

November __, 2019

Re: Amounts due to Allowed Class 5 and Class 6 Claims pursuant to the *Debtors' Second Amended Joint Plan of Reorganization*

Dear Allowed Class 5 and Class 6 Claimant:

As we have recently announced, School Specialty, Inc. (“SSI”) has retained Houlihan Lokey (“Houlihan”) to assist the Company in its efforts to address its capital structure in the context of the amounts which come due for repayment to Allowed Class 5 and Class 6 Claimants (the “Claimants”) on December 12, 2019 pursuant to the May 23, 2013, confirmed Debtors’ Second Amended Joint Plan of Reorganization. Based upon an assessment of its options and ongoing discussions with interested parties, the Company has expanded these efforts to encompass a full evaluation of strategic and financing alternatives, which may include a sale of SSI or other business combination.

While SSI is diligently working with Houlihan to create the necessary liquidity to pay you in full and is exploring all its options, in order to preserve and enhance liquidity, SSI requests an extension of the due date of your claim until December 12, 2020. In return for your agreement to extend the due date of your claim, SSI is offering: a.) a 10% up-front cash payment; b.) a 200 basis point increase in the accruing interest rate; and c.) additional protection for your claim in the form of a subordinated security interest over SSI’s assets under the terms set forth in the attached Agreement to Extend Due Date of Claim (the “Agreement”). The Agreement requests your approval of this proposal.

SSI reserves the right to not execute the Agreement if a majority of the Claimants do not agree, or for any other reason, in which case some other resolution will be necessary. Further, the additional protection associated with the subordinated security interest referenced above is only effective if 65% of the Claimants (in amount) execute the Agreement.

Please sign and return the attached Agreement to Kevin Baehler, CFO School Specialty, Inc. by December 4th, 2019 via claimants@schoolspecialty.com.

SSI feels that an extension of the due date as requested will help the Company achieve the best possible outcome considering the interests of all stakeholders, including the Claimants. If you have questions or require additional information, please contact School Specialty, Inc. at claimants@schoolspecialty.com.

Sincerely,

Kevin L. Baehler