

THIS PROPOSED DISCLOSURE STATEMENT IS DISTRIBUTED IN ORDER TO PROVIDE ADEQUATE INFORMATION TO CREDITORS IN CONNECTION WITH THEIR VOTE ON THE JOINT PLAN OF LIQUIDATION. THE PLAN PROPONENTS IN THESE CASES ARE PERMITTED TO DISTRIBUTE AND HAVE DISTRIBUTED THIS DISCLOSURE STATEMENT BEFORE ITS FINAL APPROVAL BY THE BANKRUPTCY COURT. IF AN OBJECTION TO THIS DISCLOSURE STATEMENT IS FILED BY A PARTY IN INTEREST, FINAL APPROVAL OF THIS DISCLOSURE STATEMENT WILL BE CONSIDERED AT OR BEFORE THE HEARING ON CONFIRMATION OF THE PLAN.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
Signature Styles, LLC, *et al.*,¹) Case No. 11-11733 (KG)
a Delaware limited liability company,)
) Jointly Administered
Debtors.)

DISCLOSURE STATEMENT FOR JOINT PLAN OF LIQUIDATION FILED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

Dated: November 18, 2011

Dated: November 18, 2011

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¹ The Debtors in these chapter 11 cases, the last four digits of each tax identification number, and their respective case numbers are: (i) Signature Styles, LLC (4502) (Case No. 11-11733 (KG)) and (ii) Signature Styles Gift Cards, LLC (8699) (Case No. 11-11734 (KG)). The location of the Debtors' corporate headquarters was: 711 Third Avenue, 4th Floor, New York, New York 10017.

Signature Styles, LLC and Signature Styles Gift Cards, LLC (collectively, the “**Debtors**”) and their official committee of unsecured creditors (the “**Committee**,” and collectively with the Debtors, the “**Plan Proponents**”) submit this Disclosure Statement pursuant to section 1125 of the Bankruptcy Code for use in the solicitation of votes on the *Joint Plan of Liquidation filed by the Debtors and the Official Committee of Unsecured Creditors* (the “**Plan**”), dated as of November 18, 2011. A copy of the Plan is attached to this Disclosure Statement as **Exhibit A**.²

The Plan is the culmination of the Debtors’ bankruptcy cases, in which the Debtors sold substantially all of their assets to Artemiss, LLC (the “**Purchaser**”), an affiliate of their prepetition secured lenders and equity holder, Patriarch Partners, LLC (“**Patriarch**”). The sale was consummated only after the Committee agreed not to oppose the sale to the Purchaser on the condition that, among other things, the Purchaser increased the purchase price for the Debtors’ Assets by providing \$2 million in cash (the original asset purchase agreement provided only for a credit bid of a portion of Patriarch’s secured debt), agreed to fund any ordinary course administrative obligations of the Debtors, agreed to waive all chapter 5 causes of action it acquired against the Debtors’ creditors, paid all cure amounts on account of assumed contracts, and waived any and all of its claims against the Debtors.

PURSUANT TO THE DEBTORS’ ASSET PURCHASE AGREEMENT WITH THE PURCHASER, THE PURCHASER WILL ACCEPT (I) THE DEBTORS’ UNREDEEMED GIFT CARDS THROUGH FEBRUARY 24, 2012 AND (II) OUTSTANDING MERCHANDISE CREDITS THROUGH OCTOBER 24, 2012. UNDER THE PLAN, ALLOWED (I) GIFT CARD CLAIMS ARE CLASSIFIED AS PRIORITY CLAIMS, WHICH WILL BE PAID IN FULL AND (II) MERCHANDISE CREDIT CLAIMS ARE CLASSIFIED AS GENERAL UNSECURED CLAIMS, WHICH WILL RECEIVE THEIR PRO SHARE OF DISTRIBUTABLE CASH (PROJECTED TO PROVIDE FOR A DISTRIBUTION OF APPROXIMATELY 8-10%). IN ORDER TO PREVENT CREDITORS HOLDING GIFT CARD CLAIMS AND MERCHANDISE CREDIT CLAIMS FROM OBTAINING A RECOVERY FROM BOTH THE DEBTORS AND THE PURCHASER, THE PLAN PROVIDES AS FOLLOWS:

- **CREDITORS HOLDING UNREDEEMED GIFT CARDS THAT FILED CLAIMS AGAINST THE DEBTORS MAY EITHER (I) RECEIVE A DISTRIBUTION UNDER THE PLAN (PROVIDED THAT SUCH GIFT CARD EXCEEDS \$50.00) BY ELECTING TO RECEIVE SUCH DISTRIBUTION IN ACCORDANCE WITH SECTION 1.2.B. THEREOF, OR (II) RETAIN THEIR GIFT CARD AND REDEEM IT BY GOING TO www.spiegel.com/award BEFORE FEBRUARY 24, 2012.**
- **CREDITORS HOLDING UNUSED MERCHANDISE CREDITS THAT FILED CLAIMS AGAINST THE DEBTORS MAY EITHER (I) RECEIVE A DISTRIBUTION UNDER THE PLAN (PROVIDED THAT THE AMOUNT OF SUCH MERCHANDISE CREDIT’S PRO RATA DISTRIBUTION EXCEEDS \$50.00) BY ELECTING TO RECEIVE SUCH DISTRIBUTION IN ACCORDANCE WITH SECTION 1.3.B. THEREOF, OR (II) RETAIN THEIR MERCHANDISE CREDIT AND REDEEM IT BY GOING TO www.spiegel.com/award BEFORE OCTOBER 24, 2012.**

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

BASED UPON THE PLAN PROPONENTS' CURRENT ESTIMATE OF THE ALLOWED CLAIMS IN THESE CHAPTER 11 CASES, THE PLAN PROVIDES FOR A RECOVERY TO HOLDERS OF ALLOWED GENERAL UNSECURED CLAIMS AND MERCHANDISE CREDIT CLAIMS OF APPROXIMATELY 8-10%.³ THERE WILL BE NO RECOVERY FOR HOLDERS OF EQUITY INTERESTS UNTIL ALL ALLOWED CLAIMS ARE PAID IN FULL. AT THIS TIME, IT IS NOT EXPECTED THAT HOLDERS OF EQUITY INTERESTS WILL RECEIVE ANY DISTRIBUTIONS ON ACCOUNT OF THEIR EQUITY INTERESTS.

