

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

ARCTIC SENTINEL, INC. [f/k/a Fuhu, Inc.],  
*et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 15-12465-CSS

(Jointly Administered)

Voting Deadline: November 18, 2016 at 4:00 p.m. P.T.  
Objection Deadline: November 18, 2016 at 4:00 p.m. E.T.  
Confirmation Hearing: November 30, 2016 at 2:00 p.m. E.T.

**NOTICE OF: (I) ENTRY OF ORDER APPROVING DISCLOSURE STATEMENT;  
(II) HEARING TO CONFIRM PLAN OF LIQUIDATION; AND  
(III) RELATED IMPORTANT DATES**

**PLEASE TAKE NOTICE THAT:**

1. By order entered on October 6, 2016 (the “Disclosure Statement Order”), the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) approved the *Disclosure Statement with Respect to First Amended Plan of Liquidation of the Debtors Pursuant to Chapter 11 of the Bankruptcy Code* (the “Disclosure Statement”), relating to the *First Amended Plan of Liquidation of the Debtors Pursuant to Chapter 11 of the Bankruptcy Code* (the “Plan”), as providing adequate information for holders of claims against and interests in the above-captioned debtors and debtors in possession (the “Debtors”) to make a decision as to whether to accept or reject the Plan.

2. In addition to establishing the above-noted deadlines, the Disclosure Statement Order also approved certain voting procedures to be used in connection with the Plan (the “Voting Procedures”). Creditors should review the Voting Procedures carefully. The deadline by which votes to accept or reject the Plan must be actually received by Kurtzman Carson Consultants LLC (the “Solicitation Agent”) is 4:00 p.m., prevailing Pacific Time, on November 18, 2016 (the “Voting Deadline”). The deadline by which objections to the confirmation of the Plan must be filed with the Bankruptcy Court is 4:00 p.m., prevailing Eastern Time, on November 18, 2016 (the “Objection Deadline”). Objections not timely filed and received in the manner set forth herein shall not be considered by the Bankruptcy Court. Objections to the confirmation of, or proposed modifications to, the Plan, if any, must (i) be in

<sup>1</sup> The Debtors, together with the last four digits of each Debtor’s tax identification number, are: Arctic Sentinel, Inc. [f/k/a Fuhu, Inc.] (7896); Arctic Sentinel Holdings, Inc. [f/k/a Fuhu Holdings, Inc.] (9761); Arctic Sentinel Direct, Inc. [f/k/a Fuhu Direct, Inc.] (2180); and Sentinel Arctic, Inc. [f/k/a Nabi, Inc.] (4119). The location of the Debtors’ headquarters and service address is 1700 E. Walnut Ave., Suite 500, El Segundo, CA 90245.



151246516101400000000002

writing; (ii) state the name and address of the objection party and the nature of the claim or interest of such party, including the amount of the claim or number of shares of stock held; and (iii) state with particularity the basis and nature of any objection to the confirmation of the Plan. Any such objection must be filed with the Court and served so that it is received by the following parties on or before the Confirmation Objection Deadline: (a) counsel to the Debtors, (i) Bryan Cave LLP, 211 N. Broadway, Suite 3600, St. Louis, MO 63102, Attn: Brian Walsh, Esq., and (ii) Pachulski Stang Ziehl & Jones LLP, 919 N. Market Street, 17th Floor, Wilmington, DE 19801, Attn: Colin R. Robinson, Esq.; (b) the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Linda Casey, Esq.; and (c) counsel to the Official Committee of Unsecured Creditors, (i) Cooley LLP, 1114 Avenue of the Americas, New York, NY 10036, Attn: Jay Indyke, Esq.; and (ii) Ballard Spahr LLP, 919 N. Market Street, 11th Floor, Wilmington, DE 19801, Attn: Leslie C. Heilman, Esq.

3. Holders of claims classified in Class 1 (Priority Claims) are not being sent a ballot to vote to accept or reject the Plan because Class 1 claims are not impaired under the Plan. Holders of equity interests in any of the Debtors classified in Class 4 (Equity Security Interests) are not being sent a ballot to vote to accept or reject the Plan because such interest holders are deemed to have rejected the Plan.

4. The Plan provides the following release, injunction, and limitation of liability provisions, which may affect your rights:

**(a) Each Person or Entity participating in Distributions under the Plan or pursuant to the Plan who affirmatively votes to accept the Plan and who does not elect to “opt-out” by marking the appropriate box on their respective ballot, shall, by virtue of Sections 1126(c) and 1141(a) of the Bankruptcy Code, be deemed, on behalf of itself and its successors and assigns, to have released any and all Claims and Causes of Action against the Released Parties and their respective property; *provided, however*, that for the avoidance of doubt, any Claims or Causes of Action against the officers and directors of the Debtors related to the period prior to the Petition Date shall not be released and are fully preserved, unless otherwise released as part of the Sale Agreement.**

