

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

In re:

MUJI U.S.A. LIMITED,¹

Debtor.

Chapter 11

Case No. 20-11805 (MFW)

SOLICITATION AND VOTING PROCEDURES

PLEASE TAKE NOTICE THAT on November 23, 2020, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered an order (the “Disclosure Statement Order”) [Docket No. 230]: (a) approving the *Disclosure Statement for Amended Chapter 11 Plan of Reorganization of MUJI U.S.A. Limited Pursuant to Chapter 11 of the Bankruptcy Code* (as approved by the Disclosure Statement Order, the “Disclosure Statement”) as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code;² (b) authorizing MUJI U.S.A. Limited, as debtor and debtor in possession (the “Debtor”) to solicit votes on the *Amended Chapter 11 Plan of Reorganization of MUJI U.S.A. Limited Pursuant to Chapter 11 of the Bankruptcy Code* (as amended, supplemented, or otherwise modified from time to time, the “Plan”); (c) approving the solicitation materials and documents to be included in the solicitation packages (collectively, the “Solicitation Packages”); and (d) approving procedures for soliciting, receiving, and tabulating votes on the Plan and for filing objections to the Plan.

A. The Voting Record Date

The Court has established **November 20, 2020** as the record date for purposes of determining which Holders of Class 3 and 4 Claims are entitled to vote on the Plan (the “Voting Record Date”).

B. The Voting Deadline

The Court has established **December 14, 2020 at 4:00 p.m. (prevailing Eastern Time)** as the deadline to submit Ballots and/or Opt-Out Forms (the “Voting Deadline”).

To be counted as votes to accept or reject the Plan, all Class 3 and Class 4 ballots (each a “Ballot” and collectively, the “Ballots”) must be properly executed, completed, and delivered by: (1) first class mail; (2) overnight courier; (3) personal delivery; or (4) electronic mail (in PDF or other standard format), so that they are *actually received*, in any case, no later than the Voting Deadline by Donlin, Recano & Company, Inc. (the “Notice and Claims Agent”).

¹ The last four digits of the Debtor’s federal tax identification number are 2229. The location of the Debtor’s principal place of business is 250 West 39th Street, Suite 605, New York, NY 10018.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan or the Disclosure Statement Order.

All Ballots should be sent to: (1) if by first-class mail, Donlin, Recano & Company, Inc., Re: MUJI U.S.A. Limited, Attn: Voting Department, PO Box 199043 Blythebourne Station, Brooklyn, New York 11219; (2) if by hand delivery or overnight courier, Donlin, Recano & Company, Inc., Re: MUJI U.S.A. Limited, Attn: Voting Department, 6201 15th Ave., Brooklyn, New York 11219; or (3) if via electronic mail, mujivote@donlinrecano.com.³ Delivery of a Ballot to the Notice and Claims Agent by facsimile shall not be valid.

Any Holder of a Claim that is (1) deemed to reject the Plan, (2) that is entitled to vote on the Plan but (X) does not return a ballot by the Voting Deadline or (Y) affirmatively opts out of the release under Article IX.C of the Plan by returning a properly completed ballot by the Voting Deadline and indicating on the Ballot that the Person or Entity opts out of the release under Article IX.C of the Plan, or (3) Files an objection to the releases contained in the Plan shall not be a “Releasing Party”. To the extent the Holder of a Claim is entitled to opt out of the Consensual Release set forth in Article IX.C of the Plan, to be counted as a Holder of a Claim deemed to have opted out of the Consensual Release, such Holder who votes to accept the Plan must properly execute, complete, and deliver an Opt-Out Form so that it is *actually received*, in any case, no later than the Voting Deadline by the Notice and Claims Agent.

