

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

)	
In re:)	Chapter 11
)	
VER TECHNOLOGIES HOLDCO LLC, <i>et al.</i> , ¹)	Case No. 18-10834 (KG)
)	
Debtors.)	(Jointly Administered)
)	
)	Related to Docket Nos. 417, 551 and 572

FIRST AMENDMENT TO PLAN SUPPLEMENT

PLEASE TAKE NOTICE that on July 9, 2018, the above-captioned debtors and debtors in possession (collectively, the “Debtors”), in accordance with and pursuant to the *Amended Joint Chapter 11 Plan of Reorganization of VER Technologies HoldCo LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 417], caused to be filed with United States Bankruptcy Court for the District of Delaware the *Plan Supplement for the Amended Joint Chapter 11 Plan of Reorganization of VER Technologies HoldCo LLC and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 551] (as may be amended, supplemented, or modified from time to time, the “Plan Supplement”).

PLEASE TAKE NOTICE that on July 16, 2018, the Debtors filed the *Second Amended Joint Chapter 11 Plan of Reorganization of VER Technologies HoldCo LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 572] (as may be amended, supplemented, or modified from time to time, the “Plan”).²

PLEASE TAKE NOTICE that the Debtors hereby file this amended plan supplement (this “First Amended Plan Supplement”) to the Plan.

PLEASE TAKE FURTHER NOTICE that this First Amended Plan Supplement includes the current drafts of the following documents, as may be modified, amended, or supplemented from time to time in accordance with the Plan:

- **Schedule 1:** Amended Exhibit H of the Plan Supplement (Statement Regarding Claims)

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: VER Technologies HoldCo LLC (7239); VER Technologies MidCo LLC (7482); VER Technologies LLC (7501); Full Throttle Films, LLC (0487); FAAST Leasing California, LLC (7857); Revolution Display, LLC (6711); VER Finco, LLC (5625); CPV Europe Investments LLC (2533); and Maxwell Bay Holdings LLC (3433). The location of the Debtors’ service address is: 757 West California Avenue, Building 4, Glendale, California 91203.

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



- **Schedule 2:** Blackline of Amended Exhibit H of the Plan Supplement showing changes to the Statement Regarding Claims included in the initial Plan Supplement

PLEASE TAKE FURTHER NOTICE that the Debtors reserve all rights, with the consent of any applicable counterparties to the extent required under the Plan, to amend, modify, or supplement the Plan Supplement and any of the documents contained therein in accordance with the terms of the Plan. To the extent material amendments or modifications are made to any of the Plan Supplement documents, the Debtors will file a blackline with the Bankruptcy Court prior to the Effective Date marked to reflect same.

PLEASE TAKE FURTHER NOTICE that the forms of the documents contained in the Plan Supplement are integral to, and are considered part of, the Plan.

PLEASE TAKE FURTHER NOTICE that the Plan, the Plan Supplement, the First Amended Plan Supplement, the Disclosure Statement, and other documents and materials filed in these chapter 11 cases may be obtained at no charge from Kurtzman Carson Consultants LLC, the notice and claims agent retained by the Debtors in these chapter 11 cases (the “Notice and Claims Agent”), by: (a) calling the Debtors’ restructuring hotline at 877-634-7163 (U.S./Canada) or 424-236-7219 (International); (b) visiting Wilmington, Delaware the Debtors’ restructuring website at: <http://www.kccllc.net/ver>; and/or (c) writing to VER Technologies HoldCo LLC Ballot Processing, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245. You may also obtain copies of any pleadings filed in these chapter 11 cases for a fee via PACER at: <http://www.deb.uscourts.gov>.

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Dated: July 16, 2018
Wilmington, Delaware

/s/ Domenic E. Pacitti

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Exhibit H

Statement Regarding Claims

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
VER TECHNOLOGIES HOLDCO LLC, <i>et al.</i> , ¹)	Case No. 18-10834 (KG)
)	
Debtors.)	(Jointly Administered)
)	

STATEMENT REGARDING CLAIMS

VER Technologies HoldCo LLC and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) provide the following summary of certain claims being released pursuant to the *Second Amended Joint Chapter 11 Plan of Reorganization of VER Technologies HoldCo LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 572] (the “Amended Plan”),² including claims related to the 2014 Transaction.

