

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
)	
BJ SERVICES, LLC, <i>et al.</i> , ¹)	Case No. 20-33627 (MI)
)	
Debtors.)	(Jointly Administered)
)	

SOLICITATION AND VOTING PROCEDURES

PLEASE TAKE NOTICE THAT on September __, 2020, the United States Bankruptcy Court for the Southern District of Texas (the “Court”) entered an order (the “Disclosure Statement Order”): (a) authorizing the above-captioned debtors and debtors in possession (collectively, the “Debtors”), to solicit votes on the Plan included in the *Debtors’ Combined Disclosure Statement and Joint Chapter 11 Plan* (as may be amended, supplemented, or modified from time to time, the “Combined Plan and Disclosure Statement,” and the “Disclosure Statement” or “Plan,” as applicable);² (b) conditionally approving the Disclosure Statement as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code; (c) approving the solicitation materials and documents to be included in the solicitation packages (the “Solicitation Packages”); and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to confirmation of the Plan and final approval of the Disclosure Statement.

A. The Voting Record Date.

The Court has established **September 10, 2020**, as the record date for purposes of determining which Holders of Claims in Class 3 (Prepetition ABL Facility Claims), Class 4 (Equipment Term Loan Claims), Class 5 (Real Estate Term Loan Claims), and Class 6 (General Unsecured Claims) are entitled to vote on the Plan (the “Voting Record Date”).

B. The Voting Deadline.

The Court has approved **October 6, 2020, at 4:00 p.m.** prevailing Central Time as the voting deadline (the “Voting Deadline”) for the Plan. The Debtors may extend the Voting Deadline, in their discretion, without further order of the Court. To be counted as votes to accept

1 The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: BJ Services, LLC (3543); BJ Management Services, L.P. (8396); BJ Services Holdings Canada, ULC (6181); and BJ Services Management Holdings Corporation (0481). The Debtors’ service address is: 11211 Farm to Market 2920 Road, Tomball, Texas 77375.

2 Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Combined Plan and Disclosure Statement.

or reject the Plan, all ballots (each, a “Ballot”) must be properly executed, completed, and returned in the pre-paid, pre-addressed return envelope included in the Solicitation Package or delivered by: (1) first class mail; (2) overnight courier; (3) personal delivery; or (4) via E-Ballot, so that they are **actually received**, in any case, no later than the Voting Deadline by Donlin, Recano & Company, Inc. (the “Claims, Notice, and Solicitation Agent”). All Ballots should be submitted to: (1) if by mail, Donlin, Recano & Company, Inc., **Re: BJ Services, LLC**, Attn: Voting Department, P.O. Box 199043, Blythebourne Station, Brooklyn, New York 11219; (2) if by hand delivery or overnight courier, Donlin, Recano & Company, Inc., **Re: BJ Services, LLC**, Attn: Voting Department, 6201 15th Ave, Brooklyn, New York 11219; or (3) if via the online balloting portal, www.donlinrecano.com/clients/bjs/vote. Ballots submitted by facsimile, email or other means of electronic transmission (other than E-Ballot) will not be counted.

C. **Form, Content, and Manner of Notices.**

1. **The Solicitation Package.**

The following materials shall constitute the solicitation package (the “Solicitation Package”):

- a. a cover letter, in substantially the form annexed as Schedule 7 to the Disclosure Statement Order describing the contents of the Solicitation Package, including instructions to obtain access, free of charge, to the Combined Plan and Disclosure Statement and the Order (without exhibits, except the Solicitation and Voting Procedures) via www.donlinrecano.com/bjs and urging the Holders of Claims in each of the Voting Classes to vote to accept the Plan;
- b. a notice of the Combined Hearing, in substantially the form annexed as Schedule 8 to the Disclosure Statement Order (the “Combined Hearing Notice”);
- c. the applicable form of Ballot, in substantially the form of Ballots annexed as Schedule 3 to the Disclosure Statement Order, as applicable, and applicable voting instructions, each of which include the opportunity to opt out of certain third-party releases, together with a pre-addressed, postage prepaid return envelope;
- d. Committee Solicitation Letter; and
- e. any additional documents that the Court has ordered to be made available.