**(b) In implementation of the Plan, except as otherwise expressly provided in the Confirmation Order or the Plan, and except in connection with the enforcement of the terms of the Plan or any documents provided for or contemplated in the Plan, all entities who have held, hold or may hold Claims against or Interests in the Debtors, the Liquidating Trust, or the Estates that arose prior to the Effective Date are permanently enjoined from: (a) commencing or continuing in any manner, directly or indirectly, any action or other proceeding of any kind against the Estates, the Liquidating Trust, or any property of the Liquidating Trust or the Estates with respect to any such Claim or Interest; (b) the enforcement, attachment, collection, or recovery by any manner or means, directly or indirectly, of any judgment, award, decree, or order against the Estates, the Liquidating Trust, or any**

**property of the Liquidating Trust or the Estates with respect to any such Claim or Interest; (c) creating, perfecting, or enforcing, directly or indirectly, any Lien or encumbrance of any kind against the Estates, the Liquidating Trust, or any property of the Liquidating Trust or the Estates with respect to any such Claim or Interest; and (d) any act, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of the Plan with respect to such Claim or Interest. Nothing contained in this Section shall prohibit the Holder of a timely-filed Proof of Claim from litigating its right to seek to have such Claim declared an Allowed Claim and paid in accordance with the distribution provisions of this Plan, or enjoin or prohibit the interpretation or enforcement by the Claimant of any of the obligations of the Debtors or the Liquidating Trust under this Plan.**

**(c) The Debtors, the Committee, the members of the Committee, and the Professionals (collectively, the “Exculpated Parties”), will neither have nor incur any liability to any Entity for any action in good faith taken or omitted to be taken after the Petition Date in connection with or related to the Chapter 11 Cases or the formulation, preparation, dissemination, implementation, Confirmation, or Consummation of the Plan, the Disclosure Statement, or any agreement created or entered into in connection with the Plan; *provided, however*, that this limitation will not affect or modify the obligations created under this Plan, or the rights of any Holder of an Allowed Claim to enforce its rights under the Plan, and shall not release any action (or inaction) constituting willful misconduct, fraud, or gross negligence (in each case subject to determination of such by final order of a court of competent jurisdiction). Without limiting the generality of the foregoing, each Exculpated Party shall be entitled to and granted the protections of Section 1125(e) of the Bankruptcy Code. Except as specifically set forth in Section 8(E) of the Plan, no provision of this Plan or the Disclosure Statement shall be deemed to act to or release any claims, Causes of Action, Litigation claims or rights, or liabilities that the Liquidating Trust or the Estates may have against any Entity or person for any act, omission, or failure to act that occurred prior to the Petition Date, nor shall any provision of this Plan be deemed to act to release any Causes of Action, Litigation, or Litigation claims.**

5. A hearing (the “Confirmation Hearing”) to consider the confirmation of the Plan will be held on November 30, 2016, 2016 at 2:00 p.m., prevailing Eastern Time, before the Honorable Christopher S. Sontchi, United States Bankruptcy Judge for the District of Delaware, at the United States Bankruptcy Court located at 824 North Market Street, 5<sup>th</sup> Floor, Courtroom No. 6, Wilmington, Delaware 19801. The Confirmation Hearing may be continued from time to time without further notice other than the announcement by the Debtors of the adjourned date(s) at the Confirmation Hearing or any continued hearing. The Plan may be modified, if necessary, pursuant to 11 U.S.C. § 1127 prior to, during, or as a result of the Confirmation Hearing, without further notice to interested parties other than by filing such

modifications with the Court prior to the Confirmation Hearing or announcing any such modifications at the Confirmation Hearing.

6. For any vote to accept or reject the Plan to be counted, a Ballot must be actually received by the Solicitation Agent by the Voting Deadline. In accordance with the Voting Procedures, all ballots are to be returned by mail, overnight delivery, or courier to: Fuhu, Inc. Processing Center, c/o KCC, 2335 Alaska Avenue, El Segundo, California 90245. Any party in interest wishing to obtain (i) information about the Voting Procedures, or (i) copies of the Disclosure Statement, the Plan, or the Disclosure Statement Order, may contact the Solicitation Agent at the foregoing address or by telephone at (888) 733-1431.

7. All documents that are filed with the Bankruptcy Court may be reviewed during regular business hours (8:00 a.m. to 4:00 p.m. weekdays, except legal holidays) at the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3<sup>rd</sup> Floor, Wilmington, Delaware 19801, as well as at the Debtors' website, [www.kccllc.net/fuhu](http://www.kccllc.net/fuhu).

Dated: October 13, 2016

**PACHULSKI STANG ZIEHL &  
JONES LLP**

/s/ Colin R. Robinson

Jeffrey N. Pomerantz

Ira Kharasch

Michael R. Seidl

Colin R. Robinson

919 North Market Street, 17th Floor

P.O. Box 8705

Wilmington, DE 19899-8705

-and-

**BRYAN CAVE LLP**

Robert J. Miller

Two N. Central Ave., Suite 2200

Phoenix, Arizona 85004

-and-

Brian C. Walsh

Laura Uberti Hughes

One Metropolitan Square

211 N. Broadway, Suite 3600

St. Louis, Missouri 63102

*Counsel for the Debtors and Debtors in Possession*