Summary of 2014 Transaction

1. On December 11, 2014, *L Catterton Partners* (together with its affiliates and subsidiaries, “Catterton”), made a majority investment in the Debtors through a leveraged buyout for total purchase consideration of \$850 million, ending Vincent Dundee’s and Scott Dundee’s majority ownership of the Debtors.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: VER Technologies HoldCo LLC (7239); CPV Europe Investments LLC (2533); FFAST Leasing California, LLC (7857); Full Throttle Films, LLC (0487); Maxwell Bay Holdings LLC (3433); Revolution Display, LLC (6711); VER Finco, LLC (5625); VER Technologies LLC (7501); and VER Technologies MidCo LLC (7482). The location of the Debtors’ service address is: 757 West California Avenue, Building 4, Glendale, California 91203.

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Amended Plan.

2. The 2014 Transaction was primarily funded by the Prepetition ABL Facility and the Prepetition Term Loan Facility, as well as the New FTF Promissory Note and cash from Catterton. Prior to the closing of the 2014 Transaction, a reorganization was executed that placed the Debtors' operating entities under a single holding company. In connection with the 2014 Transaction, the Debtors received approximately \$525 million in cash consideration in the form of loan proceeds, comprising approximately \$400 million from the Prepetition Term Loan Facility and \$125 million from the Prepetition ABL Facility. Approximately \$240 million of those proceeds were used to pay down the Debtors' existing indebtedness. In addition to the consideration provided through the Prepetition ABL Facility and Prepetition Term Loan Facility, Catterton provided approximately \$283 million in cash. After repayment of, among other things, existing indebtedness and certain fees, Vincent Dundee and Scott Dundee received approximately \$368 million and \$143 million, respectively. Obligations under the Prepetition ABL Facility were secured by a first priority lien on substantially all of the Debtors' assets, and obligations under the Prepetition Term Loan Facility were secured by a second priority lien on substantially all of the Debtors' assets. Following the closing of the 2014 Transaction, the Debtors had approximately \$75 million of undrawn capacity under the Prepetition ABL Facility.

The Special Committee's Investigation

3. As part of their efforts to evaluate and develop a value-maximizing restructuring for all stakeholders and to ensure a fair and thorough review of the Debtors' strategic alternatives, the board of directors of VER Technologies HoldCo LLC (the "Board") appointed Eugene Davis as an independent director as of January 9, 2018. On March 26, 2018, the Board approved the formation of a special committee (the "Special Committee") with Mr. Davis as the sole member to conduct an independent investigation into potential estate claims and causes of action in connection with the 2014 Transaction.

4. To assist the Special Committee in carrying out its mandate, the Special Committee retained Kramer Levin Naftalis & Frankel LLP as counsel and Zolfo Cooper, LLC as financial advisor. In connection with their investigation, the Special Committee's advisors issued multiple informal requests for documents and information to the Debtors and other parties to the 2014 Transaction (the "Producing Parties"). These included requests regarding the Debtors' historical financial condition, corporate governance, and other facts and circumstances surrounding the 2014 Transaction. In response to its requests, the Special Committee's advisors received and reviewed approximately 75,000 pages of documents from the Producing Parties, including, but not limited to, transaction agreements, closing books, and related documents; Board and Board committee minutes and presentations; financial statements, projections, and other financial information developed by or relied upon by certain of the Producing Parties; and Debtor and third-party memoranda, evaluations, and opinions. In addition, the Special Committee conducted interviews with representatives of a number of the Producing Parties and had numerous discussions with the Producing Parties' counsel and financial advisors. As of the date hereof, subject to unforeseen circumstances, the Special Committee has finished its investigation.

