Notes Claims) and certifies that the following Beneficial Holders, as identified by their respective customer account numbers set forth below, are Beneficial Holders as of the Voting Record Date and have delivered to the undersigned, as Nominee, Beneficial Holder Ballots casting such votes.[3]

Your Customer Account Number for Each Beneficial Holder of Class 5 Claims (Unsecured Notes Claims) that Voted	**Principal Amount of Unsecured Notes Claims Held by Your Customer**	**Item 2. Vote on Plan**		**Item 3. Optional Release Election**
		Accept	**Reject**	**Please check below if the Beneficial Holder checked the box in Item 3**
1.		☐	☐	☐
2.		☐	☐	☐
3.		☐	☐	☐
4.		☐	☐	☐
5.		☐	☐	☐
6.		☐	☐	☐
7.		☐	☐	☐
8.		☐	☐	☐

[3] Indicate in the appropriate column the principal amount of the Unsecured Notes Claims voted for each account, or attach such information to this Master Ballot in the form of the following table. Please note that each Beneficial Holder must vote all of such Beneficial Holder's Claims to accept or to reject the Plan and may not split such vote. An otherwise properly completed, executed, and timely returned Ballot failing to indicate either acceptance or rejection of the Plan or indicating both acceptance and rejection of the Plan will be not counted.

Item 4. **Certification as to Transcription of Information from Item 4 of the Beneficial Holder Ballots as to Class 5 Claims (Unsecured Notes Claims) Voted Through Other Ballots**.

The undersigned certifies that the undersigned has transcribed in the following table the information, if any, Beneficial Holders have provided in Item 4 of the Beneficial Holder Ballot, identifying any Class 5 Claims (Unsecured Notes Claims) for which such Beneficial Holders have submitted other ballots (other than to the undersigned):

Your Customer Account Number for Each Beneficial Holder That Completed Item 4 of the Beneficial Holder Ballot	**TRANSCRIBE FROM ITEM 4 OF THE BALLOTS:**			
	Name of Nominee (if Beneficial Holder Holds Additional Unsecured Notes through Different Nominee)	**Beneficial Holder Name or Beneficial Holder Account Number**	**Amount of Other Class 5 Claims (Unsecured Notes Claims) Voted**	**CUSIP Number of Other Class 5 Claims (Unsecured Notes Claims) Voted**

Item 5. **Certification.**

By signing this Master Ballot, the undersigned certifies that:

(a) (i) the undersigned has received a copy of the Disclosure Statement, Master Ballot, and Beneficial Holder Ballot, and has delivered the Disclosure Statement, Plan, and Beneficial Holder Ballot (or other customary communication used to solicit or collect votes in lieu of a Beneficial Holder Ballot) to Beneficial Holders holding Class 5 Claims (Unsecured Notes Claims) through the undersigned with a return envelope; (ii) the undersigned has received a completed and signed Beneficial Holder Ballot (or other customary communication used to collect votes in lieu of a Beneficial Holder Ballot) from each such Beneficial Holder as provided in this Master Ballot; (iii) the undersigned is the registered holder of the securities being voted or agent thereof; and (iv) the undersigned has been authorized by each such Beneficial Holder to vote on the Plan and to make applicable elections;

(b) the undersigned has properly disclosed: (i) the number of Beneficial Holders voting Class 5 Claims (Unsecured Notes Claims) through the undersigned; (ii) the respective amounts of Class 5 Claims (Unsecured Notes Claims) owned by each such Beneficial Holder; (iii) each such Beneficial Holder's respective vote concerning the Plan; and (iv) the customer account or other identification number for each such Beneficial Holder;

(c) if the undersigned is a Beneficial Holder and uses this Master Ballot to vote the undersigned's Class 5 Claims (Unsecured Notes Claims) , the undersigned confirms and attests to each of the certifications in Item 4 of the Beneficial Holder Ballot;

(d) each such Beneficial Holder has certified to the undersigned that such beneficial holder is a Beneficial Holder and is otherwise eligible to vote on the Plan; and

(e) the undersigned will maintain Beneficial Holder Ballots and evidence of separate transactions returned by Beneficial Holders (whether properly completed or defective) for at least one (1) year after the Effective Date, and disclose all such information to the Bankruptcy Court or the Debtors, as the case may be, if so ordered.

Name of Nominee: _____

DTC Participant Number: _____

Social Security or Federal Tax I.D. No. of Nominee: _____

Signature: _____

Name and Title of Signatory (if different than Nominee): _____

Name of proxy holder or agent for Nominee (if applicable): _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: _____

E-mail Address: _____

Date Completed: _____

Nominees may return this Master Ballot to:

Southeastern Grocers Ballot Processing
c/o Prime Clerk LLC
830 3rd Avenue, 3rd Floor
New York, NY 10022

Nominees are also permitted to return this Master Ballot to the Voting Agent via email to segballots@primeclerk.com.

If the Voting Agent does not actually receive this Master Ballot on or before April 5, 2018, at 5:00 p.m. Eastern Time, (and if the Voting Deadline is not extended), your Master Ballot will be rejected by the Debtors as invalid, and therefore, not be counted in connection with Confirmation of the Plan.

14 [CUSIP indicated on Exhibit A hereto]

Exhibit A

Please check ONE box below to indicate the CUSIP to which this Master Ballot pertains (or clearly indicate such information directly on the Master Ballot or on a schedule thereto):

Class 5 Claims (Unsecured Notes Claims)		
☐	8.625%/9.375% Senior PIK Toggle Notes due 9/15/2018 (144A)	**CUSIP** 088609AA0 / **ISIN** US088609AA08
☐	8.625%/9.375% Senior PIK Toggle Notes due 9/15/2018 (REG-S)	**CUSIP** U0900WAA5 / **ISIN** USU0900WAA54

15 [CUSIP indicated on Exhibit A hereto]

EXHIBIT B

"Accredited Investor"

Rule 501(a) under Regulation D of the Securities Act of 1933, in relevant part, states that an "accredited investor" shall mean any person who comes within any of the below listed categories, or who the issuer reasonably believes comes within any of the below listed 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(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, at the time of his purchase exceeds $1,000,000, subject to the calculation of such net worth as set forth in such Rule;

(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.

 [CUSIP indicated on Exhibit A hereto]

Exhibit B-2

Form of Beneficial Holder Ballot for Unsecured Notes Claims

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re: **SOUTHEASTERN GROCERS, LLC*, et. al.*** **Debtors.**[1]	**Chapter 11 (Voluntary)** **IMPORTANT:** No chapter 11 cases have been commenced as of the date of distribution of this ballot. This ballot is a prepetition solicitation of your vote on a prepackaged plan of reorganization.