This Disclosure Statement sets forth additional information regarding the sale of the Debtors' Assets, the Committee's initial opposition thereto and the agreement amongst the parties which paved the way for a sale of substantially all of the Debtors' Assets to the Purchaser. This Disclosure Statement also summarizes the Plan, certain effects of confirmation of the Plan, and the manner in which Distributions will be made under the Plan. In addition, this Disclosure Statement discusses the confirmation process and the voting procedures that Holders of Claims entitled to vote under the Plan must follow for their votes to be counted.

THE PLAN PROPONENTS URGE CREDITORS TO VOTE TO ACCEPT THE PLAN BECAUSE THE PLAN WILL MAXIMIZE THE RECOVERY FOR CREDITORS AND ACCOMPLISH THE OBJECTIVES OF CHAPTER 11. THE PLAN PROPONENTS BELIEVE ACCEPTANCE OF THE PLAN IS IN THE BEST INTERESTS OF THE DEBTORS, THEIR CREDITORS, AND THEIR ESTATES AND THAT THE PLAN PROVIDES THE HIGHEST OR OTHERWISE BEST RECOVERY FOR HOLDERS OF GENERAL UNSECURED AND MERCHANDISE CREDIT CLAIMS. A LETTER FROM THE COMMITTEE EXPRESSING ITS SUPPORT FOR THE PLAN IS ATTACHED HERETO AS EXHIBIT B.

PLEASE REVIEW THIS DISCLOSURE STATEMENT FOR IMPORTANT INFORMATION REGARDING:

- Description of the Debtors;
- Classification and treatment of Claims and Equity Interests;
- Distribution to Holders of Allowed General Unsecured;
- The procedure which Holders of Gift Card Claims and Merchandise Credit Claims must follow in order to receive a Distribution under the Plan; and
- Implementation and execution of the Plan

AND IMPORTANT DATES:

- Date to Determine Record Holders of Claims and Equity Interests;

³ The projected recovery for Holders of Allowed General Unsecured Claims is based upon the estimated amount of (i) the Debtors' Cash available for distribution and (ii) Allowed Administrative, Priority and General Unsecured Claims. Although the Bar Date for General Unsecured Claims has passed, the Bar Date for governmental dates has not. Thus, unprojected Priority Claims may impact the estimated amount of Distributable Cash available for General Unsecured Creditors. Moreover, the extent and amount of valid General Unsecured Claims is unknown as of the date of the distribution of this Disclosure Statement as the Debtors have not completed the claims reconciliation process. Therefore, the actual amount of general unsecured debt may vary materially from the foregoing estimate. Accordingly, the projected recovery for General Unsecured Creditors depends upon the completion and successful resolution of the claims reconciliation process and the amount of Administrative and /or Priority Claims filed.

- Deadline to submit Ballots; and
- Deadline to object to the adequacy of this Disclosure Statement and Confirmation of the Plan.

FOR CREDITORS HOLDING CLASS III.A. GENERAL UNSECURED CLAIMS, YOUR BALLOT TO VOTE ON THE PLAN IS ATTACHED TO THIS DISCLOSURE STATEMENT AS EXHIBIT 1.2.9.

FOR CREDITORS HOLDING CLASS III.B. MERCHANDISE CREDIT CLAIMS, YOUR CLASS III.B. BALLOT TO VOTE ON THE PLAN AND DISTRIBUTION ELECTION FORM IS ATTACHED TO THIS DISCLOSURE STATEMENT AS EXHIBIT 1.2.24.

IN EITHER CASE, PLEASE COMPLETE AND RETURN THE APPLICABLE BALLOT IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH IN THE BALLOT BY NO LATER THAN DECEMBER 9, 2011 AT 5:00 P.M. ET.

1. **INTRODUCTION.**

1.1 **GENERAL INFORMATION.**

MUCH OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN TAKEN, IN WHOLE OR IN PART, FROM INFORMATION CONTAINED IN THE DEBTORS' BOOKS AND RECORDS AND PLEADINGS FILED BY THE DEBTORS. THE DEBTORS' WIND DOWN OFFICER HAS NO INDEPENDENT KNOWLEDGE OF SUCH INFORMATION AND IS RELYING UPON THE INFORMATION PROVIDED TO HIM BY THE DEBTORS' PREVIOUS MANAGEMENT TEAM. STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN. ALTHOUGH THE PLAN PROPONENTS HAVE ATTEMPTED TO BE ACCURATE IN ALL MATERIAL RESPECTS, THE PLAN PROPONENTS ARE UNABLE TO WARRANT OR REPRESENT THAT ALL OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT IS WITHOUT ERROR. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE ONLY AS OF THE DATE HEREOF, AND THERE CAN BE NO ASSURANCE THAT THE STATEMENTS CONTAINED HEREIN WILL BE CORRECT AT ANY TIME AFTER THE DATE HEREOF.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(c) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE AND NOT IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER RULES GOVERNING DISCLOSURE OUTSIDE THE CONTEXT OF CHAPTER 11. THIS DISCLOSURE STATEMENT HAS NEITHER BEEN APPROVED NOR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION PASSED UPON ITS ACCURACY.

NO REPRESENTATION CONCERNING THE DEBTORS OR THE VALUE OF THE DEBTORS' ASSETS HAS BEEN AUTHORIZED BY THE BANKRUPTCY COURT OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT OR ANY OTHER DISCLOSURE STATEMENT APPROVED BY THE BANKRUPTCY COURT. THE PLAN PROPONENTS ARE NOT RESPONSIBLE FOR ANY INFORMATION, REPRESENTATION OR INDUCEMENT MADE TO OBTAIN YOUR ACCEPTANCE, WHICH IS OTHER THAN, OR INCONSISTENT WITH, THE INFORMATION CONTAINED HEREIN AND IN THE PLAN.