5. In connection with its investigation, the Special Committee examined the existence and likelihood of success of certain potential claims and causes of action arising out of the 2014 Transaction. These claims and causes of action primarily consisted of potential claims of constructive fraudulent transfer against the following parties: (i) the selling shareholders, including Vincent Dundee III, Judith Dundee, Scott Dundee, and certain affiliated entities; (ii) the Debtors' prepetition term loan agent and lenders; (iii) the Debtors' prepetition ABL agent and lenders; and (iv) the Debtors' primary existing equity holders. In determining the viability of any claims against these parties, the Special Committee reviewed evidence concerning the Debtors'

financial condition and projections to evaluate whether the 2014 Transaction left the Debtors insolvent or with unreasonably small capital, as well as whether reasonably equivalent value was provided to the Debtors by the transferees. The Special Committee also evaluated potential legal and factual defenses that the transferees could potentially assert to a constructive fraudulent transfer claim, including solvency, capital adequacy, the provision of reasonably equivalent value, good faith, the “safe harbor” provided by Bankruptcy Code § 546(e), and the statute of limitations. Finally, the Special Committee reviewed the potential remedies the Court might enter if one or more of the constructive fraudulent transfer claims were successful.

The Special Committee’s Conclusions

6. Based on its examination of these factual and legal issues, the Special Committee determined that the Debtors’ estates have potentially colorable constructive fraudulent transfer claims against the selling shareholders, as well as against the prepetition term loan agent and lenders and the prepetition ABL agent and lenders (collectively, the “LBO lenders”), but that it is highly uncertain whether such claims would ultimately prevail. The Special Committee also determined that the estates do not have viable claims against the Debtors’ primary existing equity holders in connection with the 2014 Transaction.

A. Claims Against the Selling Shareholders and LBO Lenders

7. Many issues central to the claims against the selling shareholders and LBO lenders—particularly those concerning the Debtors’ financial condition and financial projections following the 2014 Transaction—are fact-intensive, would be the subject of extensive discovery, and would be vigorously defended. The Special Committee’s informal investigation indicates that both the estate representative and these defendants would be able to marshal evidence supporting their respective positions concerning whether the 2014 Transaction left the Debtors insolvent or with unreasonably small capital, and the likelihood of a successful outcome is highly uncertain.

Additionally, the LBO lenders could defend against constructive transfer claims on the basis that \$240 million of existing debt was repaid with the loan proceeds that they provided.

8. Even if the constructive fraudulent transfer claims against these parties were successful, the recoveries available for distribution to general unsecured creditors would be subject to substantial dilution. Any litigation recoveries would be distributed *pro rata* among all unsecured creditors. Because the deficiency claims of the prepetition term loan lenders (and the claims of the LBO lenders generally to the extent that their liens were successfully challenged) would comprise the vast majority of unsecured claims, the Special Committee believes that, in all likelihood, unsecured creditors, other than the LBO lenders, would receive only a small fraction of any monies recovered in the suit.

9. A constructive fraudulent transfer suit against the selling shareholders and LBO lenders would also be protracted and expensive. In the Special Committee's view, it could take several years for any claim to reach judgment, and any judgment could be followed by lengthy appeals and perhaps also by litigation to collect the judgment obtained against certain defendants. In addition, any recoveries would be reduced by the substantial expense of litigation, which could include a contingency fee amounting to 30 percent or more of the recovery.

B. Claims Against Debtors' Primary Equity Holders

10. The Special Committee does not believe that the Debtors' estates have viable constructive fraudulent transfer claims against the Debtors' primary existing equity holders in connection with the 2014 Transaction. The Special Committee believes that, unlike the selling shareholders and the LBO lenders, the primary existing equity holders would not be deemed to be the recipients of any transfers made by the Debtors in connection with the 2014 Transaction.

C. Reasonableness of Proposed Settlement

11. Based on its investigation, the Special Committee determined that—after taking into account the difficulty in proving that the transfers arising out of the 2014 Transaction were constructively fraudulent, specific defenses available to the parties to the transaction, including the LBO Lenders, the factors limiting the potential recoveries available for distribution to general unsecured creditors, and the cost of litigation—general unsecured creditors would likely receive less if the Debtors were to litigate claims arising out of the 2014 Transaction than they are receiving under the settlement embodied in the Amended Plan. In addition, any litigation recoveries would be uncertain and subject to potentially lengthy delays, in contrast to the prompt cash recoveries that general unsecured creditors will receive under the Amended Plan.

Debtors' Assessment of Proposed Settlement

12. In addition to the Special Committee's review of potential claims arising out of the 2014 Transaction, the Debtors are unaware of viable claims arising out of conduct unrelated to the 2014 Transaction.