BENEFICIAL HOLDER BALLOT FOR ACCEPTING OR REJECTING THE JOINT PREPACKAGED CHAPTER 11 PLAN OF REORGANIZATION OF SOUTHEASTERN GROCERS, LLC AND ITS AFFILIATED DEBTORS

BENEFICIAL BALLOT FOR: ***CLASS 5 – Unsecured Notes Claims***

IN ORDER FOR YOUR VOTE TO BE COUNTED TOWARDS CONFIRMATION OF THE PLAN, THIS BALLOT MUST BE COMPLETED, EXECUTED, AND RETURNED SO THAT IT IS ACTUALLY RECEIVED BY THE VOTING AGENT ON OR BEFORE 5:00 P.M., EASTERN TIME, ON APRIL 5, 2018 (THE "VOTING DEADLINE"), UNLESS EXTENDED BY THE DEBTORS

This ballot ("**Ballot**") is provided to you to solicit your vote to accept or reject the *Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and its Affiliated Debtors*, dated March 15, 2018 (as it may be amended or modified, the "**Plan**"). The Plan is attached as Exhibit A to the *Disclosure Statement for the Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and its Affiliated Debtors*, dated March 15, 2018 (as it may be amended or modified, the "**Disclosure Statement**"), which accompanies this Ballot. All capitalized terms used but not defined herein or in the enclosed voting instructions have the meanings ascribed to such terms in the Plan. The Disclosure Statement provides information to assist you in deciding how to vote on the Plan. 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.

[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: Southeastern Grocers, LLC (5190); ARP Ballentine LLC (6936): ARP Chickamauga LLC (9515); ARP Hartsville LLC (7906); ARP James Island LLC (9163); ARP Moonville LLC (0930); ARP Morganton LLC (4010); ARP Winston Salem LLC (2540); BI-LO Finance Corp. (0498); BI-LO Holding Finance, Inc. (9227); BI-LO Holding Finance, LLC (1412); BI-LO Holding, LLC (5611); BI-LO, LLC (0130); Dixie Spirits Florida, LLC (6727); Dixie Spirits, Inc. (2359); Opal Holdings, LLC (2667); Samson Merger Sub, LLC (4402); Winn-Dixie Logistics, LLC (2949); Winn-Dixie Montgomery Leasing, LLC (6899); Winn-Dixie Montgomery, LLC (2119); Winn-Dixie Properties, LLC (7105); Winn-Dixie Raleigh Leasing, LLC (6812); Winn-Dixie Raleigh, LLC (0665); Winn-Dixie Stores, Inc. (4290); Winn-Dixie Stores Leasing, LLC (7019); Winn-Dixie Supermarkets, Inc. (8837); and Winn-Dixie Warehouse Leasing, LLC (6709). The Debtors' mailing address is 8928 Prominence Parkway, #200, Jacksonville, Florida 32256.

The Debtors intend to commence voluntary cases under chapter 11 of the Bankruptcy Code. The Plan can thereafter be confirmed by the Bankruptcy Court and thereby made binding on you if it is accepted by the holders of (i) at least two-thirds in amount of the allowed Claims or Interests voted in each Impaired Class, and (ii) if the Impaired Class is a class of Claims, more than one-half in number of the allowed Claims voted in each Impaired Class, and if the Plan otherwise satisfies the applicable requirements of section 1129(a) under the Bankruptcy Code. If the requisite acceptances are not obtained, the Bankruptcy Court may nonetheless confirm the Plan if it finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan and (b) 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.

Pursuant to the Plan and upon the effectiveness thereof, except to the extent that a holder of an Allowed Unsecured Notes Claim agrees to a less favorable treatment of such Claim, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed Unsecured Notes Claim, on the Effective Date, each holder of an Allowed Unsecured Notes Claim shall receive its Pro Rata share of one hundred percent (100%) of the New Common Stock issued pursuant to the Plan and outstanding immediately following the Effective Date, subject to dilution only by (i) the New Common Stock issued (a) upon the exercise of the Warrant and (b) pursuant to the Management Incentive Plan, and (ii) other New Common Stock duly authorized and issued in accordance with the terms of Reorganized SEG's Amended Organizational Documents.

Please use this Ballot to cast your vote to accept or reject the Plan if you are, as of March 12, 2018 (the "**Voting Record Date**"), (i) a beneficial holder ("**Beneficial Holder**") of a Claim against the Debtors arising under or relating to that certain Indenture, dated as of September 20, 2013, between BI-LO Holding Finance, LLC, BI-LO Holding Finance, Inc., the guarantors named therein, and Wells Fargo Bank, National Association, as trustee, as amended, modified, or supplemented from time to time, pursuant to which BI-LO Holding Finance, LLC and BI-LO Holding Finance, Inc. issued certain 8.625%/9.375% Senior PIK Toggle Notes due 2018 (the "**Unsecured Notes Claims**" and the holders of such Unsecured Notes Claims, the "**Unsecured Noteholders**"), **and** (ii) an "Accredited Investor" (within the meaning of Rule 501(a) of the Securities Act)[2] (an "**Eligible Holder**"). Only Eligible Holders holding Unsecured Notes Claims may vote to accept or reject the Plan using this Ballot. If you are a holder of one or more Unsecured Notes Claims but you are not an Eligible Holder, you may not vote to accept or reject the Plan and should not return this Ballot.

If you have any questions on how to properly complete this Ballot, please call Prime Clerk LLC (the "**Voting Agent**") at (877) 755-8288 (domestic toll-free) or (347) 817-4198 (international toll) or email segballots@primeclerk.com. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

[2] The definition of "Accredited Investor" is attached hereto as **Exhibit B**.

This Ballot is to be used for voting by holders of Class 5 Claims (Unsecured Notes Claims). If you are returning your Ballot to your Nominee (as defined below), in order for your vote to be counted, this Ballot must be properly completed, signed, and returned by the deadline provided by your Nominee to allow sufficient time for your vote to be included on a Master Ballot and forwarded to the Voting Agent so that it is actually received no later than 5:00 p.m. (Eastern Time) on April 5, 2018 (the "Voting Deadline"), unless such time is extended by the Debtors.

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 5 Claims (Unsecured Notes Claims).

INSTRUCTIONS FOR COMPLETING THE BALLOT

1. Complete the Ballot by providing all the information requested, signing, dating, and returning the Ballot in the envelope provided, or as indicated by your Nominee (as defined below). Any Ballot that is illegible, contains insufficient information to identify the Beneficial Holder, does not contain an original signature, or is unsigned will not be counted. Notwithstanding the foregoing, if your Nominee is collecting your vote through other customary methods, including (but not limited to) via a "voting information form," please follow the instructions set forth by your Nominee.