YOU ARE STRONGLY URGED TO CONSULT WITH YOUR FINANCIAL, LEGAL, AND TAX ADVISORS TO FULLY UNDERSTAND THE PLAN AND THIS DISCLOSURE STATEMENT. THIS DISCLOSURE STATEMENT IS INTENDED, AMONG OTHER THINGS, TO SUMMARIZE THE PLAN AND MUST BE READ IN CONJUNCTION WITH THE PLAN AND ITS EXHIBITS, IF ANY. IF ANY CONFLICTS EXIST BETWEEN THE PLAN AND THIS DISCLOSURE STATEMENT, THE TERMS OF THE PLAN SHALL CONTROL.

IF A HOLDER OF A CLAIM WISHES TO CHALLENGE THE ALLOWANCE OR DISALLOWANCE OF A CLAIM FOR VOTING PURPOSES, SUCH ENTITY MUST FILE A MOTION, PURSUANT TO BANKRUPTCY RULE 3018(a), FOR AN ORDER TEMPORARILY ALLOWING SUCH CLAIM IN A DIFFERENT AMOUNT OR CLASSIFICATION FOR PURPOSES OF VOTING TO ACCEPT OR REJECT THE PLAN, AND SERVE SUCH MOTION ON THE PLAN NOTICE PARTIES SO THAT IT IS RECEIVED NO LATER THAN **DECEMBER 7, 2011 AT 4:00 P.M., PREVAILING EASTERN TIME.** UNLESS THE BANKRUPTCY COURT ORDERS OTHERWISE, SUCH CLAIM WILL NOT BE COUNTED FOR VOTING PURPOSES IN EXCESS OF THE AMOUNT DETERMINED IN ACCORDANCE WITH THE TABULATION RULES.

TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, HOLDERS OF CLAIMS AND EQUITY INTERESTS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES CONTAINED OR REFERRED TO IN THIS DISCLOSURE STATEMENT IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY HOLDERS OF CLAIMS OR EQUITY INTERESTS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS WRITTEN IN CONNECTION WITH THE PROMOTION OR MARKETING BY THE PLAN PROPONENTS OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) HOLDERS OF CLAIMS AND EQUITY INTERESTS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

1.2 **DEFINITIONS**

Unless the context otherwise requires, the following terms shall have the respective meanings set forth below.

1.2.1. **Administrative Claim Bar Date:** The date that is thirty (30) days after the Effective Date.

1.2.2. **Administrative Claim:** Any cost or expense of administration of the Case allowed by the Bankruptcy Court pursuant to section 503(b) of the Bankruptcy Code, excluding Professional Fee Claims and United States Trustee Fees.

1.2.3. **Allowed Claim:** (a) a Claim that (i) has been listed by the Debtors on their Schedules as non-disputed, non-contingent and liquidated and (ii) is not a Disputed Claim; (b) a Claim (i) for which a proof of Claim or request for payment of Administrative Claim (or similar request) has been Filed by the applicable Bar Date or otherwise has been deemed timely Filed under applicable law and (ii) that is not a Disputed Claim; (c) a Claim that is allowed: (i) in any stipulation executed by or on behalf of (a) the Debtors and the Claim Holder; (ii) in any contract, instrument or other agreement entered into in connection with the Plan and, if prior to the Effective Date, approved by the Bankruptcy Court; (iii) pursuant to a Final Order; or (iv) pursuant to the terms of the Plan; or (d) a Claim that the Plan Proponents determine prior to the Claims Objection Deadline or Administrative Claim Objection Deadline, as the case may be,

(i) should not be subject to an objection or to an amendment to the Schedules and (ii) should be satisfied in accordance with the terms of the Plan on or after the Effective Date. When used in connection with a Gift Card Claim, a Gift Card Claim shall only be deemed Allowed if the Creditor holding such Claim has timely returned (i) the Gift Card Distribution Election Form and (ii) its unredeemed Gift Card, as required by Section 1.2.B. of the Plan. When used in connection with a Merchandise Credit Claim, a Merchandise Credit Claim shall only be deemed Allowed if the Creditor holding such Claim has timely returned (i) the Class III.B. Ballot and Distribution Election Form and (ii) its unused Merchandise Credit or the code evidencing such credit, as required by Section 1.3.B. of the Plan. Unless otherwise specified in the Plan, an "Allowed Claim" shall not include: (a) interest on the principal amount of the Allowed Claim from and after the Petition Date; (b) any punitive damages; or (c) Claims that are Assumed Liabilities under the Asset Purchase Agreement and Sale Order.

1.2.4. **Allowed Class [. . .] Claim:** An Allowed Claim in the designated Class.

1.2.5. **Asset Purchase Agreement:** The Amended and Restated Asset Purchase Agreement dated September 8, 2011, by and between the Debtors and the Purchaser.

1.2.6. **Assets:** Any and all right, title, and interest of the Debtors in and to property of whatever type or nature.

1.2.7. **Assumed Liabilities:** Certain liabilities of the Debtors assumed by the Purchaser pursuant to the Asset Purchase Agreement and the Sale Order.

1.2.8. **Avoidance Actions:** Any right, demand, claim, action or cause of action which constitutes an avoidance action of the Debtors' estates under Chapter 5 of the Bankruptcy Code and any other applicable provisions of the Bankruptcy Code, including any and all proceeds of the foregoing, which were previously purchased by the Purchaser and waived by it pursuant to the Asset Purchase Agreement.

1.2.9. **Ballot:** The form, attached hereto as **Exhibit 1.2.9**, distributed to each Holder of an Impaired Class III.A. Claim entitled to vote on the Plan on which the Holder may indicate acceptance or rejection of the Plan or any election for treatment of such Claim under the Plan.

1.2.10. **Balloting Agent:** Delaware Claims Agency, LLC or such other entity determined by the Debtors in consultation with the Committee.

