

ICPW Liquidation Trust Corporation

(F/K/A Ironclad Performance Wear Corp)

June 5, 2018

To: Ironclad Performance Wear Former Shareholders and Current Trust Beneficiaries

Subject: Distribution of Funds

As you may be aware, Ironclad Performance Wear entered into Chapter 11 bankruptcy in September of 2017, caused, in part, by the alleged fraudulent acts of several Company insiders and possibly illegal business practices by outside agents. Subsequently, the Company's assets were sold through an auction process to Brighton-Best International, Inc. on October 30, 2017 (closing on November 14, 2017). The proceeds of this sale are being held in trust and administered by the ICPW Liquidation Trust Board of Directors and Trustee, with all pre- and post-bankruptcy allowed claims being paid from this account.

The Plan of Liquidation was approved by the Court and became effective on February 28, 2018. Post-confirmation of the Plan, the ICPW Trust has \$12,649,373 cash on hand, which includes a reserve of \$5,405,378 to fund outstanding claims; legal costs for expected litigation against suspected participants in the fraudulent activities which contributed to the Company's bankruptcy; and expected and customary administrative expenses.

The balance of \$7,243,994 (representing \$0.0835/share based upon 86,754,428 total outstanding shares) is now being distributed by the Trust. Enclosed is your payment for this *initial distribution* to you as a former Ironclad Performance Wear shareholder.

For those of you who have been following this matter through the various notices and public filings, you are aware of the fact that the Trust is already prosecuting claims against the former CEO, CFO and Vice President of the Company; as well as against the former lender. These actions have delayed the initial distribution of funds to former Ironclad shareholders. In April 2018, the U.S. Bankruptcy Court required an increase in the reserve in the amount of \$2.55 million, which permitted this initial distribution of funds. Due to the additional mandatory reserve, the initial distribution projected in the Plan was reduced from the originally projected \$0.1128 to \$0.0835 per share.

There are some important items for you to understand. First, the balance of the funds is being held "in reserve" for the reasons stated above, with \$2.55 million earmarked toward resolution of the current disputes with the former CEO and CFO, and the former holder of the Company's debt. If the Trust wins or successfully settles these disputes, these funds will be released and will be subsequently disbursed to the former Ironclad shareholders. Second, another significant portion of the reserve will be used for litigation against various other parties whom the Trust believes were culpable in the fraudulent activities which contributed to the Company's demise. Rest assured that each action the Trust is considering is being weighed against the likelihood of a successful and positive outcome whereby the amount of



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money invested in the litigations will materially exceed the amount invested in the litigation process. The Trust Board members, two of whom are the largest former shareholders in the Company, have interests which are aligned with the broader former shareholder base with regard to the largest possible return of funds to former Ironclad shareholders.

While there can be no assurances as to the outcome of pending litigation, we believe there will be additional distributions as the cases come to their rightful conclusions.

If you have any specific questions, you can email me at matthew@icpwliquidation.com

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew Pliskin", with a long horizontal flourish extending to the right.

Matthew Pliskin
Trustee
ICPW Liquidation Trust Corporation