Please return the Ballot in the envelope provided, or as otherwise directed by your broker, dealer, commercial bank, trust company, or other agent designated as your nominee (the "**Nominee**"). **The Voting Agent will tabulate all properly completed pre-validated ballots and Master Ballots received on or before the Voting Deadline. IF YOU ARE RETURNING YOUR BALLOT TO YOUR NOMINEE, PLEASE RETURN IT BY THE DEADLINE PROVIDED BY YOUR NOMINEE TO ALLOW SUFFICIENT TIME FOR YOUR VOTE TO BE INCLUDED ON A MASTER BALLOT AND FORWARDED TO THE VOTING AGENT BY THE VOTING DEADLINE.**

2. An otherwise properly completed, executed, and timely returned Ballot failing to indicate either acceptance or rejection of the Plan or indicating both acceptance and rejection of the Plan will not be counted. If the Ballot is not properly completed and executed, then the Ballot will not be counted in determining the acceptance or rejection of the Plan.

3. You must vote all your Claims within a single Class under the Plan either to accept or reject the Plan. Accordingly, if you return more than one Ballot voting different or inconsistent Claims within a single Class 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.

4. If you vote to reject the Plan or abstain from voting on the Plan and elect to opt-out of the releases contained in Section 10.6(b) of the Plan, you must check the box in Item 3. Election to withhold consent is at your option. The failure to do so, whether or not you vote on the Plan, will be deemed your consent to the Releases to the fullest extent permitted by applicable law. Holders of Claims who accept the Plan may not opt-out of the releases contained in Section 10.6(b).

5. 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 to opt-out with respect to 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 10.6 of the Plan to the fullest extent permitted by applicable law.

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

7. 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.

8. 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.

9. To the extent that conflicting votes or "overvotes" are submitted by a Nominee, the Voting Agent, in good faith, will attempt to reconcile discrepancies with the Nominee. To the extent that any overvotes are not reconcilable prior to the preparation of the vote certification, the Voting Agent will apply the votes to accept and to reject the Plan in the same proportion as the votes to accept and reject the Plan submitted on the Master Ballots or pre-validated beneficial ballots that contained the overvote, but only to the extent of the Nominee's position in the applicable security.

10. In the event that (i) the Debtors revoke or withdraw the Plan or (ii) the Confirmation Order is not entered or 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.

11. 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.

12. 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.

13. PLEASE RETURN YOUR BALLOT PROMPTLY IN THE ENVELOPE PROVIDED OR AS OTHERWISE DIRECTED BY YOUR NOMINEE. PLEASE ALLOW SUFFICIENT TIME FOR YOUR BALLOT TO BE INCLUDED ON A MASTER BALLOT COMPLETED BY YOUR NOMINEE. THE MASTER BALLOT MUST BE ACTUALLY RECEIVED BY THE VOTING AGENT ON OR BEFORE THE VOTING DEADLINE.

14. IF YOU (I) HAVE ANY QUESTIONS REGARDING THE BALLOT, (II) DID NOT RECEIVE A COPY OF THE DISCLOSURE STATEMENT OR THE PLAN, OR (III) NEED ADDITIONAL COPIES OF THE BALLOT OR OTHER ENCLOSED MATERIALS, PLEASE CONTACT THE VOTING AGENT BY CALLING (877) 755 - 8288 (DOMESTIC TOLL-FREE) OR (347) 817-4198 (INTERNATIONAL TOLL) OR EMAIL SEGBALLOTS@PRIMECLERK.COM. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

4 [CUSIP indicated on Exhibit A hereto]

PLEASE COMPLETE THE FOLLOWING:

Item 1. Amount of Class 5 Claim (Unsecured Notes Claims). For purposes of voting to accept or reject the Plan, the undersigned certifies that as of March 12, 2018, the undersigned holds a Class 5 Claim (Unsecured Notes Claims) against the Debtors listed below in the principal amount as of March 12, 2018 set forth below. For the avoidance of doubt, the amount set forth below should not include payment-in-kind ("PIK") interest that was paid on March 15, 2018.

Claim Amount (Principal Only):	$[_____]

Please mark on **Exhibit A** hereto the corresponding CUSIP number for your Unsecured Notes (if not otherwise indicated by your Nominee).

Item 2. **Vote on the Plan**. The undersigned holder of a Class 5 Claim (Unsecured Notes Claims) in the amount set forth in Item 1 above hereby votes to:

Check one box only: ☐ Accept the Plan

☐ Reject the Plan

PLEASE TAKE NOTE THAT AN OTHERWISE PROPERLY COMPLETED, EXECUTED, AND TIMELY RETURNED BALLOT FAILING TO INDICATE EITHER ACCEPTANCE OR REJECTION OF THE PLAN OR INDICATING BOTH ACCEPTANCE AND REJECTION OF THE PLAN WILL NOT BE COUNTED AS AN ACCEPTANCE OF THE PLAN.

Item 3. **Releases**.

The Disclosure Statement and the Plan must be referenced for a complete description of the release, injunction, and exculpation provisions in the Plan. Capitalized terms used in this Item 3 that are not otherwise defined herein shall have the meanings ascribed to them in the Plan.

PURSUANT TO THE PLAN, IF YOU RETURN A BALLOT AND VOTE TO ACCEPT THE PLAN, YOU ARE AUTOMATICALLY DEEMED TO HAVE CONSENTED TO THE RELEASE PROVISIONS IN SECTION 10.6(b) OF THE PLAN (AS SET FORTH BELOW).

YOU SHALL ALSO BE DEEMED TO HAVE CONSENTED TO THE RELEASE PROVISIONS IN SECTION 10.6(b) OF THE PLAN (AS SET FORTH BELOW) IF YOU VOTE TO REJECT THE PLAN OR ABSTAIN FROM VOTING BUT DO NOT AFFIRMATIVELY OPT-OUT OF THE RELEASES DESCRIBED IN THE PLAN. ELECTION TO OPT-OUT OF THE RELEASES IS AT YOUR OPTION.

5 [CUSIP indicated on Exhibit A hereto]

If you voted to reject the Plan in Item 2 above or abstain from voting on the Plan, please check the box below if you elect to opt-out of the releases contained in Section 10.6(b) of the Plan (as set forth below).