1.2.11. **Bankruptcy Code:** Title 11 of the United States Code, as in effect on the Petition Date and as thereafter amended, if such amendments are made applicable to the Case.

1.2.12. **Bankruptcy Court:** The United States Bankruptcy Court for the District of Delaware.

1.2.13. **Bankruptcy Rules:** Collectively, the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, as now in effect or hereafter amended, applicable to the Case.

1.2.14. **Bar Date:** Collectively, (i) September 9, 2011 at 4:00 p.m. (Eastern Time), pursuant to the *Order (I) Establishing Bar Dates for Filing Proofs of Claim, Including Claims Arising Under 11 U.S.C. Section 503(b)(9) and Claims Related to Gift Cards and Merchandise Credit, and (II) Approving Form and Manner of Notice Thereof*. [Docket No. 188], (ii) December 5, 2011, the governmental bar date set pursuant to Section 502(b)(9) of the Bankruptcy Code, and (iii) the Administrative Claim Bar Date.

1.2.15. **Bidding Procedures Motion:** The *Motion for an Order (I) Approving Bidding Procedures for the Sale of Substantially All of Their Assets, (II) Approving Certain Bidding Protections, (III) Approving the Form and Manner of Notice of the Sale and Assumption and Assignment of Executory Contracts and Unexpired Leases and (IV) Scheduling an Auction and Sale Hearing* filed by the Debtors on June 7, 2011. [Docket No. 19].

1.2.16. **Bidding Procedures Order:** The *Order (I) Approving Bidding Procedures for the Sale of Substantially All of the Debtors' Assets, (II) Approving Certain Bidding Protections, (III) Approving the Form and Manner of Notice of the Sale and Assumption and Assignment of Executory Contracts and Unexpired Leases and (IV) Scheduling an Auction and Sale Hearing*. [Docket No. 187].

1.2.17. **Business Day:** Any day except a Saturday, Sunday or any day on which commercial banks in the State of Delaware are authorized or required by applicable law to close.

1.2.18. **Case(s):** With respect to each of the Debtors, the chapter 11 case initiated by such Debtor's Filing on the Petition Date of a voluntary petition for relief in the Bankruptcy Court under chapter 11 of the Bankruptcy Code. The Cases are being jointly administered in the Bankruptcy Court as Bankruptcy Case No. 11-11733 (KG) pursuant to the *Order Authorizing Joint Administration of the Debtors' Related Chapter 11 Cases* entered by the Bankruptcy Court on June 8, 2011. [Docket No. 37]

1.2.19. **Cash:** Legal tender of the United States of America and any equivalent thereof.

1.2.20. **Causes of Action:** Any and all actions, proceedings, accounts, controversies, agreements, promises, and claims of the Debtors and their estates other than Avoidance Actions.

1.2.21. **Charity:** A reputable charitable organization to be chosen by the Plan Proponents.

1.2.22. **Claim:** A claim, as defined in section 101(5) of the Bankruptcy Code, against the Debtors, whether or not asserted or Allowed.

1.2.23. **Class [. . .] Claim / Equity Interest:** The specific Class into which Claims or Equity Interests are classified pursuant to the Plan.

1.2.24. **Class III.B. Ballot and Distribution Election Form:** The form attached hereto as **Exhibit 1.2.24**, pursuant to which Creditors holding Merchandise Credit Claims must (i) vote to accept or reject the Plan and (ii) elect to either (a) receive a Distribution from the Debtors' estates under the Plan or (b) redeem their Merchandise Credit through the Purchaser, which agreed to accept such Merchandise Credits through October 24, 2012.

1.2.25. **Class:** A category of Claims or Equity Interests designated pursuant to the Plan.

1.2.26. **Closing Date:** September 13, 2011, the date on which the Debtors closed on the Sale of substantially all of their Assets pursuant to the Asset Purchase Agreement and the Sale Order.

1.2.27. **Committee:** The official committee of unsecured creditors appointed by the United States Trustee in the Case pursuant to section 1102 of the Bankruptcy Code, as its composition may be changed from time to time by addition, resignation, or removal of its members.

1.2.28. **Confirmation Date:** The date on which the Bankruptcy Court enters the Confirmation Order on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

1.2.29. **Confirmation Hearing:** Collectively, the hearing or hearings held by the Bankruptcy Court on Confirmation of the Plan, as such hearing or hearings may be continued from time to time.

1.2.30. **Confirmation Order:** The Order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

1.2.31. **Confirmation:** Entry by the Bankruptcy Court of the Confirmation Order.

1.2.32. **Creditor:** Holder of a Claim.

1.2.33. **Debtor(s):** Signature Styles, LLC and Signature Styles Gift Cards, LLC.

1.2.34. **Disallowed:** A Claim or any portion thereof that is not Allowed.

1.2.35. **Disputed Claim:** (i) If no proof of Claim or request for payment of Administrative Claim has been Filed by the applicable Bar Date or has otherwise been deemed timely Filed under applicable law, (i) a Claim that is listed on the Debtors' Schedules as disputed, contingent or unliquidated or (ii) a Claim that is not listed on the Debtors' Schedules; (ii) if a proof of Claim or request for payment of Administrative Claim has been Filed by the applicable Bar Date or has otherwise been deemed timely Filed under applicable law, a Claim for which an objection, complaint or request for estimation has been Filed by the Debtors by the Claims Objection Deadline and Administrative Claim Objection Deadline, as the case may be, and such objection has not been withdrawn or denied in its entirety by a Final Order; and (iii) a Claim for which a proof of Claim or request for payment of Administrative Claim is required to be Filed under the Plan and no such proof of Claim or request for payment of Administrative Claim is timely Filed.

1.2.36. **Distributable Cash:** All Cash after (i) payment of unpaid Allowed Administrative Claims, Allowed Priority Tax Claims, United States Trustee Fees, Allowed Professional Fee Claims, Allowed Secured Claims and Allowed Priority Claims and (ii) the imposition of such reserves as the Plan Proponents deem appropriate.