2. **Distribution of the Solicitation Package.**

The Solicitation Package shall include instructions to obtain access, free of charge, to the Combined Plan and Disclosure Statement and the Disclosure Statement Order (without exhibits except the Solicitation and Voting Procedures) in electronic format through the Debtors’ restructuring website (www.donlinrecano.com/bjs), and all other contents of the Solicitation Package, including Ballots, shall be provided in paper format. Any party that receives the materials

in electronic format but would prefer a flash drive or paper format of the Combined Plan and Disclosure Statement and the Disclosure Statement Order may contact Donlin, Recano & Company, Inc. (the “Claims, Notice, and Solicitation Agent”) by: (a) calling the Debtors’ restructuring hotline at (877) 274-7653 (toll free) or (212) 771-1128 (international); (b) visiting the Debtors’ restructuring website at: www.donlinrecano.com/bjs; (c) writing to Donlin, Recano & Company, Inc., Re: BJ Services, LLC, et al., 6201 15th Avenue, Brooklyn, NY 11219; and/or (d) emailing bjsinfo@donlinrecano.com and requesting paper copies of the corresponding materials previously received in electronic format (to be provided at the Debtors’ expense).

The Debtors shall serve, or cause to be served, all of the materials in the Solicitation Package on: (a) the U.S. Trustee; and (b) all parties who have requested service of papers in this case pursuant to Bankruptcy Rule 2002 as of the Voting Record Date. In addition, the Debtors shall mail, or cause to be mailed, on or before September 14, 2020, the Solicitation Package to all Holders of Claims in the Voting Classes who are entitled to vote, as described in section D below.

To avoid duplication and reduce expenses, the Debtors will use commercially reasonable efforts to ensure that any Holder of a Claim who has filed duplicative Claims against a Debtor (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class as against that Debtor.

3. Resolution of Disputed Claims for Voting Purposes; Resolution Event.

- a. Absent further order of the Court, the Holder of a Claim in a Voting Class that is the subject of a pending objection filed with the Bankruptcy Court by the Debtor on a “reduce and allow” basis shall be entitled to vote such Claim in the reduced amount contained in such objection.
- b. If a Claim or Interest in a Voting Class is subject to an objection other than a “reduce and allow” objection that is filed with the Court more than ten days before the Voting Deadline: (i) the Debtors shall cause the applicable Holder to be served with a disputed claim notice substantially in the form annexed as Schedule 6 to the Disclosure Statement Order (which notice shall be served together with such objection); and (ii) the applicable Holder shall not be entitled to vote to accept or reject the Plan on account of such claim unless a Resolution Event (as defined herein) occurs as provided herein.
- c. If a Claim or Interest in a Voting Class is subject to an objection other than a “reduce and allow” objection that is filed with the Court fewer than ten days before the Voting Deadline, the applicable Claim shall be deemed temporarily allowed for voting purposes only, without further action by the Holder of such Claim and without further order of the Court, unless the Court orders otherwise.
- d. A “Resolution Event” means the occurrence of one or more of the following events no later than two business days prior to the Voting Deadline:

- i. an order of the Court is entered allowing such Claim pursuant to section 502(b) of the Bankruptcy Code, after notice and a hearing;
 - ii. an order of the Court is entered temporarily allowing such Claim for voting purposes only pursuant to Bankruptcy Rule 3018(a), after notice and a hearing;
 - iii. a stipulation or other agreement is executed between the Holder of such Claim and the Debtors resolving the objection and allowing such Claim in an agreed upon amount;
 - iv. a stipulation or other agreement is executed between the Holder of such Claim and the Debtors temporarily allowing the Holder to vote its Claim in an agreed upon amount; or
 - v. the pending objection is voluntarily withdrawn by the objecting party.
- e. No later than two business days following the occurrence of a Resolution Event, the Debtors shall cause the Claims, Notice, and Solicitation Agent to distribute via email, hand delivery, or overnight courier service a Solicitation Package and a pre-addressed, postage prepaid envelope to the relevant Holder to the extent such Holder has not already received a Solicitation Package containing a Ballot.