By checking the box below, the undersigned holder of a Class 5 Claim (Unsecured Notes Claims) in the amount identified in Item 1 above, having voted to reject the Plan or abstained from voting on the Plan:

☐ **Elects to opt-out of the releases contained in Section 10.6(b) of the Plan.**

6 [CUSIP indicated on Exhibit A hereto]

IMPORTANT INFORMATION REGARDING THE INJUNCTIONS, RELEASES, AND EXCULPATIONS IN THE PLAN

Section 10.5 of the Plan contains the following provisions:

10.5 Injunction

(a) **Upon entry of the Confirmation Order, all holders of Claims and Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan in relation to any Claim or Interest extinguished, discharged or released pursuant to the Plan.**

(b) **Except as expressly provided in the Plan, the Confirmation Order, or a separate order of the Bankruptcy Court or as agreed to by the Debtors and a holder of a Claim against or Interest in the Debtors, all Entities who have held, hold, or may hold Claims against or Interests in any or all of the Debtors (whether proof of such Claims or Interests has been filed or not and whether or not such Entities vote in favor of, against or abstain from voting on the Plan or are presumed to have accepted or deemed to have rejected the Plan) and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates are permanently enjoined, on and after the Effective Date, solely with respect to any Claims, Interests, and Causes of Action that will be or are extinguished, discharged, or released pursuant to the Plan from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the Released Parties or the property of any of the Released Parties, (ii) enforcing, levying, attaching (including, without limitation, any prejudgment attachment), collecting, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against the Released Parties or the property of any of the Released Parties, (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Released Parties or the property of any of the Released Parties, (iv) asserting any right of setoff, directly or indirectly, against any obligation due the Released Parties or the property of any of the Released Parties, except as contemplated or allowed by the Plan; and (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan.**

(c) **By accepting Distributions pursuant to the Plan, each holder of an Allowed Claim or Interest extinguished, discharged, or released pursuant to the Plan shall be deemed to have affirmatively and specifically consented to be bound by the Plan, including, without limitation, the injunctions set forth in this Section 10.5.**

(d) **The injunctions in this Section 10.5 shall extend to any successors of the Debtors and the Reorganized Debtors and their respective property and interests in property.**

 [CUSIP indicated on Exhibit A hereto]

Section 10.6(a) of the Plan contains the following provisions:

10.6 Releases

(a) **Releases by Debtors.**

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, the Released Parties shall be deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates, and any person seeking to exercise the rights of the Estates, including any successors to the Debtors or any Estates representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, from any and all Claims, obligations, rights, suits, judgments, damages, demands, debts, rights, Causes of Action, remedies, losses, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates, 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 Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the conduct of the Debtors' businesses, 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 the Debtors and any Released Party, the Debtors' restructuring, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the ABL Facility Documents, the Cash Collateral Orders, the Disclosure Statement, the Restructuring Support Agreement, and the Plan and related agreements, instruments, and other documents (including the Definitive Documents), and the negotiation, formulation, or preparation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, including, without limitation, all Avoidance Actions; *provided that* nothing in this Section 10.6(a) shall be construed to release the Released Parties from willful misconduct or intentional fraud as determined by a Final Order.

Section 10.6(b) of the Plan contains the following provisions:

(b) **Consensual Releases by Holders of Claims or Interests.**

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, each of the Released Parties shall be deemed released and discharged by

8 [CUSIP indicated on Exhibit A hereto]

i. the holders of Impaired Claims or Interests who abstain from voting on the Plan or vote to reject the Plan but do not opt-out of these releases on the Ballots;

ii. the holders of Unimpaired Claims or Interests who do not object to the releases by filing an objection to the Plan (provided that holders of Unimpaired Claims or Interests shall not be deemed to have released the Debtors or the Reorganized Debtors pursuant to this section);

iii. the holders of Impaired Claims or Interests who vote to accept the Plan;

iv. the Consenting Noteholders; and

v. the Lone Star Related Parties;

and with respect to any Entity in the foregoing clauses (i) through (v), (x) such Entity's predecessors, successors, and assigns, and (y) all Persons entitled to assert Claims through or on behalf of such Entities with respect to the matters for which the releasing Entities are providing releases, in each case, from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert in their own right (whether individually or collectively) based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the Debtors' restructuring, 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 (other than assumed contracts or leases), the restructuring of Claims and Interests before or during the Chapter 11 Cases, the ABL Facility Documents, the Cash Collateral Orders, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Restructuring Support Agreement, the Definitive Documents, or any related agreements, instruments or other documents, or the solicitation of votes with respect to the Plan, in all cases based upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date; *provided* that nothing herein shall be construed to release any party or Entity from willful misconduct or intentional fraud as determined by a Final Order; *provided, further*, that nothing in the Plan shall limit the liability of professionals to their clients pursuant to applicable law.

Section 10.6(c) of the Plan contains the following provisions:

(c) **Notwithstanding anything to the contrary herein, (i) any Person or Entity (A) releasing claims hereunder who does not provide (or is not deemed to provide) a valid and binding release of the Released Parties, or (B) who has asserted or later asserts a claim against a Released Party shall not be (or be deemed to be) a Released Party, and (ii) any Claim of the Debtors, their Estates or any of the Debtors' direct or indirect subsidiaries, on the one hand,**

against the Debtors, their Estates or any of the Debtors' direct or indirect subsidiaries, on the other hand, shall not be (or be deemed to be) released pursuant to the Plan.

Section 10.7 of the Plan contains the following provisions:

10.7 Exculpation

Notwithstanding anything herein to the contrary, and to the maximum extent permitted by applicable law, no Exculpated Party will have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, remedy, loss, and liability for any claim in connection with or arising out of the administration of the Chapter 11 Cases, the negotiation, formulation, preparation, and pursuit of the Disclosure Statement, the Restructuring Support Agreement, the transactions relating to the Debtors' restructuring, the Plan, or the solicitation of votes for, or confirmation of, the Plan, the funding or consummation of the Plan (including the Plan Supplement), the Definitive Documents, or any related agreements, instruments, or other documents, the solicitation of votes on the Plan, the offer, issuance, and Distribution of any Securities issued or to be issued pursuant to the Plan, whether or not such Distribution occurs following the Effective Date, the occurrence of the Effective Date, negotiations regarding or concerning any of the foregoing, or the administration of the Plan or property to be distributed under the Plan, except for actions determined by Final Order to constitute gross negligence, willful misconduct, or intentional fraud. 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. **Nothing herein shall be deemed to be a release or waiver of the Reorganized Debtors obligations under Exit Facility Documents**.

"Exculpated Parties" means collectively, and in each case in their capacities as such, the Debtors, the Reorganized Debtors, and all Persons and Entities who acted on their behalf in connection with the matters as to which exculpation is provided under the Plan.