1.2.37. **Distribution:** The Debtors' distribution of Distributable Cash to the Record Holders of Allowed Claims in Class III.A. and III.B., as provided for in the Plan.

1.2.38. **Effective Date:** The date that is the first Business Day on which each condition set forth in Section 4.2 of the Plan has been satisfied or waived as set forth therein.

1.2.39. **Equity Interest:** Either (i) the legal, equitable, contractual or other rights of any Person with respect to the preferred or common stock, or any other equity interest in the Debtors, including any other interest in or right to convert into such equity interest or (ii) the legal, equitable, contractual or other right of any Person to acquire or receive any of the foregoing.

1.2.40. **File, Filed or Filing:** File, filed or filing with the Bankruptcy Court or other court of competent jurisdiction.

1.2.41. **Final Decree:** The Order entered pursuant to section 350 of the Bankruptcy Code, Bankruptcy Rule 3022, and Rule 5009-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware closing the Case.

1.2.42. **Final Order:** An order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in this Case or the docket of any other court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal or seek certiorari or move for a new trial, reargument or rehearing has expired, and no appeal or petition for certiorari or other proceedings for a new trial, reargument or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been timely Filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought, or the new trial, reargument or rehearing has been denied or resulted in no modification of such order; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules or applicable state court rules of civil procedure, may be Filed with respect to such order, shall not cause such order not to be a Final Order.

1.2.43. **General Unsecured Claim:** Any Claim against the Debtors that is not a Secured Claim, an Administrative Claim, a Priority Claim, a Priority Tax Claim, or an Equity Interest. For the avoidance of doubt, Merchandise Credit Claims are classified under the Plan as General Unsecured Claims.

1.2.44. **Gift Card Claim(s):** Any Claim Filed by the holder of an unredeemed and valid Gift Card.

1.2.45. **Gift Card Distribution Election Deadline:** The deadline by which Creditors holding Filed Gift Card Claims must complete and return to the Debtors the Distribution Election Form, which deadline shall be thirty (30) days after the Effective Date.

1.2.46. **Gift Card Distribution Election Form:** The form attached hereto as **Exhibit 1.2.46**, pursuant to which Creditors holding Filed Gift Card Claims must elect to either (i) receive a Distribution from the Debtors' estates under the Plan or (ii) redeem their Gift Card through the Purchaser's website, www.spiegel.com/award, which will accept Gift Cards through February 24, 2012.

1.2.47. **Gift Card:** Any prepaid card issued by the Debtors prior to the Petition Date enabling the holder of the card to purchase goods up to the value evidenced by the card from the Debtors.

1.2.48. **Holder:** The Person that is the owner of record of a Claim against, or Equity Interest in, the Debtors, as applicable.

1.2.49. **Impaired:** With respect to any Class of Claims or Equity Interests, the Claims or Equity Interests in such Class that are impaired within the meaning of section 1124 of the Bankruptcy Code.

1.2.50. **Joint Hearing:** The hearing to consider Confirmation of the Plan and approval of the adequacy of this Disclosure Statement.

1.2.51. **Merchandise Credit Claim:** Any Claim Filed on account of an unredeemed and valid Merchandise Credit.

1.2.52. **Merchandise Credit Distribution Election Deadline:** The deadline by which Creditors holding Filed Merchandise Credit Claims must complete and return to the Debtors the Class III.B. Ballot and Distribution Election Form, which deadline is **December 9, 2011 at 5 p.m. ET.**

1.2.53. **Merchandise Credit:** A credit issued by the Debtors prior to the Petition Date on account of merchandise returned by a customer to the Debtors enabling the holder of the credit to purchase goods up to the value of the credit from the Debtors.

1.2.54. **Noticing Agent Website:** The case specific website administered by the Balloting Agent located at www.virtualclaimsinfo.com.

1.2.55. **Order:** An order or judgment of the Bankruptcy Court, or other court of competent jurisdiction, as entered on the docket in the Case or the docket of any other court of competent jurisdiction.

1.2.56. **Patriarch:** Collectively, Patriarch Partners, LLC, and its affiliates, including, but not limited to, Patriarch Agency Services, LLC, Zohar III Limited, Zohar II 2005-1 and the Purchaser.

1.2.57. **Person:** An individual, limited liability company, corporation, partnership, association, trust or unincorporated organization, joint venture, or a government or any agency or political subdivision thereof.

1.2.58. **Petition Date:** June 6, 2011, the date on which the Debtors Filed their respective petitions for relief in the Bankruptcy Court.

1.2.59. **Plan Notice Parties:** Collectively, counsel for the Debtors, counsel for the Committee, and the Wind Down Officer, whose respective contact information is set forth below:

Counsel for the Debtors

POLSINELLI SHUGHART
Christopher A. Ward

Counsel for the Committee

COOLEY LLP
Jay Indyke

Justin K. Edelson
Shanti M. Katona
222 Delaware Avenue, Suite 1101
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Jeffrey Cohen
Brent Weisenberg
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New York, New York 10036
Telephone: (212) 479-6000
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Wind Down Officer

Saccullo Business Consulting, LLC
Anthony Saccullo
27 Crimson King Drive
Bear, DE 19701
Telephone: (302) 832-5595
Facsimile: (302) 836-8877

1.2.60. **Plan Proponents:** Collectively, the Debtors and the Committee.

1.2.61. **Plan:** The joint plan of liquidation dated November 18, 2011 and all Exhibits attached thereto or referenced therein, as the same may hereafter be amended or modified.

1.2.62. **Priority Claim:** A Claim that is entitled to priority under section 507(a) of the Bankruptcy Code, other than an Administrative Claim and a Priority Tax Claim. For the avoidance of doubt, Gift Card Claims are classified under the Plan as Priority Claims.

1.2.63. **Priority Tax Claim:** A Claim that is entitled to priority under section 507(a)(8) of the Bankruptcy Code.

1.2.64. **Professional Fee Claim Bar Date:** The date that is twenty-one (21) days after the Effective Date.

