

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

In re

PACE INDUSTRIES, LLC, et al.,¹

Debtors.

Chapter 11

Case No. 20-10927 (MFW)

(Jointly Administered)

Hearing Date: May 12, 2020 at 11:30 a.m. (ET)

Objection Deadline: April 30, 2020 at 4:00 p.m. (ET)

Ref. Docket Nos. 6, 7, 8, 9, 16, 17, 58, 59, 60, 61, 63 & 64

OMNIBUS NOTICE OF FIRST DAY PLEADINGS AND FINAL HEARING THEREON

PLEASE TAKE NOTICE that, on April 12, 2020, Pace Industries, LLC and its affiliated debtors, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), filed certain pleadings with the United States Bankruptcy Court for the District of Delaware (the “Court”) seeking “first day” relief, including the following (collectively, the “First Day Pleadings”):

1. Debtors’ Motion for Entry of Interim and Final Orders Pursuant to 11 U.S.C. §§ 105(a) and 366(b): (I) Prohibiting Utilities from Altering, Refusing, or Discontinuing Services, (II) Deeming Utilities Adequately Assured of Future Performance, and (III) Establishing Procedures for Determining Adequate Assurance of Payment [Docket No. 6, 4/12/20]
2. Debtors’ Motion for an Order, Pursuant to Sections 105, 345, 363 and 503 of the Bankruptcy Code, Bankruptcy Rules 6003 and 6004, and Local Rule 2015-2: (A) Authorizing and Approving (I) Continued Use of Cash Management System and (II) Use of Prepetition Bank Accounts and Business Forms, (B) Authorizing Banks to Honor Certain Transfers and Charge Certain Amounts, (C) Modifying the Requirements of Section 345 on an Interim Basis, (D) Authorizing Continued Intercompany Transactions and (E) Granting Related Relief [Docket No. 7, 4/12/20]
3. Debtors’ Motion for an Order (I) Authorizing the Debtors to (A) Continue Their Workers’ Compensation Programs and Their Liability, Property and Other Insurance Programs and (B) Pay Certain Obligations in Respect Thereof and (II) Authorizing the Debtors’ Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations [Docket No. 8, 4/12/20]

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: KPI Holdings, LLC (5032); KPI Capital Holdings, Inc. (6489); KPI Holdings, Inc. (6913); KPI Intermediate Holdings, Inc. (4492); Pace Industries, LLC (6490); Pace Industries, Inc. (6822); Pace FQE, LLC (3611); Port City Group, Inc. (6598); Muskegon Castings, LLC (6858); Alloy Resources, LLC (0283); and Pace Industries of Mexico, L.L.C. (5764). The Debtors’ headquarters are located at 481 South Shiloh Drive, Fayetteville, Arkansas 72704.



4. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Taxes and Regulatory Fees in the Ordinary Course of Business and (II) Authorizing Banks and Financial Institutions to Honor and Process Checks and Transfers Related Thereto [Docket No. 9, 4/12/20]
5. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay All Prepetition Trade and Other Unimpaired Claims in the Ordinary Course of Business, (II) Confirming Administrative Expense Priority of Undisputed and Outstanding Prepetition Orders, (III) Authorizing Financial Institutions to Honor and Process Checks and Transfers Related to Such Obligations, and (IV) Granting Related Relief [Docket No. 16, 4/12/20]
6. Debtors' Motion for Entry of Interim and Final Orders (A) Authorizing Debtors to Pay (I) Prepetition Employee Obligations and (II) Prepetition Withholding Obligations and (B) Authorizing Banks to Honor Related Transfers [Docket No. 17, 4/12/20]

PLEASE TAKE FURTHER NOTICE that a hearing on the First Day Pleadings was held on April 14, 2020, after which the Court entered orders granting the relief requested in the First Day Pleadings on an interim basis [Docket Nos. 58, 59, 60, 61, 63 and 64] (such interim orders, the "Interim Orders"). Concurrently herewith, you are being served with the First Day Pleadings and Interim Orders.