"Released Parties" means each of, and solely in its capacity as such, (a) the Debtors or the Reorganized Debtors, (b) the ABL Facility Agent, (c) the ABL Secured Parties, (d) the Consenting Noteholders, (e) the Unsecured Notes Indenture Trustee, (f) the Lone Star Related Parties, (g) the Secured Notes Indenture Trustee, (h) the Lead Arrangers, (i) the Exit ABL Facility Agent, (j) the Exit Term Loan Facility Agent, (k) the Exit Facility Lenders, and (l) the Related Parties for each of the foregoing; provided that, Released Parties shall exclude any of the foregoing parties that do not (or are not deemed to) provide the releases under the Plan.

Item 4. **Certification as to Class 5 – Unsecured Notes Claims Held in Additional Accounts**. The undersigned hereby certifies that either (i) it has not submitted any other Ballots for other Class 5 Claims (Unsecured Notes Claims) held in other accounts or other record names, or (ii) if it has submitted Ballots for other Class 5 Claims (Unsecured Notes Claims) held in other accounts or other record names, then such Ballots indicate the same vote to accept or reject the Plan. If the undersigned has submitted Ballots for other such Unsecured Notes Claims then the undersigned certifies the accuracy of the information provided below as to such other Claims.

Name of Nominee (if Additional Unsecured Notes are held through a different Nominee)	Your Name or Account Number through which You Hold Additional Unsecured Notes	Amount of Other Class 5 Claims (Unsecured Notes Claims) Voted	CUSIP Number of Other Class 5 Claims (Unsecured Notes Claims) Voted

Item 5. **Acknowledgements**. By signing this Ballot, the undersigned acknowledges receipt of the Disclosure Statement, including the Plan and all other exhibits thereto. The undersigned certifies that (i) it is a Beneficial Holder (or is entitled to vote on behalf of such Beneficial Holder) of the Class 5 Claim (Unsecured Notes Claims) identified in Item 1 above; (ii) it has full power and authority to vote to accept or reject the Plan; (iii) it is an "Accredited Investor" (within the meaning of Rule 501(a) of the Securities Act); (iv) if delivered to a Nominee, such Beneficial Holder authorizes its Nominee to treat this Ballot as a direction to include its claim as a Class 5 Claim (Unsecured Notes Claims) on the Master Ballot; and (v) 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. The undersigned understands that an otherwise properly completed, executed, and timely returned Ballot failing to indicate either acceptance or rejection of the Plan or indicating both acceptance and rejection of the Plan will not be counted. The undersigned also understands that if it has submitted Ballots for other Class 5 Claims (Unsecured Notes Claims), whether held in other accounts or other record names, and such Ballots indicate different or inconsistent votes to accept or reject the Plan, then all such Ballots will not be counted.

The undersigned further acknowledges that the Debtors' solicitation of votes is subject to all terms and conditions set forth in the Disclosure Statement and the procedures for the solicitation of votes to accept or reject the Plan contained therein.

11 [CUSIP indicated on Exhibit A hereto]

Print or Type Name of Holder: _____

Social Security or Federal Tax I.D. No. of Holder: _____

Signature: _____

Name of Signatory (if different than Holder): _____

If by Authorized Agent, Title of Agent: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: _____

E-mail Address: _____

Date Completed: _____

12 [CUSIP indicated on Exhibit A hereto]

EXHIBIT A

Please check ONE box below to indicate the CUSIP to which this Ballot pertains. Your Nominee may have already checked a box below to indicate the CUSIP, or otherwise provided that information to you on a label or schedule attached to this Ballot.

Class 5 Claims (Unsecured Notes Claims)		
☐	8.625%/9.375% Senior PIK Toggle Notes due 9/15/2018 (144A)	**CUSIP** 088609AA0 / **ISIN** US088609AA08
☐	8.625%/9.375% Senior PIK Toggle Notes due 9/15/2018 (REG-S)	**CUSIP** U0900WAA5 / **ISIN** USU0900WAA54

13 [CUSIP indicated on Exhibit A hereto]

EXHIBIT B

"Accredited Investor"

Rule 501(a) under Regulation D of the Securities Act of 1933, in relevant part, states that an "accredited investor" shall mean any person who comes within any of the below listed categories, or who the issuer reasonably believes comes within any of the below listed 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(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, at the time of his purchase exceeds $1,000,000, subject to the calculation of such net worth as set forth in such Rule;

(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.

 [CUSIP indicated on Exhibit A hereto]

Exhibit B-3

Form of Ballot for Existing SEG Equity Interests

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re: **SOUTHEASTERN GROCERS, LLC, *et. al.*** **Debtors.**[1]	**Chapter 11 (Voluntary)** **IMPORTANT:** No chapter 11 cases have been commenced as of the date of distribution of this ballot. This ballot is a prepetition solicitation of your vote on a prepackaged plan of reorganization.

BALLOT FOR ACCEPTING OR REJECTING THE JOINT PREPACKAGED CHAPTER 11 PLAN OF REORGANIZATION OF SOUTHEASTERN GROCERS, LLC AND ITS AFFILIATED DEBTORS

BALLOT FOR: ***CLASS 8 – Existing SEG Equity Interests***

IN ORDER FOR YOUR VOTE TO BE COUNTED TOWARDS CONFIRMATION OF THE PLAN, THIS BALLOT MUST BE COMPLETED, EXECUTED, AND RETURNED SO THAT IT IS ACTUALLY RECEIVED BY THE VOTING AGENT ON OR BEFORE 5:00 P.M., EASTERN TIME, ON APRIL 5, 2018 (THE "VOTING DEADLINE"), UNLESS EXTENDED BY THE DEBTORS.

This ballot ("**Ballot**") is provided to you to solicit your vote to accept or reject the *Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and its Affiliated Debtors*, dated March 15, 2018 (as it may be amended or modified, the "**Plan**"). The Plan is attached as Exhibit A to the *Disclosure Statement for the Joint Prepackaged Chapter 11 Plan of Reorganization of Southeastern Grocers, LLC and its Affiliated Debtors*, dated March 15, 2018 (as it may be amended or modified, the "**Disclosure Statement**"), which accompanies this Ballot. All capitalized terms used but not defined herein or in the enclosed voting instructions have the meanings ascribed to such terms in the Plan. The Disclosure Statement provides information to assist you in deciding how to vote on the Plan. 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.