13. Based on the above, the Debtors believe the releases being granted under the Amended Plan are fair, reasonable, and in the best interests of the estate. Under the settlement embodied in the Amended Plan, one or more of the FTF Parties are making a substantial cash contribution of \$10.5 million, the Restructuring Support Parties are making a \$500,000 cash contribution, and each of the FTF Parties, the Restructuring Support Parties, and the Prepetition Term Loan Lenders are waiving the right to receive distributions on account of unsecured claims that likely exceed \$300 million on a collective basis (approximately 10 times the size of the general unsecured creditor pool), thereby significantly increasing the recoveries for the holders of general unsecured claims. In addition, the Prepetition Term Loan Lenders are providing the Debtors with critical DIP financing, are agreeing to equitize their claims under the prepetition term loan, and

they and other Restructuring Support Parties have played an integral role in the formation of the Plan and expended significant time and resources analyzing and negotiating the issues facing the Debtors. The Releases are an integral part of the Plan, and the Restructuring Support Parties also will not participate in the Debtors' restructuring absent a release under the Plan.

14. Given the low probability of success in any litigation against the Released Parties, the difficulties in collecting from certain of the Released Parties, the small portion of any recovery that would be available for distribution to general unsecured creditors, the substantial expense, inconvenience, and delay attendant to litigating the Released Claims as the Reorganized Debtors emerge from bankruptcy, and the interests of the Debtors' creditors, the Debtors believe that the settlement embodied in the Amended Plan, including the releases, is fair, reasonable, and in the best interests of the Debtors, their estates, the Reorganized Debtors, creditors, and all other parties in interest.

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Wilmington, Delaware
Dated: July 16, 2018

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Counsel to the Debtors

Exhibit H-1

Comparison showing changes to the Statement Regarding Claims filed on July 9, 2018

**IN THE UNITED STATES BANKRUPTCY COURT
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In re:)	
)	Chapter 11
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Debtors.)	(Jointly Administered)
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STATEMENT REGARDING CLAIMS

~~The special committee (the “Special Committee”) of the board of directors of debtor VER Technologies HoldCo LLC (collectively with the and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) has concluded its assessment of potential~~ provide the following summary of certain claims arising out of the 2014 Transaction.² ~~In consultation with the being released pursuant to the Second Amended Joint Chapter 11 Plan of Reorganization of VER Technologies HoldCo LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 572] (the “Amended Plan”),³ including claims related to the 2014 Transaction.~~

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: VER Technologies HoldCo LLC (7239); CPV Europe Investments LLC (2533); FFAST Leasing California, LLC (7857); Full Throttle Films, LLC (0487); Maxwell Bay Holdings LLC (3433); Revolution Display, LLC (6711); VER Finco, LLC (5625); VER Technologies LLC (7501); and VER Technologies MidCo LLC (7482). The location of the Debtors’ service address is: 757 West California Avenue, Building 4, Glendale, California 91203.

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³ Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Amended Plan.

Summary of 2014 Transaction

1. On December 11, 2014, L Catterton Partners (together with its affiliates and subsidiaries, “Catterton”), made a majority investment in the Debtors through a leveraged buyout for total purchase consideration of \$850 million, ending Vincent Dundee’s and Scott Dundee’s majority ownership of the Debtors.

~~1. Prepetition Term Loan Lenders, PRG, the FTF Parties, and the Committee, the Debtors anticipate filing an amended Plan reflecting the terms of a global settlement shortly, as well as an amended Plan Supplement, which will include the~~

2. The 2014 Transaction was primarily funded by the Prepetition ABL Facility and the Prepetition Term Loan Facility, as well as the New FTF Promissory Note and cash from Catterton. Prior to the closing of the 2014 Transaction, a reorganization was executed that placed the Debtors’ operating entities under a single holding company. In connection with the 2014 Transaction, the Debtors received approximately \$525 million in cash consideration in the form of loan proceeds, comprising approximately \$400 million from the Prepetition Term Loan Facility and \$125 million from the Prepetition ABL Facility. Approximately \$240 million of those proceeds were used to pay down the Debtors’ existing indebtedness. In addition to the consideration provided through the Prepetition ABL Facility and Prepetition Term Loan Facility, Catterton provided approximately \$283 million in cash. After repayment of, among other things, existing indebtedness and certain fees, Vincent Dundee and Scott Dundee received approximately \$368 million and \$143 million, respectively. Obligations under the Prepetition ABL Facility were secured by a first priority lien on substantially all of the Debtors’ assets, and obligations under the Prepetition Term Loan Facility were secured by a second priority lien on substantially all of the Debtors’ assets. Following the closing of the 2014 Transaction, the Debtors had approximately \$75 million of undrawn capacity under the Prepetition ABL Facility.