All Opt-Out Forms should be sent to: (1) if by mail, Donlin, Recano & Company, Inc., Re: MUJI U.S.A. Limited, Attn: Voting Department, PO Box 199043 Blythebourne Station, Brooklyn, New York 11219; (2) if by hand delivery or overnight courier, Donlin, Recano & Company, Inc., Re: MUJI U.S.A. Limited, Attn: Voting Department, 6201 15th Ave., Brooklyn, New York 11219; or (3) if via electronic mail, mujivote@donlinrecano.com.⁴ Delivery of an Opt-Out Form to the Notice and Claims Agent by facsimile shall not be valid.

C. Form, Content, and Manner of Notices

1. The Solicitation Package

The following materials, in paper format, shall constitute the solicitation package (the “Solicitation Package”):

- a. these *Solicitation and Voting Procedures*;
- b. the Disclosure Statement (and exhibits thereto, including the Plan);
- c. the applicable form of Ballot, in substantially the form annexed as Schedule 2A and 2B to the Disclosure Statement Order, as applicable;

³ For any Ballot cast via electronic mail, the format of the attachment must be found in the common workplace and industry standard format (*i.e.*, industry-standard PDF file) and the received date and time in the Notice and Claims Agent’s inbox will be used as the timestamp for receipt.

⁴ For any Opt-Out Form submitted via electronic mail, the format of the attachment must be found in the common workplace and industry standard format (*i.e.*, industry-standard PDF file) and the received date and time in the Notice and Claims Agent’s inbox will be used as the timestamp for receipt.

- d. a Cover Letter, in substantially the form annexed as Schedule 5 to the Disclosure Statement Order, describing the contents of the Solicitation Package and urging the Holders of Claims in the Voting Classes to vote to accept the Plan;
- e. the Disclosure Statement Order (without schedules or exhibits); and
- f. the Confirmation Hearing Notice, in substantially the form annexed as Schedule 6 to the Disclosure Statement Order.

2. Distribution of the Solicitation Package

The Debtor will provide complete Solicitation Packages (excluding the Ballots) to the United States Trustee for the District of Delaware, the Securities and Exchange Commission, counsel to the DIP Lender, and to all parties required to be notified under Bankruptcy Rule 2002 and Local Rule 2002-1 (the “2002 List”) as of the Voting Record Date.

In addition, the Debtor shall mail, or cause to be mailed, the Solicitation Package to all Holders of Claims in the Voting Classes on or before **November 23, 2020**, who are entitled to vote, as described in section D below.

To avoid duplication and reduce expenses, the Debtor will make every reasonable effort to ensure that any Holder of a Claim who has filed duplicative Claims against the Debtor 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.

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

- a. Absent a further order of the Court, the Holder of a Claim in a Voting Class that is the subject of a pending objection on a “reduce and allow” basis filed on or before the date that is seven days before the Voting Deadline shall be entitled to vote such Claim in the reduced amount contained in such objection.
- b. Absent a further order of the Court, the Holder of a Claim that is the subject of a pending objection to reclassify the Claim into a Voting Class filed on or before the date that is seven days before the Voting Deadline shall be entitled to vote such Claim in such Voting Class and, to the extent the objection also seeks to “reduce and allow” the Claim, shall be entitled to vote such Claim in the reduced amount contained in such objection.
- c. If a Claim in a Voting Class is subject to an objection other than a “reduce and allow” objection that is filed with the Court on or prior to seven days before the Voting Deadline: (i) the Debtor shall cause the applicable Holder to be served with a Notice of Non-Voting Status with Respect to Disputed Claims substantially in the form annexed as Schedule 4 to the Disclosure Statement Order; 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.

- 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 Debtor resolving the objection and allowing such Claim in an agreed upon amount; or
 - iv. the pending objection is voluntarily withdrawn by the objecting party.
- e. No later than one business day following the occurrence of a Resolution Event, the Debtor shall cause the Notice and Claims Agent to distribute via email, hand delivery, or overnight courier service a Solicitation Package to the relevant Holder to the extent such Holder has not already received a Solicitation Package containing an appropriate form of Ballot.

4. Non-Voting Status Notices for Unimpaired Classes

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 only the Unimpaired Non-Voting Status Notice, in substantially the form attached as Schedule 3 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).