[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: Southeastern Grocers, LLC (5190); ARP Ballentine LLC (6936): ARP Chickamauga LLC (9515); ARP Hartsville LLC (7906); ARP James Island LLC (9163); ARP Moonville LLC (0930); ARP Morganton LLC (4010); ARP Winston Salem LLC (2540); BI-LO Finance Corp. (0498); BI-LO Holding Finance, Inc. (9227); BI-LO Holding Finance, LLC (1412); BI-LO Holding, LLC (5611); BI-LO, LLC (0130); Dixie Spirits Florida, LLC (6727); Dixie Spirits, Inc. (2359); Opal Holdings, LLC (2667); Samson Merger Sub, LLC (4402); Winn-Dixie Logistics, LLC (2949); Winn-Dixie Montgomery Leasing, LLC (6899); Winn-Dixie Montgomery, LLC (2119); Winn-Dixie Properties, LLC (7105); Winn-Dixie Raleigh Leasing, LLC (6812); Winn-Dixie Raleigh, LLC (0665); Winn-Dixie Stores, Inc. (4290); Winn-Dixie Stores Leasing, LLC (7019); Winn-Dixie Supermarkets, Inc. (8837); and Winn-Dixie Warehouse Leasing, LLC (6709). The Debtors' mailing address is 8928 Prominence Parkway, #200, Jacksonville, Florida 32256.

The Debtors intend to commence voluntary cases under chapter 11 of the Bankruptcy Code. The Plan can thereafter be confirmed by the Bankruptcy Court and thereby made binding on you if it is accepted by the holders of (i) at least two-thirds in amount of the allowed Claims or Interests voted in each Impaired Class, and (ii) if the Impaired Class is a class of Claims, more than one-half in number of the allowed Claims voted in each Impaired Class, and if the Plan otherwise satisfies the applicable requirements of section 1129(a) under the Bankruptcy Code. If the requisite acceptances are not obtained, the Bankruptcy Court may nonetheless confirm the Plan if it finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan and (b) 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.

Pursuant to the Plan and upon the effectiveness thereof, all Existing SEG Equity Interests shall be cancelled without further action by or order of the Bankruptcy Court and, pursuant to the Global Settlement, SEG Parent shall be entitled to receive the Warrant in full and final satisfaction, settlement, release, and discharge of, and in exchange for, its Allowed Existing SEG Equity Interests.

The Debtors are soliciting votes from parties in Class 8 that are, as of March 12, 2018 (the "**Voting Record Date**"), (i) a holder of an Existing SEG Equity Interest, **and** (ii) an "Accredited Investor" (within the meaning of Rule 501(a) of the Securities Act)[2] (an "**Eligible Holder**"). Only Eligible Holders holding Existing SEG Equity Interests may vote to accept or reject the Plan using this Ballot. If you are a holder of one or more Existing SEG Equity Interests but you are not an Eligible Holder, you may not vote to accept or reject the Plan and should not return this Ballot.

You must submit your ballot through one of the following methods: (i) via the "E-Ballot" portal maintained by Prime Clerk LLC ("**Prime Clerk**" or the "**Voting Agent**"), or (ii) via first class mail, overnight courier, or hand delivery to the following address:

Southeastern Grocers Ballot Processing
c/o Prime Clerk LLC
830 3rd Avenue, 3rd Floor
New York, NY 10022

If you have any questions on how to properly complete this Ballot, please call Prime Clerk at (877) 755-8288 (domestic toll-free) or (347) 817-4198 (international toll) or email segballots@primeclerk.com. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

This Ballot is to be used for voting by holders of Class 8 Interests (Existing SEG Equity Interests). This Ballot must be properly completed, signed, and returned so that it is actually received by the Voting Agent no later than 5:00 p.m. (Eastern Time) on April 5, 2018 (the "Voting Deadline"), unless such time is extended by the Debtors.

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

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 8 Interests (Existing SEG Equity Interests).

INSTRUCTIONS FOR SUBMITTING YOUR VOTE ELECTRONICALLY

To properly submit your Ballot electronically, you must electronically complete, sign, and return this customized electronic Ballot by utilizing the E-ballot platform on Prime Clerk's website by visiting https://cases.primeclerk.com/segballots, 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 5, 2018, 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#: _____

To submit your Ballot via the "E-Ballot" platform, please visit https://cases.primeclerk.com/segballots. Click on the "Submit E-Ballot" section of the website and follow the instructions to submit your Ballot. Each E-Ballot ID# is to be used solely for voting only those Interests 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 Ballot, please contact Prime Clerk:

VIA PHONE AT (347) 817-4198 (DOMESTIC TOLL-FREE) OR
(347) 817-4198 (INTERNATIONAL TOLL) OR
EMAIL AT SEGBALLOTS@PRIMECLERK.COM

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

INSTRUCTIONS FOR COMPLETING THE BALLOT

1. Complete the Ballot by providing all the information requested and sign, date, and return the Ballot in the envelope provided, to the Voting Agent. Any Ballot that is illegible, contains insufficient information to identify the holder, does not contain an original signature, or is unsigned will not be counted.

The Voting Agent will tabulate all properly completed Ballots actually received on or before the Voting Deadline. Ballots may not be submitted to the Voting Agent by facsimile or electronic mail.

2. An otherwise properly completed, executed, and timely returned Ballot failing to indicate either acceptance or rejection of the Plan or indicating both acceptance and rejection of the Plan will not be counted. If the Ballot is not properly completed and executed, then the Ballot will not be counted in determining the acceptance or rejection of the Plan.

3. You must vote all your Interests within a single Class under the Plan either to accept or reject the Plan. Accordingly, if you return more than one Ballot voting different or inconsistent Interests within a single Class 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.

4. If you vote to reject the Plan or abstain from voting on the Plan and elect to opt-out of the releases contained in Section 10.6(b) of the Plan, you must check the box in Item 3. Election to withhold consent is at your option. The failure to do so, whether or not you vote on the Plan, will be deemed your consent to the Releases to the fullest extent permitted by applicable law. Holders of Interests who accept the Plan may not opt-out of the releases contained in Section 10.6(b).

5. 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 to opt-out with respect to 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 10.6 of the Plan to the fullest extent permitted by applicable law.

6. The Ballot does not constitute, and shall not be deemed to be, a proof of Interest or an assertion or admission of Interests.

7. 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.

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

9. In the event that (i) the Debtors revoke or withdraw the Plan or (ii) the Confirmation Order is not entered or 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.

10. 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.

11. 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.

12. PLEASE RETURN YOUR BALLOT PROMPTLY IN ACCORDANCE WITH AN APPROVED METHOD OF RETURN DESCRIBED HEREIN. THE BALLOT MUST BE ACTUALLY RECEIVED BY THE VOTING AGENT ON OR BEFORE THE VOTING DEADLINE.