4. Non-Voting Status Notices for Unimpaired Classes and Classes Deemed to Reject the Plan.

Certain Holders of Claims and Interests that are not classified in accordance with section 1123(a)(1) of the Bankruptcy Code or who are not entitled to vote because they are Unimpaired or otherwise presumed to accept the Plan under section 1126(f) of the Bankruptcy Code will receive the *Non-Voting Status Notice for Unimpaired Claims Conclusively Presumed to Accept the Plan*, substantially in the form annexed as Schedule 4 to the Disclosure Statement Order. Such notice will instruct these Holders as to how they may obtain copies of the documents contained in the Solicitation Package (excluding Ballots). Certain Holders of Claims and Interests who are not entitled to vote because they are deemed to reject the Plan under section 1126(g) of the Bankruptcy Code will receive the *Non-Voting Status Notice to Holders of Impaired Claims and Equity Interests Deemed to Reject the Plan*, substantially in the form annexed as Schedule 5 to the Disclosure Statement Order. Such notice will instruct these Holders as to how they may obtain copies of the documents contained in the Solicitation Package (excluding Ballots). Both forms of notice will include the opportunity to opt out of certain third-party releases.

5. Notices in Respect of Executory Contracts and Unexpired Leases.

Counterparties to Executory Contracts and Unexpired Leases that receive an *Assumption Notice* or a *Rejection Notice*, substantially in the forms attached as Schedule 9 and Schedule 10 to the Disclosure Statement Order, respectively, may file an objection to the Debtors' proposed assumption, rejection, and/or cure amount, as applicable. Such objections must be filed with the

Court no later than 14 days after service of the Debtors' proposed assumption or rejection of such executory contract or unexpired lease.

D. Voting and Tabulation Procedures.

1. Holders of Claims Entitled to Vote.

Only the following Holders of Claims in the Voting Classes shall be entitled to vote with regard to such Claims:

- a. holders of Claims who, on or before the Claims Bar Date, have timely filed a Proof of Claim (or an untimely Proof of Claim that has been Allowed as timely by the Bankruptcy Court under applicable law on or before the Voting Record Date) that (i) has not been expunged, disallowed, disqualified, withdrawn, or superseded prior to the Voting Record Date; and (ii) is not the subject of a pending objection filed with the Bankruptcy Court by the Debtors at least ten days prior to the Voting Deadline, pending a Resolution Event as provided herein, shall be allowed to vote in the amount of such claim; *provided* that a Holder of a Claim or Interest that is the subject of a pending objection on a "reduce and allow" basis shall receive a Solicitation Package and be entitled to vote such Claim in the reduced amount contained in such objection absent a further order of the Court;
- b. holders of Claims that are listed in the Schedules that have not filed a Proof of Claim as contemplated by paragraph a., above; *provided* that if such Claim is listed in the Schedules as contingent, disputed, or unliquidated, it shall be allowed to vote only in the amount of \$1.00;³
- c. holders whose Claims arise (i) pursuant to an agreement or settlement with the Debtors, as reflected in a document filed with the Court, (ii) in an order entered by the Court, or (iii) in a document executed by the Debtors pursuant to authority granted by the Court, in each case regardless of whether a Proof of Claim has been filed;
- d. holders of any Disputed Claim that has been temporarily allowed to vote on the Plan pursuant to Bankruptcy Rule 3018; and
- e. with respect to any Entity described in subparagraphs (a) through (d) above, who, on or before the Voting Record Date, has transferred such Entity's Claim to another Entity, the assignee of such Claim; *provided* that such transfer or assignment has been fully effectuated pursuant to the procedures set forth in Bankruptcy Rule 3001(e) and such transfer is reflected on the Claims Register on the Voting Record Date.

³ To the extent a Holder of a Claim is entitled to vote on account of a scheduled Claim, but later files a Claim prior to the Claims bar Date, such Holder will be entitled to vote pursuant to D.1.a.

2. Establishing Claim Amounts for Voting Purposes.⁴

Class 3 Claims. Class 3 Claims shall be Allowed in the amount of \$77,050,000 for voting purposes only.

Class 4 Claims. Class 4 Claims shall be Allowed in the amount of \$190,000,000, for voting purposes only.

Class 5 Claims. Class 5 Claims shall be Allowed in the amount of \$65,160,000, for voting purposes only.