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 Voting Record Date, have timely filed a Proof of Claim 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 Court

before the Voting Record Date, pending a Resolution Event as provided herein shall receive a Solicitation Package and be entitled to vote such Claim;

- b. Holders of Claims that are listed in the Schedules in an amount greater than \$0; *provided*, that such Claims are not scheduled as contingent, unliquidated, or disputed and/or have not been paid in full or superseded by a timely filed Proof of Claim;
- c. Holders whose Claims arise (i) pursuant to an agreement or settlement with the Debtor, 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 Debtor 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. the assignee of any Claim that was transferred on or before the Voting Record Date by any Person described in subparagraphs (a) through (d) above; *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.

2. Establishing Claim Amounts for Voting Purposes.

Class 3 Claims. The amount of Class 3 Claims for voting purposes only will be established based on the amount of the applicable positions held by such Class 3 Claim Holder as of the Voting Record Date, as evidenced by (a) the Schedules and (b) the claims register maintained in this chapter 11 case. Proofs of Claim filed for \$0.00 are not entitled to vote.

If a timely filed Proof of Claim is amended, the last filed claim shall be subject to these rules and will supersede any earlier filed claim, and any earlier filed claim will be disallowed for voting purposes. Except as otherwise ordered by the Court, any amendments to Proofs of Claim after the Voting Record Date shall not be considered for purposes of these tabulation rules.

Class 4 Claims. The amount of Class 4 Claims for voting purposes only will be established based on the amount of the position held by the Class 4 Claim Holder as of the Voting Record Date, as evidenced by (a) the Schedules and (b) the claims register maintained in this chapter 11 case.

If a timely filed Proof of Claim is properly amended, the last filed Claim shall be subject to these rules and will supersede any earlier filed Claim, and any earlier filed Claim will be disallowed for voting purposes. Except as otherwise ordered by the Court, any amendments to Proofs of Claim after the Voting Record Date shall not be considered for purposes of these tabulation rules.

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. In tabulating votes, the following hierarchy shall be used to determine the amount of the Claim associated with each claimant's vote:

- i. the Claim amount (1) settled and/or agreed upon by the Debtor, as reflected in a document filed with the Court, (2) set forth in an order of the Court, or (3) set forth in a document executed by the Debtor pursuant to authority granted by the Court;
- ii. the Claim amount Allowed (temporarily or otherwise) pursuant to a Resolution Event under Section C.3.d. of these Solicitation and Voting Procedures;
- iii. the Claim amount contained in a Proof of Claim that has been timely filed by the applicable Bar Date (or deemed timely filed by the Court), except for any amounts asserted on account of any interest accrued after the Petition Date; *provided, however*, that any Ballot cast by a Holder of a Claim who timely files a Proof of Claim in respect of (1) a contingent Claim or a Claim in a wholly-unliquidated or unknown amount (based on a reasonable review by the Debtor and/or the Notice and Claims Agent) that is not the subject of an objection by the Voting Record Date will count toward satisfying the numerosity requirement of section 1126(c) of the Bankruptcy Code and will count as a Ballot for a Claim in the amount of \$1.00 solely for the purposes of satisfying the dollar amount provisions of section 1126(c) of the Bankruptcy Code, and (2) a partially liquidated and partially unliquidated Claim, such Claim will be Allowed for voting purposes only in the liquidated amount; *provided further, however*, that to the extent the Claim amount contained in the Proof of Claim is different from the Claim amount (A) settled and/or agreed upon by the Debtor, as reflected in a document filed with the Court, (B) set forth in an order of the Court, or (C) set forth in a document executed by the Debtor pursuant to authority granted by the Court, such Claim amount shall supersede the Claim amount set forth on the respective Proof of Claim for voting purposes;
- iv. the Claim amount listed in the Schedules (to the extent such Claim is not superseded by a timely filed Proof of Claim); *provided* that such Claim is not scheduled as contingent, disputed, or unliquidated and/or has not been paid in full; and
- v. in the absence of any of the foregoing, such Claim shall be disallowed for voting purposes.