The Special Committee's ~~assessment of the claims~~ Investigation

3. As part of their efforts to evaluate and develop a value-maximizing restructuring for all stakeholders and to ensure a fair and thorough review of the Debtors' strategic alternatives, the board of directors of VER Technologies HoldCo LLC (the "Board") appointed Eugene Davis as an independent director as of January 9, 2018. On March 26, 2018, the Board approved the formation of a special committee (the "Special Committee") with Mr. Davis as the sole member to conduct an independent investigation into potential estate claims and causes of action in connection with the 2014 Transaction.

~~2. subject to the global~~

4. To assist the Special Committee in carrying out its mandate, the Special Committee retained Kramer Levin Naftalis & Frankel LLP as counsel and Zolfo Cooper, LLC as financial advisor. In connection with their investigation, the Special Committee's advisors issued multiple informal requests for documents and information to the Debtors and other parties to the 2014 Transaction (the "Producing Parties"). These included requests regarding the Debtors' historical financial condition, corporate governance, and other facts and circumstances surrounding the 2014 Transaction. In response to its requests, the Special Committee's advisors received and reviewed approximately 75,000 pages of documents from the Producing Parties, including, but not limited to, transaction agreements, closing books, and related documents; Board and Board committee minutes and presentations; financial statements, projections, and other financial information developed by or relied upon by certain of the Producing Parties; and Debtor and third-party memoranda, evaluations, and opinions. In addition, the Special Committee conducted interviews with representatives of a number of the Producing Parties and had numerous discussions with the Producing Parties' counsel and financial advisors. As of the date hereof, subject to unforeseen circumstances, the Special Committee has finished its investigation.

5. In connection with its investigation, the Special Committee examined the existence and likelihood of success of certain potential claims and causes of action arising out of the 2014 Transaction. These claims and causes of action primarily consisted of potential claims of constructive fraudulent transfer against the following parties: (i) the selling shareholders, including Vincent Dundee III, Judith Dundee, Scott Dundee, and certain affiliated entities; (ii) the Debtors' prepetition term loan agent and lenders; (iii) the Debtors' prepetition ABL agent and lenders; and (iv) the Debtors' primary existing equity holders. In determining the viability of any claims against these parties, the Special Committee reviewed evidence concerning the Debtors' financial condition and projections to evaluate whether the 2014 Transaction left the Debtors insolvent or with unreasonably small capital, as well as whether reasonably equivalent value was provided to the Debtors by the transferees. The Special Committee also evaluated potential legal and factual defenses that the transferees could potentially assert to a constructive fraudulent transfer claim, including solvency, capital adequacy, the provision of reasonably equivalent value, good faith, the "safe harbor" provided by Bankruptcy Code § 546(e), and the statute of limitations. Finally, the Special Committee reviewed the potential remedies the Court might enter if one or more of the constructive fraudulent transfer claims were successful.

The Special Committee's Conclusions

6. Based on its examination of these factual and legal issues, the Special Committee determined that the Debtors' estates have potentially colorable constructive fraudulent transfer claims against the selling shareholders, as well as against the prepetition term loan agent and lenders and the prepetition ABL agent and lenders (collectively, the "LBO lenders"), but that it is highly uncertain whether such claims would ultimately prevail. The Special Committee also determined that the estates do not have viable claims against the Debtors' primary existing equity holders in connection with the 2014 Transaction.

A. Claims Against the Selling Shareholders and LBO Lenders

7. Many issues central to the claims against the selling shareholders and LBO lenders—particularly those concerning the Debtors’ financial condition and financial projections following the 2014 Transaction—are fact-intensive, would be the subject of extensive discovery, and would be vigorously defended. The Special Committee’s informal investigation indicates that both the estate representative and these defendants would be able to marshal evidence supporting their respective positions concerning whether the 2014 Transaction left the Debtors insolvent or with unreasonably small capital, and the likelihood of a successful outcome is highly uncertain. Additionally, the LBO lenders could defend against constructive transfer claims on the basis that \$240 million of existing debt was repaid with the loan proceeds that they provided.