Filed and Scheduled Claims. The Claim amount established herein shall control for voting purposes only and shall not constitute the Allowed amount of any Claim. Moreover, any amounts filled in on Ballots by the Debtors through the Claims, Notice, and Solicitation Agent, as applicable, are not binding for purposes of allowance and distribution. In tabulating votes, the following hierarchy shall be used to determine the amount of the Claim associated with each claimant's vote:

- a. the Claim amount (i) settled and/or agreed upon by the Debtors, as reflected in a document filed with the Court, (ii) set forth in an order of the Court, or (iii) set forth in a document executed by the Debtors pursuant to authority granted by the Court;
- b. the Claim amount Allowed (temporarily or otherwise) pursuant to a Resolution Event under Section C.3(d) of these Solicitation and Voting Procedures;
- c. the Claim amount contained in a Proof of Claim that has been timely filed by the applicable Claims Bar Date (or deemed timely filed by the Court under applicable law), except for any amounts asserted on account of any interest accrued after the Petition Date; *provided* that any Ballot cast by a Holder of a Claim who timely files a Proof of Claim in respect of (i) a contingent Claim or a Claim in a wholly-unliquidated or unknown amount (based on a reasonable review by the Debtors and/or the Claims, Notice, and Solicitation Agent) that is not the subject of an objection will count toward satisfying the dollar amount provisions of section 1126(c) of the Bankruptcy Code and, if a Proof of Claim is filed as partially liquidated and partially unliquidated, such Claim will be Allowed for voting purposes only in the liquidated amount; *provided, further*, that to the extent the Claim amount contained in the Proof of Claim is different from the Claim amount set forth in a document filed with the Bankruptcy Court as referenced in subparagraph (a) above, the Claim amount in the document filed with the Bankruptcy Court (other than the Schedules) shall supersede the Claim amount set forth on the respective Proof of Claim;

⁴ The amounts described herein are for description purposes only and are qualified in all respects by the Combined Plan and Disclosure Statement which shall control.

- d. in the event a Proof of Claim has not been timely filed by the Claims Bar Date, the Claim amount listed in the Schedules; *provided* that such Claim is not scheduled as contingent, disputed, or unliquidated and/or has not been paid; *provided, further*, that if the applicable Claim is listed in the Schedules as contingent, disputed, or unliquidated it shall be allowed to vote only in the amount of \$1.00; and
- e. in the absence of any of the foregoing, such Claim shall be disallowed for voting purposes unless otherwise ordered by the Bankruptcy Court.

3. **Voting and Ballot Tabulation Procedures.**

The following voting procedures and standard assumptions shall be used in tabulating Ballots, subject to the Debtors' right to waive any of the below specified requirements for completion and submission of Ballots so long as such requirement is not otherwise required by the Bankruptcy Code, Bankruptcy Rules, or Bankruptcy Local Rules:

- a. except as otherwise provided in the Solicitation and Voting Procedures, unless the Ballot being furnished is timely submitted on or prior to the Voting Deadline (as the same may be extended by the Debtors or by order of the Bankruptcy Court), the Debtors shall reject such Ballot as invalid and, therefore, shall not count it in connection with Confirmation of the Plan;
- b. the Claims, Notice, and Solicitation Agent will date-stamp all Ballots when received. The Claims, Notice, and Solicitation Agent shall retain the original Ballots and an electronic copy of the same for a period of one year after the Effective Date of the Plan, unless otherwise ordered by the Court. The Claims, Notice, and Solicitation Agent shall tabulate Ballots on a Debtor-by-Debtor basis;
- c. the Debtors will file with the Bankruptcy Court, not later than **October 8, 2020 at 4:00 p.m.**, prevailing Central Time a certification of votes (the "Voting Report"). The Voting Report shall, among other things, certify to the Court in writing the amount and number of allowed claims or allowed interests of each class accepting or rejecting the plan, and delineate every Ballot that does not conform to the voting instructions or that contains any form of irregularity including, but not limited to, those Ballots that are late or (in whole or in material part) illegible, unidentifiable, lacking signatures or lacking necessary information, received via facsimile, or damaged (each, an "Irregular Ballot"). The Voting Report shall indicate the Debtors' intentions with regard to each such Irregular Ballot. The Voting Report shall be served upon the Committee and the U.S. Trustee;
- d. the method of delivery of Ballots to be submitted to the Claims, Notice, and Solicitation Agent is at the election and risk of each Holder, and except as otherwise provided, a Ballot will be deemed delivered only when the

Claims, Notice, and Solicitation Agent actually receives the executed Ballot via mail, hand delivery, courier, or through E-Ballot;