1.2.65. **Professional Fee Claim:** A Claim of a Professional for compensation or reimbursement of costs and expenses relating to services rendered and expenses incurred during the period from the Petition Date through, but not including, the Effective Date.

1.2.66. **Professional:** Any professional employed in the Case pursuant to sections 327, 328 or 1103 of the Bankruptcy Code, or any Professional or other Person seeking compensation or reimbursement of expenses in connection with the Case pursuant to section 503(b)(4) of the Bankruptcy Code.

1.2.67. **Purchaser:** Artemiss, LLC or its designee.

1.2.68. **Record Date:** The date that the Plan is Filed.

1.2.69. **Record Holder:** The Holder of an Equity Interest or Claim as of the Record Date.

1.2.70. **Returned Distribution:** Any portion of a Distribution subsequently returned to the Debtors.

1.2.71. **Sale Order:** The Order Pursuant to 11 U.S.C. §§ 363 and 365, Rules 2002, 6004, 6006, 9007 and 9014 of the Federal Rules of Bankruptcy Procedure and Local Rule 6004-1, Authorizing (I) the Sale of Substantially all of the Debtors Assets Free and Clear of Liens, Claims and Encumbrances and (II) the Assumption and Assignment of Executory Contracts and Unexpired Leases, entered by the Bankruptcy Court on September 9, 2011. [Docket No. 328]

1.2.72. **Sale:** The sale by the Debtors to the Purchaser of substantially all of the Debtors' Assets, and the assumption by the Purchaser of the Assumed Liabilities, pursuant to the Asset Purchase Agreement and the Sale Order.

1.2.73. **Schedules:** With respect to any Debtor, the Schedules of Assets and Liabilities Filed by such Debtor, as such Schedules may be amended from time-to-time in accordance with Bankruptcy Rule 1009.

1.2.74. **Secured Claim:** Either (i) a Claim that is secured by a lien on property in which the Debtors have an interest, which lien is valid, perfected and enforceable under applicable law or pursuant to a Final Order, or that is subject to setoff under section 553 of the Bankruptcy Code, to the extent of the value of the Creditor's interest in such property or to the extent of the amount subject to setoff, as applicable, all as determined pursuant to section 506(a) of the Bankruptcy Code; or (ii) a Claim which is Allowed under the Plan as a Secured Claim.

1.2.75. **Unclassified Claims:** Claims which, pursuant to section 1123(a)(1) of the Bankruptcy Code, shall not be placed into a Class under the Plan. Unclassified Claims include Administrative Claims and Priority Tax Claims.

1.2.76. **Unimpaired:** With respect to a Class of Claims or Equity Interests, any Class that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

1.2.77. **United States Trustee Fees:** All fees and charges assessed against the Debtors by the United States Trustee and due pursuant to section 1930 of title 28 of the United States Code.

1.2.78. **United States Trustee:** The Office of the United States Trustee for the District of Delaware.

1.2.79. **Voting Class:** A Class that is Impaired and entitled to vote on the Plan.

1.2.80. **Voting Deadline:** The deadline by which Creditors holding General Unsecured Claims must cast their Ballot in favor of, or rejecting, the Plan, which deadline is **December 9, 2011 at 5 p.m. ET.**

1.2.81. **Wind Down Officer:** Saccullo Business Consulting, LLC, by and through its member Anthony M. Saccullo, Esq.

1.3 **PROPOSED TIMELINE FOR CONFIRMATION OF THE PLAN.**

The Plan Proponents propose the following timeline for confirmation of the Plan:

| <u>DATE</u> | <u>EVENT</u> |
|------------------------------------|---|
| November 18, 2011 | Record Date |
| November 18, 2011 | Serve Notice of Confirmation Hearing and Solicitation Packages |
| December 1, 2011 | Deadline to File Objections to Claims that Affect Voting and/or Motions to Estimate Claims |
| December 7, 2011 | Deadline to File 3018(a) Motion |
| December 9, 2011 at 5 p.m. ET | Voting Deadline |
| December 13, 2011 | Voting Tabulation Report Filed |
| December 14, 2011 | All Plan Supplements and Other Schedules to the Plan Filed (if any) |
| December 15, 2011 at 4:00 p.m. ET | Deadline to Object to the Plan, adequacy of the Disclosure Statement and/or Vote Tabulation |
| December 15, 2011 | Plan Proponents' Deadline to reply to any Objections to any 3018(a) Motion |
| December 19, 2011 at 4:00 p.m. ET | Plan Proponents' Deadline to reply to any Objections to the Plan, adequacy of the Disclosure Statement and/or Vote Tabulation |
| December 21, 2011 at 12:00 p.m. ET | Joint Disclosure Statement / Confirmation Hearing |

1.4 **CONFIRMATION OF THE PLAN**

1.4.1. **Requirements.** The requirements for Confirmation of the Plan are set forth in section 1129 of the Bankruptcy Code. The following is a summary of certain of the requirements:

(a) **Acceptance by Impaired Classes.** Except to the extent that the “cramdown” provisions of section 1129(b) of the Bankruptcy Code may be invoked, each Class of Claims must either vote to accept the Plan or be deemed to accept the Plan because the Claims of such Class are not Impaired.

(b) **Feasibility.** The Bankruptcy Court is required to find that the Plan is likely to be implemented and that Persons required to perform or pay monies under the Plan will be able to do so.

(c) **“Best Interest” Test.** The Bankruptcy Court must find that the Plan is in the “best interest” of all Creditors and Equity Interest Holders. To satisfy this requirement, the Bankruptcy Court must determine that each Holder of a Claim against, or Equity Interest in, the Debtors: (i) has accepted the Plan; or (ii) will receive or retain under the Plan money or other property which, as of the Effective Date, has a value not less than the amount such Holder would receive if the Debtors’ property was liquidated under chapter 7 of the Bankruptcy Code on such date.