PLEASE TAKE FURTHER NOTICE that a hearing to consider final approval of the First Day Pleadings is scheduled for **May 12, 2020 at 11:30 a.m. (ET)** before the Honorable Mary F. Walrath, in the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 5th Floor, Courtroom 4, Wilmington, Delaware 19801.

PLEASE TAKE FURTHER NOTICE that any responses or objections to the entry of orders approving the interim relief set forth in the Interim Orders on a final basis must be filed on or before **April 30, 2020 at 4:00 p.m. (ET)** (the "Objection Deadline") with the United States Bankruptcy Court for the District of Delaware, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801. At the same time, copies of any responses or objections must be served so as to be received on or before the Objection Deadline upon the following parties (collectively, the "Notice Parties"): (i) the Debtors, 481 South Shiloh Drive, Fayetteville, Arkansas 72704 (Attn: Craig Potter); (ii) proposed co-counsel to the Debtors, (a) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, New York 10019, Attn: Rachel C. Strickland and Debra M. Sinclair (rstrickland@willkie.com and dsinclair@willkie.com), and (b) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: Robert S. Brady, Edmon L. Morton, and Joseph M. Mulvihill (rbrady@ycst.com, emorton@ycst.com, and jmulvihill@ycst.com); (iii) the Office of the United States Trustee for the District of Delaware, 844 North King Street, Suite 2207, Wilmington, Delaware 19801, Attn: David L. Buchbinder (David.L.Buchbinder@usdoj.gov); (iv) counsel to Bank of Montreal in its capacities as administrative agent under the Debtors' prepetition secured revolving credit facility and the Debtors' postpetition secured revolving credit facility, (a) McGuireWoods LLP, Attn: Brian I. Swett (bswett@mcguirewoods.com) and (b) Richards, Layton & Finger, P.A., Attn: John H. Knight (knight@rlf.com); (v) counsel to TCW Asset Management Company LLC in its capacities as administrative agent and collateral agent under the Debtors' prepetition senior secured notes agreement and the Debtors' postpetition secured term loan financing facility,

(a) Schulte Roth & Zabel LLP, Attn: Adam C. Harris (adam.harris@srz.com) and Kelly V. Knight (kelly.knight@srz.com), and (b) Landis Rath & Cobb LLP, Attn: Adam Landis (landis@lrclaw.com); (vi) counsel to certain holders of the Debtors' preferred equity, Gibson Dunn & Crutcher LLP, Attn: Jeffrey C. Krause (jkrause@gibsondunn.com); (vii) counsel to certain holders of the Debtors' preferred equity, Dorsey & Whitney LLP, Attn: Larry Makel (makel.larry@dorsey.com); (viii) counsel to Kenner & Company, Inc., Hughes Hubbard & Reed LLP, Attn: Kathryn A. Coleman (katie.coleman@hugheshubbard.com); (ix) the Internal Revenue Service (sbse.insolvency.balt@irs.gov); (x) the United States Attorney's Office for the District of Delaware (usade.ecfbankruptcy@usdoj.gov); and (xi) those creditors holding the twenty (20) largest unsecured claims against the Debtors (on a consolidated basis) at the email addresses provided in the Debtors' top 20 creditors list.

PLEASE TAKE FURTHER NOTICE THAT copies of the First Day Pleadings and Interim Orders may be obtained by visiting the website maintained by the Debtors' claims and noticing agent, Kurtzman Carson Consultants LLC at <http://www.kcellc.net/pace>; by request to Debtors' counsel at mgirello@ycst.com; or from the Bankruptcy Court's website, www.deb.uscourts.gov, for a fee. A PACER login and password are required to access documents on the Bankruptcy Court's website, and these can be obtained through the PACER Service Center at www.pacer.psc.uscourts.gov.

PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS OR RESPONSES TO THE FIRST DAY PLEADINGS ARE TIMELY FILED, SERVED, AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN CONNECTION WITH SUCH FIRST DAY PLEADINGS ON A FINAL BASIS WITHOUT FURTHER NOTICE OR HEARING.

Dated: April 15, 2020
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Joseph M. Mulvihill

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Proposed Counsel to the Debtors and Debtors in Possession