

## Perkins & Marie Callender's, LLC

August 5, 2019

To Our Vendors:

Perkins & Marie Callender's (together with certain affiliates and subsidiaries, collectively, the "Company"), today announced that it has executed an Asset Purchase Agreement with Perkins Group, LLC, for the sale of its Perkins business and a segment of the Foxtail bakery business. In order to facilitate the sale, the Company has voluntarily commenced Chapter 11 proceedings under the U.S. Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware.

The Company has filed a series of motions that, subject to Court approval, will allow the Company to make payments for goods and services in the normal course, and otherwise operate its business as usual. These motions are typical in a Chapter 11 process and are generally granted in the first days of the case. The Company has an agreement with its existing lenders to provide debtor-in-possession ("DIP") financing to ensure an efficient bankruptcy process and the Company expects to have enough liquidity to continue to operate in the normal course while completing the sale process. Perkins & Marie Callender's intends to continue to order and pay for goods and services provided after today's filing date under our customary terms.

The Company is continuing discussions with investors and potential buyers regarding the Marie Callender's restaurants. Once an agreement is finalized an additional announcement will be made.

We have attached some anticipated questions which you might have about today's announcement and our responses. Additional information, including the press release we issued this morning, can be found on a restructuring website at <http://www.kccllc.net/PMC>. Perkins & Marie Callender's has also established an information line for interested parties at 888.251.3076.

Going forward, our valued relationships with you will be a vital component of our progress and success. We greatly appreciate your support and will keep you informed of any important developments as they occur.

Sincerely,

Jeff Warne  
Chief Executive Officer

# Perkins & Marie Callender's, LLC

## **FAQ'S FOR PERKINS, MARIE CALLENDER'S, AND FOXTAIL SUPPLIERS**

- 1. What did Perkins & Marie Callender's announce today?**  
Perkins & Marie Callender's (together with certain affiliates and subsidiaries, collectively, the "Company"), today announced that it has executed an Asset Purchase Agreement with Perkins Group, LLC, for the sale of its Perkins business and a segment of the Foxtail bakery business. In order to facilitate the sale, the Company has voluntarily commenced Chapter 11 proceedings under the U.S. Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware.
- 2. Why did the Company commence Chapter 11 proceedings?**  
The actions we are taking are intended to facilitate the sale of the Perkins, Marie Callender's, and Foxtail businesses.
- 3. Who is buying Marie Callender's?**  
The Company is continuing discussions with investors and potential buyers regarding the Marie Callender's restaurants. Once an agreement is finalized an additional announcement will be made.
- 4. Will the Company meet its obligations to suppliers?**  
The Company believes that it will have sufficient liquidity to meet its operational needs throughout the sale process and expects to meet its obligations and pay suppliers for goods and services provided after the filing under customary terms. In addition to our Company's liquidity from operations, Perkins & Marie Callender's has obtained debtor-in-possession financing which, subject to Court approval, will be available to support its ongoing operations during the Chapter 11 proceedings.
- 5. Will suppliers be paid for goods and services they provide to Perkins & Marie Callender's on or after the filing date?**  
The Company intends to order and pay for goods and services provided after the filing date under our customary terms.
- 6. Will suppliers be paid for goods and services they provided to Perkins & Marie Callender's before the filing date?**  
U.S. bankruptcy law mandates that unpaid debts for goods and services provided

to Perkins & Marie Callender's prior to our Chapter 11 filing, also known as "pre-petition claims," cannot be paid without specific Bankruptcy Court authorization. The Company is seeking such authorizations to pay for certain pre-petition goods. To the extent you have any outstanding amounts that are eligible for this treatment, the Company's A/P department will process your invoices as usual. Goods delivered after August 4<sup>th</sup>, will be post-petition and paid in the ordinary course.

**7. Why should suppliers continue supplying Perkins & Marie Callender's with goods and/or services?**

The bankruptcy process offers several tools to protect the interests of our key vendors to ensure they remain valued business partners: Vendors are entitled to priority status for payment for goods and services provided after the filing date. The Company will pay for goods and services that it receives in the ordinary course of business after the filing. As noted above, the Company is also seeking authorization from the Bankruptcy Court to pay certain pre-petition claims of our most critical vendors and suppliers.

**8. What if I only want to be paid cash-on delivery?**

It is our intention to continue to pay for goods and services under our normal credit terms. And since your claim will receive administrative priority under Chapter 11 regulations, there is no need for COD payments.

**9. Will suppliers be paid for produce supplied to Perkins, Marie Callender's and Foxtail prior to the petition date?**

All produce will be paid in full under the PACA statute and will not be impacted.

**10. What is PACA (Perishable Agricultural Commodities Act)?**

PACA is an acronym for the Perishable Agricultural Commodities Act, which is a federal law that regulates the sale of produce. If you are unsure if you or your goods are covered by the PACA statute, please seek the advice of counsel.

**11. What if I wish to recover merchandise from stores or facilities?**

As a result of the Company's filing, no one has the right to remove any fixtures, equipment, merchandise or other property from any of our facilities. This includes service vendors, route drivers, or any other person until further notice.

**12. How can I get updates and additional information?**

Additional information can be found on a separate website maintained by the Company's claims agent, KCC LLC, at <http://www.kccllc.net/PMC>. Perkins & Marie Callender's has also established a Restructuring Information line for interested parties at: 888-251-3076.