13. IF YOU (I) HAVE ANY QUESTIONS REGARDING THE BALLOT, (II) DID NOT RECEIVE A COPY OF THE DISCLOSURE STATEMENT OR THE PLAN, OR (III) NEED ADDITIONAL COPIES OF THE BALLOT OR OTHER ENCLOSED MATERIALS, PLEASE CONTACT THE VOTING AGENT BY CALLING (877) 755-8288 (DOMESTIC TOLL-FREE) OR (347) 817-4198 (INTERNATIONAL TOLL) OR EMAIL SEGBALLOTS@PRIMECLERK.COM. PLEASE DO NOT DIRECT ANY INQUIRIES TO THE BANKRUPTCY COURT. THE VOTING AGENT IS NOT AUTHORIZED TO, AND WILL NOT, PROVIDE LEGAL ADVICE.

PLEASE COMPLETE THE FOLLOWING:

Item 1. **Amount of Class 8 Interest (Existing SEG Equity Interests)**. For purposes of voting to accept or reject the Plan, the undersigned certifies that as of March 12, 2018, the undersigned holds a Class 8 Interests (Existing SEG Equity Interests) against the Debtors listed below in the amount set forth below.

Amount of Existing SEG Equity Interest:	[_____] (Shares)

Item 2. **Vote on the Plan**. The undersigned holder of a Class 8 Interest (Existing SEG Equity Interests) in the amount set forth in Item 1 above hereby votes to:

Check one box only: ☐ Accept the Plan

☐ Reject the Plan

PLEASE TAKE NOTE THAT AN OTHERWISE PROPERLY COMPLETED, EXECUTED, AND TIMELY RETURNED BALLOT FAILING TO INDICATE EITHER ACCEPTANCE OR REJECTION OF THE PLAN OR INDICATING BOTH ACCEPTANCE AND REJECTION OF THE PLAN WILL NOT BE COUNTED.

Item 3. **Releases**.

The Disclosure Statement and the Plan must be referenced for a complete description of the release, injunction, and exculpation provisions in the Plan. Capitalized terms used in this Item 3 that are not otherwise defined herein shall have the meanings ascribed to them in the Plan.

PURSUANT TO THE PLAN, IF YOU RETURN A BALLOT AND VOTE TO ACCEPT THE PLAN, YOU ARE AUTOMATICALLY DEEMED TO HAVE CONSENTED TO THE RELEASE PROVISIONS IN SECTION 10.6(b) OF THE PLAN (AS SET FORTH BELOW).

YOU SHALL ALSO BE DEEMED TO HAVE CONSENTED TO THE RELEASE PROVISIONS IN SECTION 10.6(b) OF THE PLAN (AS SET FORTH BELOW) IF YOU VOTE TO REJECT THE PLAN OR ABSTAIN FROM VOTING BUT DO NOT AFFIRMATIVELY OPT-OUT OF THE RELEASES DESCRIBED IN THE PLAN. ELECTION TO OPT-OUT OF THE RELEASES IS AT YOUR OPTION.

If you voted to reject the Plan in Item 2 above or abstain from voting on the Plan, please check the box below if you elect to <u>opt-out of</u> the releases contained in Section 10.6(b) of the Plan (as set forth below).

By checking the box below, the undersigned holder of a Class 8 Interest (Existing SEG Equity Interests) in the amount identified in Item 1 above, having voted to reject the Plan or abstained from voting on the Plan:

☐ **Elects to opt-out of the releases contained in Section 10.6(b) of the Plan.**

IMPORTANT INFORMATION REGARDING THE INJUNCTIONS, RELEASES, AND EXCULPATIONS IN THE PLAN

Section 10.5 of the Plan contains the following provisions:

10.5 Injunction

(a) **Upon entry of the Confirmation Order, all holders of Claims and Interests and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates, shall be enjoined from taking any actions to interfere with the implementation or consummation of the Plan in relation to any Claim or Interest extinguished, discharged or released pursuant to the Plan.**

(b) **Except as expressly provided in the Plan, the Confirmation Order, or a separate order of the Bankruptcy Court or as agreed to by the Debtors and a holder of a Claim against or Interest in the Debtors, all Entities who have held, hold, or may hold Claims against or Interests in any or all of the Debtors (whether proof of such Claims or Interests has been filed or not and whether or not such Entities vote in favor of, against or abstain from voting on the Plan or are presumed to have accepted or deemed to have rejected the Plan) and other parties in interest, along with their respective present or former employees, agents, officers, directors, principals, and affiliates are permanently enjoined, on and after the Effective Date, solely with respect to any Claims, Interests, and Causes of Action that will be or are extinguished, discharged, or released pursuant to the Plan from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against or affecting the Released Parties or the property of any of the Released Parties, (ii) enforcing, levying, attaching (including, without limitation, any prejudgment attachment), collecting, or otherwise recovering by any manner or means, whether directly or indirectly, any judgment, award, decree, or order against the Released Parties or the property of any of the Released Parties, (iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any encumbrance of any kind against the Released Parties or the property of any of the Released Parties, (iv) asserting any right of setoff, directly or indirectly, against any obligation due the Released Parties or the property of any of the Released Parties, except as contemplated or allowed by the Plan; and (v) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan.**

(c) **By accepting Distributions pursuant to the Plan, each holder of an Allowed Claim or Interest extinguished, discharged, or released pursuant to the Plan shall be deemed to have affirmatively and specifically consented to be bound by the Plan, including, without limitation, the injunctions set forth in this Section 10.5.**

(d) **The injunctions in this Section 10.5 shall extend to any successors of the Debtors and the Reorganized Debtors and their respective property and interests in property.**

Section 10.6(a) of the Plan contains the following provisions:

10.6 Releases

(a) **Releases by Debtors.**

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, the Released Parties shall be deemed released and discharged by the Debtors, the Reorganized Debtors, and the Estates, and any person seeking to exercise the rights of the Estates, including any successors to the Debtors or any Estates representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, from any and all Claims, obligations, rights, suits, judgments, damages, demands, debts, rights, Causes of Action, remedies, losses, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Estates, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that the Debtors, the Reorganized Debtors, the Estates, 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 Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the conduct of the Debtors' businesses, 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 the Debtors and any Released Party, the Debtors' restructuring, the restructuring of any Claim or Interest before or during the Chapter 11 Cases, the ABL Facility Documents, the Cash Collateral Orders, the Disclosure Statement, the Restructuring Support Agreement, and the Plan and related agreements, instruments, and other documents (including the Definitive Documents), and the negotiation, formulation, or preparation thereof, the solicitation of votes with respect to the Plan, or any other act or omission, in all cases based upon any act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date, including, without limitation, all Avoidance Actions; *provided that* nothing in this Section 10.6(a) shall be construed to release the Released Parties from willful misconduct or intentional fraud as determined by a Final Order.