8. Even if the constructive fraudulent transfer claims against these parties were successful, the recoveries available for distribution to general unsecured creditors would be subject to substantial dilution. Any litigation recoveries would be distributed *pro rata* among all unsecured creditors. Because the deficiency claims of the prepetition term loan lenders (and the claims of the LBO lenders generally to the extent that their liens were successfully challenged) would comprise the vast majority of unsecured claims, the Special Committee believes that, in all likelihood, unsecured creditors, other than the LBO lenders, would receive only a small fraction of any monies recovered in the suit.

9. A constructive fraudulent transfer suit against the selling shareholders and LBO lenders would also be protracted and expensive. In the Special Committee’s view, it could take several years for any claim to reach judgment, and any judgment could be followed by lengthy appeals and perhaps also by litigation to collect the judgment obtained against certain defendants. In addition, any recoveries would be reduced by the substantial expense of litigation, which could include a contingency fee amounting to 30 percent or more of the recovery.

B. Claims Against Debtors' Primary Equity Holders

10. The Special Committee does not believe that the Debtors' estates have viable constructive fraudulent transfer claims against the Debtors' primary existing equity holders in connection with the 2014 Transaction. The Special Committee believes that, unlike the selling shareholders and the LBO lenders, the primary existing equity holders would not be deemed to be the recipients of any transfers made by the Debtors in connection with the 2014 Transaction.

C. Reasonableness of Proposed Settlement

11. Based on its investigation, the Special Committee determined that—after taking into account the difficulty in proving that the transfers arising out of the 2014 Transaction were constructively fraudulent, specific defenses available to the parties to the transaction, including the LBO Lenders, the factors limiting the potential recoveries available for distribution to general unsecured creditors, and the cost of litigation—general unsecured creditors would likely receive less if the Debtors were to litigate claims arising out of the 2014 Transaction than they are receiving under the settlement embodied in the Amended Plan. In addition, any litigation recoveries would be uncertain and subject to potentially lengthy delays, in contrast to the prompt cash recoveries that general unsecured creditors will receive under the Amended Plan.

Debtors' Assessment of Proposed Settlement

12. In addition to the Special Committee's review of potential claims arising out of the 2014 Transaction, the Debtors are unaware of viable claims arising out of conduct unrelated to the 2014 Transaction.

~~3. — settlement~~

13. Based on the above, the Debtors believe the releases being granted under the Amended Plan are fair, reasonable, and in the best interests of the estate. Under the settlement embodied in the Amended Plan, one or more of the FTF Parties are making a substantial cash

contribution of \$10.5 million, the Restructuring Support Parties are making a \$500,000 cash contribution, and each of the FTF Parties, the Restructuring Support Parties, and the Prepetition Term Loan Lenders are waiving the right to receive distributions on account of unsecured claims that likely exceed \$300 million on a collective basis (approximately 10 times the size of the general unsecured creditor pool), thereby significantly increasing the recoveries for the holders of general unsecured claims. In addition, the Prepetition Term Loan Lenders are providing the Debtors with critical DIP financing, are agreeing to equitize their claims under the prepetition term loan, and they and other Restructuring Support Parties have played an integral role in the formation of the Plan and expended significant time and resources analyzing and negotiating the issues facing the Debtors. The Releases are an integral part of the Plan, and the Restructuring Support Parties also will not participate in the Debtors' restructuring absent a release under the Plan.

4.14. Given the low probability of success in any litigation against the Released Parties, the difficulties in collecting from certain of the Released Parties, the small portion of any recovery that would be available for distribution to general unsecured creditors, the substantial expense, inconvenience, and delay attendant to litigating the Released Claims as the Reorganized Debtors emerge from bankruptcy, and the interests of the Debtors' creditors, the Debtors believe that the settlement embodied in the Amended Plan, including the releases, is fair, reasonable, and in the best interests of the Debtors, their estates, the Reorganized Debtors, creditors, and all other parties in interest.

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Wilmington, Delaware
Dated: July 9¹⁶, 2018

/s/ Domenic E. Pacitti

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