(d) **“Cramdown” Provisions.** Under the circumstances which are set forth in detail in section 1129(b) of the Bankruptcy Code, the Bankruptcy Court may confirm the Plan even though a Class of Claims or Equity Interests has not accepted the Plan, so long

as one Impaired Class of Claims has accepted the Plan, excluding the votes of insiders, and the Plan is fair and equitable and does not discriminate unfairly against such non-accepting Classes.

1.4.2. **Joint Hearing.** To confirm the Plan, the Bankruptcy Court must hold the Confirmation Hearing to determine whether the Plan meets the requirements of section 1129 of the Bankruptcy Code. Pursuant to section 1128 of the Bankruptcy Code, the Joint Hearing will be held on **December 21, 2011 at 12:00 p.m. ET.** Objections, if any, to confirmation of the Plan or adequacy of this Disclosure Statement must be served and Filed so that they are received on or before **December 15, 2011 at 4:00 p.m. ET.** Objections to Confirmation must be electronically Filed with the Bankruptcy Court and served on the Plan Notice Parties, and the United States Trustee. The Joint Hearing may be adjourned from time to time without further notice except for the announcement of the adjournment date made at the Joint Hearing or at any subsequent adjourned Joint Hearing.

1.4.3. **Effect of Confirmation.** Confirmation serves to make the Plan binding upon the Debtors, all Creditors, Equity Interest Holders and other parties-in-interest, regardless of whether they cast a Ballot to accept or reject the Plan.

1.4.4. **Effect of Failure to Confirm the Plan.** If the Plan is not confirmed by the requisite majorities in number and amount required by section 1126 of the Bankruptcy Code, or cramdown is not effectuated, the Debtors' Cases may be converted to cases under chapter 7 of the Bankruptcy Code pursuant to an Order to be submitted to the Bankruptcy Court by counsel to the Debtors, upon the consent of the Committee, under certification of counsel. Section 1112(a) of the Bankruptcy Code governs the voluntary conversion from chapter 11 to chapter 7. Section 1112(a) provides that a debtor may convert a chapter 11 case to a case under chapter 7 at any time as of right. Specifically, section 1112(a) states that a debtor may convert a case under chapter 11 to one under chapter 7 of this title unless (i) the debtor is not a debtor in possession; (ii) the case originally was commenced as an involuntary case under chapter 11; or (iii) the case was converted to a case under this chapter other than on the debtor's request. 11 U.S.C. § 1112(a).

1.5 **VOTING ON THE PLAN.**

1.5.1. **Impaired Claims or Equity Interests.** Pursuant to Bankruptcy Code section 1126, only the Holders of Claims in Classes "Impaired" by the Plan and receiving a payment or distribution under the Plan may vote on the Plan. Pursuant to Bankruptcy Code section 1124, a Class of Claims may be "Impaired" if the Plan alters the legal, equitable or contractual rights of the Holders of such Claims or Equity Interests treated in such Class. The Holders of Claims not Impaired by the Plan (Classes I and II) are deemed to accept the Plan and do not have the right to vote on the Plan. The Holders of Claims or Equity Interests in any Class that will not receive any payment or distribution or retain any property pursuant to the Plan (Class IV) are deemed to reject the Plan and do not have the right to vote on the Plan.

1.5.2. **Eligibility to Vote on the Plan.** Unless otherwise ordered by the Bankruptcy Court, only Record Holders of General Unsecured Claims (Class III.A. and Class III.B. Claims) may vote on the Plan.

1.5.3. **Voting Procedure and Voting Deadline.** **If you are the Holder of a General Unsecured Claim, you must complete either (i) the Ballot enclosed as Exhibit 1.2.9 (for holders of Class III.A. Claims) or (ii) the Class III.B. Ballot and Distribution**

Election Form enclosed as Exhibit 1.2.24 (for holders of Class III.B. Claims) in accordance with the instructions set forth therein and return the completed ballot to the Balloting Agent on or before December 9, 2011 at 5 p.m. ET.

1.6 **ACCEPTANCE OF THE PLAN.**

As a Creditor, your acceptance of the Plan is important. In order for the Plan to be accepted by an Impaired Class of Claims, a majority in number and two-thirds in dollar amount of the Claims voting (of each Impaired Class of Claims) must vote to accept the Plan, or the Plan must qualify for cramdown of any non-accepting Class of Claims pursuant to section 1129(b) of the Bankruptcy Code. In any case, at least one Impaired Class of Creditors, excluding the votes of insiders, must actually vote to accept the Plan.

2. **THE DEBTORS.**

2.1 **The Debtors' Capital Structure**

Prior to the Petition Date, the Debtors were party to a Credit Agreement dated as of June 12, 2009 (the "**Prepetition Credit Agreement**") with (i) Zohar II 2005-1, as term loan lender, and (ii) Zohar III Limited, as revolving lender (collectively, the "**Prepetition Lenders**"). The Prepetition Lenders are affiliates of Patriarch Partners, LLC.

As of the Petition Date, the Debtors stipulated that they owed the Prepetition Lenders **\$37.24 million** (\$14.6 million under the revolver and \$22.64 million under the term loan) plus \$4,000 under letters of credit issued under the revolver (collectively, the "**Prepetition Secured Debt**").

The Prepetition Lenders' Prepetition Secured Debt was purportedly secured by a lien on substantially all of the Debtors' Assets, including equipment, inventory, capital stock (other than certain capital stock of foreign subsidiaries), accounts, deposit accounts, chattel paper, promissory notes, intellectual property and commercial tort claims and the proceeds and products of any of the foregoing.

2.2 **Description of Debtors and their Bankruptcy Cases.**

A description of the Debtors' corporate history and their business can be found in the *Declaration of Robert Angart in Support of Chapter 11 Petitions and First Day Pleadings* [Docket No. 2], which was Filed on June 7, 2011.

2.2.1. **Debtors' First Day Motions**

On the Petition Date, the Debtors filed their voluntary petitions for relief under the Bankruptcy Code. Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors continued to operate their business and their properties as debtors-in-possession. No trustee or examiner has been appointed in these Cases.