Section 10.6(b) of the Plan contains the following provisions:

(b) **Consensual Releases by Holders of Claims or Interests.**

As of the Effective Date, except for the right to enforce the Plan or any right or obligation arising under the Definitive Documents that remains in effect after the Effective Date, for good and valuable consideration, on and after the Effective Date, each of the Released Parties shall be deemed released and discharged by

i. the holders of Impaired Claims or Interests who abstain from voting on the Plan or vote to reject the Plan but do not opt-out of these releases on the Ballots;

ii. the holders of Unimpaired Claims or Interests who do not object to the releases by filing an objection to the Plan (provided that holders of Unimpaired Claims or Interests shall not be deemed to have released the Debtors or the Reorganized Debtors pursuant to this section);

iii. the holders of Impaired Claims or Interests who vote to accept the Plan;

iv. the Consenting Noteholders; and

v. the Lone Star Related Parties;

and with respect to any Entity in the foregoing clauses (i) through (v), (x) such Entity's predecessors, successors, and assigns, and (y) all Persons entitled to assert Claims through or on behalf of such Entities with respect to the matters for which the releasing Entities are providing releases, in each case, from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative claims, asserted or assertable on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, liquidated or unliquidated, matured or unmatured, contingent or fixed, existing or hereinafter arising, in law, equity or otherwise, that such Entity would have been legally entitled to assert in their own right (whether individually or collectively) based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Estates, the Debtors' restructuring, 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 (other than assumed contracts or leases), the restructuring of Claims and Interests before or during the Chapter 11 Cases, the ABL Facility Documents, the Cash Collateral Orders, the negotiation, formulation, preparation or consummation of the Plan (including the Plan Supplement), the Restructuring Support Agreement, the Definitive Documents, or any related agreements, instruments or other documents, or the solicitation of votes with respect to the Plan, in all cases based upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date; *provided* that nothing herein shall be construed to release any party or Entity from willful misconduct or intentional fraud as determined by a Final Order; *provided, further*, that nothing in the Plan shall limit the liability of professionals to their clients pursuant to applicable law.

Section 10.6(c) of the Plan contains the following provisions:

(c) **Notwithstanding anything to the contrary herein, (i) any Person or Entity (A) releasing claims hereunder who does not provide (or is not deemed to provide) a valid and binding release of the Released Parties, or (B) who has asserted or later asserts a claim against a Released Party shall not be (or be deemed to be) a Released Party, and (ii) any Claim of the Debtors, their Estates or any of the Debtors' direct or indirect subsidiaries, on the one hand,**

against the Debtors, their Estates or any of the Debtors' direct or indirect subsidiaries, on the other hand, shall not be (or be deemed to be) released pursuant to the Plan.

Section 10.7 of the Plan contains the following provisions:

10.7 Exculpation

Notwithstanding anything herein to the contrary, and to the maximum extent permitted by applicable law, no Exculpated Party will have or incur, and each Exculpated Party is hereby released and exculpated from, any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, remedy, loss, and liability for any claim in connection with or arising out of the administration of the Chapter 11 Cases, the negotiation, formulation, preparation, and pursuit of the Disclosure Statement, the Restructuring Support Agreement, the transactions relating to the Debtors' restructuring, the Plan, or the solicitation of votes for, or confirmation of, the Plan, the funding or consummation of the Plan (including the Plan Supplement), the Definitive Documents, or any related agreements, instruments, or other documents, the solicitation of votes on the Plan, the offer, issuance, and Distribution of any Securities issued or to be issued pursuant to the Plan, whether or not such Distribution occurs following the Effective Date, the occurrence of the Effective Date, negotiations regarding or concerning any of the foregoing, or the administration of the Plan or property to be distributed under the Plan, except for actions determined by Final Order to constitute gross negligence, willful misconduct, or intentional fraud. 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. **Nothing herein shall be deemed to be a release or waiver of the Reorganized Debtors obligations under Exit Facility Documents**.

"Exculpated Parties" means collectively, and in each case in their capacities as such, the Debtors, the Reorganized Debtors, and all Persons and Entities who acted on their behalf in connection with the matters as to which exculpation is provided under the Plan.

"Released Parties" means each of, and solely in its capacity as such, (a) the Debtors or the Reorganized Debtors, (b) the ABL Facility Agent, (c) the ABL Secured Parties, (d) the Consenting Noteholders, (e) the Unsecured Notes Indenture Trustee, (f) the Lone Star Related Parties, (g) the Secured Notes Indenture Trustee, (h) the Lead Arrangers, (i) the Exit ABL Facility Agent, (j) the Exit Term Loan Facility Agent, (k) the Exit Facility Lenders, and (l) the Related Parties for each of the foregoing; provided that, Released Parties shall exclude any of the foregoing parties that do not (or are not deemed to) provide the releases under the Plan**.**

Item 4. **Acknowledgements**. By signing this Ballot, the undersigned acknowledges receipt of the Disclosure Statement, including the Plan and all other exhibits thereto. The undersigned certifies that (i) it is an Eligible Holder (or is entitled to vote on behalf of such Eligible Holder) of the Class 8 Interest (Existing SEG Equity Interests) identified in Item 1 above; (ii) it has full

power and authority to vote to accept or reject the Plan; and (iii) 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. The undersigned understands that an otherwise properly completed, executed, and timely returned Ballot failing to indicate either acceptance or rejection of the Plan or indicating both acceptance and rejection of the Plan will not be counted. The undersigned also understands that if it has submitted Ballots for other Class 8 Interests (Existing SEG Equity Interests), whether held in other accounts or other record names, and such Ballots indicate different or inconsistent votes to accept or reject the Plan, then all such Ballots will not be counted.

The undersigned further acknowledges that the Debtors' solicitation of votes is subject to all terms and conditions set forth in the Disclosure Statement and the procedures for the solicitation of votes to accept or reject the Plan contained therein.

Print or Type Name of Holder: _____

Social Security or Federal Tax I.D. No. of Holder: _____

Signature: _____

Name of Signatory (if different than Holder): _____

If by Authorized Agent, Title of Agent: _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: _____

E-mail Address: _____

Date Completed: _____

If the Voting Agent does not actually receive this Ballot on or before April 5, 2018, at 5:00 p.m. Eastern Time, (and if the Voting Deadline is not extended), your Ballot will be rejected by the Debtors as invalid, and therefore, not be counted in connection with Confirmation of the Plan.

EXHIBIT A

"Accredited Investor"

Rule 501(a) under Regulation D of the Securities Act of 1933, in relevant part, states that an "accredited investor" shall mean any person who comes within any of the below listed categories, or who the issuer reasonably believes comes within any of the below listed 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(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, at the time of his purchase exceeds $1,000,000, subject to the calculation of such net worth as set forth in such Rule;

(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.