- e. an executed Ballot (hard copy or E-Ballot) is required to be submitted by the Entity submitting such Ballot. Ballots submitted by facsimile, email or other means of electronic transmission will not be counted;
- f. no Ballot should be sent to the Debtors, the Debtors' agents (other than the Claims, Notice, and Solicitation Agent), the Debtors' financial or legal advisors, and if so sent will not be counted;
- g. if multiple Ballots are received from the same Holder with respect to the same Claim or Interest prior to the Voting Deadline, the last properly executed Ballot timely received will be deemed to reflect that voter's intent and will supersede and revoke any prior received Ballot;
- h. Holders must vote all of their Claims within a particular Class either to accept or reject the Plan and may not split any votes. Accordingly, a Ballot that partially rejects and partially accepts the Plan will not be counted. Further, to the extent there are multiple Claims within the same Class, the applicable Debtor may, in its discretion, aggregate the Claims of any particular Holder within a Class for the purpose of counting votes;
- i. a person signing a Ballot in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity of a Holder of Claims must indicate such capacity when signing;
- j. the Debtors, subject to a contrary order of the Court, may waive any defects or irregularities as to any particular Irregular Ballot at any time, either before or after the close of voting, and any such waivers will be documented in the Voting Report;
- k. neither the Debtors, nor any other Entity, will be under any duty to provide notification of defects or irregularities with respect to delivered Ballots other than as provided in the Voting Report, nor will any of them incur any liability for failure to provide such notification;
- l. unless waived or as ordered by the Court, any defects or irregularities in connection with deliveries of Ballots must be cured prior to the Voting Deadline or such Ballots will not be counted;
- m. in the event a designation of lack of good faith is requested by a party in interest under section 1126(e) of the Bankruptcy Code, the Court will determine whether any vote to accept and/or reject the Plan cast with respect to that Claim or Interest will be counted for purposes of determining whether the Plan has been accepted and/or rejected;

- n. if a Claim or Interest has been estimated or otherwise Allowed for voting purposes only by order of the Court, such Claim shall be temporarily Allowed in the amount so estimated or Allowed by the Court for voting purposes only, and not for purposes of allowance or distribution;
- o. if an objection to a Claim is filed, such Claim shall be treated in accordance with the procedures set forth herein;
- p. the following Ballots shall not be counted in determining the acceptance or rejection of the Plan: (i) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder of such Claim; (ii) any Ballot cast by any Entity that does not hold a Claim in a Voting Class; (iii) any Ballot cast for a Claim scheduled as unliquidated, contingent, or disputed for which no Proof of Claim was timely filed by the Voting Record Date, *provided* that if the applicable Claims Bar Date has not expired prior to the Voting Record Date, a Claim listed in the Schedules as contingent, disputed, or unliquidated shall be allowed to vote only in the amount of \$1.00; (iv) any unsigned Ballot or Ballot lacking an original signature (for the avoidance of doubt, a Ballot cast via electronic mail will be deemed to be an original signature); (v) any Ballot not marked to accept or reject the Plan or marked both to accept and reject the Plan; and (vi) any Ballot submitted by any Entity not entitled to vote pursuant to the procedures described herein;
- q. after the Voting Deadline, no Ballot may be withdrawn or modified without the prior written consent of the Debtors;
- r. the Debtors are authorized to enter into stipulations, with the Holder of any Claim agreeing to the amount of a Claim for voting purposes; and
- s. where any portion of a single Claim has been transferred to a transferee, all Holders of any portion of such single Claim will be (i) treated as a single creditor for purposes of the numerosity requirements in section 1126(c) of the Bankruptcy Code (and for the other voting and solicitation procedures set forth herein), and (ii) required to vote every portion of such Claim collectively to accept or reject the Plan. In the event that (x) a Ballot, (y) a group of Ballots within a Voting Class received from a single creditor, or (z) a group of Ballots received from the various Holders of multiple portions of a single Claim partially reject and partially accept the Plan, such Ballots shall not be counted.

E. Amendments to the Combined Plan and Disclosure Statement and Solicitation and Voting Procedures.

The Debtors reserve the right to make non-substantive or immaterial changes to the Combined Plan and Disclosure Statement, Ballots, Combined Hearing Notice, Cover Letter, Solicitation and Voting Procedures, Assumption and Rejection Notices, Voting and Tabulation

Procedures, and related documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors, if any, and to make conforming changes among the Combined Plan and Disclosure Statement and any other materials in the Solicitation Package before their distribution.

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