3. Voting and Ballot Tabulation Procedures.

The following voting procedures and standard assumptions shall be used in tabulating Ballots, subject to the Debtor's 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 Local Rules:

- a. except as otherwise provided in these 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 Debtor in its sole discretion), the Debtor, in its sole discretion, shall be entitled to reject such Ballot as invalid and, therefore, not count it in connection with Confirmation of the Plan, unless otherwise ordered by the Court;
- b. the Debtor will file with the Court by no later than December 18, 2020, at 4:00 p.m. (prevailing Eastern Time) a voting report (the "Voting Report"). The Voting Report shall, among other things, 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 (collectively, in each case, the "Irregular Ballots"). The Voting Report shall indicate the Debtor's intentions with regard to each Irregular Ballot;
- c. the method of delivery of Ballots to be sent to the Notice and Claims Agent is at the election and risk of each Holder. Except as otherwise provided, a Ballot will be deemed delivered only when the Notice and Claims Agent actually receives the properly executed Ballot;
- d. an executed Ballot is required to be submitted by the Person submitting such Ballot. Subject to the other procedures and requirements herein, completed, executed Ballots may be submitted via electronic mail, in PDF format, to the Notice and Claims Agent at muji vote@donlinrecano.com. However, Ballots submitted by facsimile will not be valid or counted;
- e. no Ballot should be sent to the Debtor, the Debtor's agents (other than the Notice and Claims Agent), the Debtor's financial or legal advisors, and if so sent will not be counted unless otherwise agreed to by the Debtor in its sole discretion;
- f. if multiple Ballots are received from the same Holder with respect to the same Claim 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;
- g. Holders must vote all of their Claims within the Voting 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;

- h. 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;
- i. the Debtor, subject to a contrary order of the Court, may waive any defects or irregularities as to any particular Irregular Ballot at any time in its sole discretion, either before or after the close of voting, and any such waivers will be documented in the Voting Report;
- j. neither the Debtor, nor any other Person, 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;
- k. 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;
- l. 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;
- m. subject to any order of the Court, the Debtor reserves the right to reject any and all Ballots not in proper form, the acceptance of which, in the opinion of the Debtor, would not be in accordance with the provisions of the Bankruptcy Code or the Bankruptcy Rules; *provided* that any such rejections will be documented in the Voting Report;
- n. if a Claim has been estimated or a Claim or Interest has otherwise been Allowed only for voting purposes by order of the Court, such Claim or Interest 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 or Interest; (ii) any Ballot cast by any Person that does not hold a Claim or Interest in the 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 Bar Date; (iv) any unsigned Ballot; (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 Person 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 Debtor;
- r. the Debtor is authorized to enter into stipulations with the Holder of any Claim agreeing to the amount of a Claim for voting purposes;
- 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 the 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; and
- t. for purposes of the numerosity requirement of section 1126(c) of the Bankruptcy Code, separate Claims held by a single creditor in a particular Class will be aggregated and treated as if such creditor held one Claim in such Class, and all votes related to such Claim will be treated as a single vote to accept or reject the Plan; *provided, however*, that if separate affiliated entities hold Claims in a particular Class, these Claims will not be aggregated and will not be treated as if such creditor held one Claim in such Class, and the vote of each affiliated entity will be counted separately as a vote to accept or reject the Plan.

E. Amendments to the Plan and Solicitation and Voting Procedures.

The Debtor reserves the right to make non-substantive or immaterial changes to the Disclosure Statement, Plan (including, for the avoidance of doubt, the Plan Supplement), Ballots, Confirmation Hearing Notice, 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 Disclosure Statement, the Plan, and any other materials in the Solicitation Package before their distribution; *provided* that all such modifications shall be made in accordance with the terms of the document being modified and the Plan and the DIP Loan Agreement.