Among other "first day" motions filed by the Debtors, on June 7, 2011, the Debtors filed the Bidding Procedures Motion. Pursuant to the Bidding Procedures Motion, the Debtors sought approval of certain sale deadlines and authority to enter into a stalking horse asset purchase agreement with the Purchaser, an affiliate of Patriarch Partners, LLC. Contemporaneously therewith, the Debtors filed a motion seeking to sell substantially all of their

Assets to the highest and or otherwise best bidder to be determined at an auction (the "**Sale Motion**"). [Docket No. 12].

On June 7, 2011 the Debtors also filed a motion (the "**DIP Motion**") requesting interim and final authority to obtain postpetition financing pursuant to a Debtor-In-Possession Credit Agreement (the "**DIP Credit Agreement**") with Patriarch (in such capacity, the "**DIP Lender**") providing for a \$7 million senior secured, super-priority revolving credit facility (the "**DIP Facility**"). [Docket No. 9].

On June 8, 2011, the Bankruptcy Court entered an order granting the DIP Motion on an interim basis, and scheduled a hearing to consider approval of the DIP Facility on a final basis for June 30, 2011. [Docket No. 45].

2.2.2. **Formation of the Committee**

On June 17, 2011, the Committee was appointed in the Cases by the United States Trustee, consisting of the following five members: (i) Gould Paper Corp.; (ii) Experian Marketing Solutions Inc.; (iii) Google, Inc.; (iv) Hearst Communications, Inc.; and (v) X+1. That same day, the Committee met and decided that it wished to employ the firm of Cooley LLP, as its counsel. On June 20, 2011, the Committee decided to employ The Rosner Law Group LLC as its Delaware counsel, and on June 21, 2011, the Committee decided to employ FTI Consulting as its financial advisor. On July 20, 2011, Google, Inc. resigned from the Committee. On August 11, 2011, the United States Trustee appointed Dedicated Marketing Solutions Inc. to the Committee.

2.2.3. **The Committee's Objections to the Sale and the DIP Motion**

On June 24, 2011, the Committee filed the *Motion of the Official Committee of Unsecured Creditors for an Order (A) Authorizing its Financial Advisor to Supplement the Sale Process and Solicit Alternative Proposals Using, inter alia, the Debtors' Confidential Information, (B) Directing the Debtors to Provide Cooperation in Connection with Such Efforts, and (C) Authorizing and Directing the Debtors to Maintain and Administer Customer Programs and Honor Prepetition Obligations Related Thereto in the Ordinary Course* (the "**Sale Process Motion**"). [Docket No. 86]. Pursuant to the Sale Process Motion, the Committee requested that the Bankruptcy Court authorize it to co-manage the Debtors' Sale process in light of what the Committee believed was a conflicted Debtor by virtue of Patriarch's numerous roles in the Case: Patriarch was the (i) Holder of the Debtors' Equity Interests, (ii) Prepetition Lenders, (iii) DIP Lender; and (iv) the proposed purchaser of the Assets.

In addition to filing the Sale Process Motion, the Committee also objected to the (i) Bidding Procedures Motion on a number of grounds, including the proposed timing of the Sale, and (ii) DIP Motion. Taken together, the Committee argued in its pleadings that the Sale process, along with aspects of the DIP Credit Agreement, were not designed to maximize the value of the Debtors' estates or their creditors.

The Bankruptcy Court subsequently granted the Sale Process Motion and the parties agreed upon a modified Sale timeline, which agreement was embodied in the Bidding Procedures Order. Pursuant to the Bidding Procedures Order, (i) the bid deadline for qualifying bids was August 25, 2011, (ii) the auction, if necessary, was scheduled for September 1, 2011, and (iii) the Sale hearing was scheduled for September 7, 2011.

On July 13, 2011, the Bankruptcy Court entered the *Final Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Granting Certain Liens, and (III) Modifying the Automatic Stay* (the “**Final DIP Order**”). [Docket No. 186]. Pursuant to the Final DIP Order, the Bankruptcy Court granted the Committee automatic standing to assert a challenge to the prepetition indebtedness of the Prepetition Lenders by no later than August 17, 2011 (the “**Challenge Deadline**”), subject to extension by agreement of the parties or Order of the Bankruptcy Court.

2.2.4. **The Committee’s Investigation and the Sale Objection Agreement**

Given that (i) Patriarch first purchased the Debtors pursuant to a leveraged buyout in 2009, which, at the time, saddled the Debtors with in excess of \$21 million of purportedly secured debt (the “**2009 LBO**”) and (ii) Patriarch was poised to purchase the Debtors’ Assets for no cash consideration while (i) holding the Debtors’ Equity Interests, and (ii) serving as the (a) Prepetition Lenders, and (b) DIP Lender, the Committee launched an investigation (the “**Investigation**”) of the indebtedness of Patriarch and the 2009 LBO. Because Patriarch’s bid for the Debtors’ Assets was premised upon the validity of the Prepetition Secured Debt, it was with heightened importance that the Committee complete the Investigation.

On June 21, 2011, the Committee requested that the Debtors and Patriarch each produce certain documents to assist the Committee in conducting the Investigation. In addition, because the bid deadline, sale objection deadline, auction date and sale hearing date (collectively, the “**Sale Deadlines**”) originally proposed by the Debtors and Patriarch placed tremendous time pressure on the Committee to initiate and complete its Investigation, on June 24, 2011, the Committee filed the *Motion for an Order Pursuant to Bankruptcy Rule 2004 (I) Directing the Production of Documents and Witnesses by Patriarch and the Debtors and (II) Authorizing the Issuance of Subpoenas* (the “**2004 Motion**”) to make certain that it had the necessary tools to analyze Patriarch’s Prepetition Secured Debt and the 2009 LBO. [Docket No. 88]. In advance of the hearing on the 2004 Motion, the Debtors and Patriarch consented to the relief sought therein, subject to modification of the proposed order. The Order granting the 2004 Motion was entered by the Bankruptcy Court, in agreed form, on July 13, 2011. [Docket No. 180].

During the course of its Investigation, the Committee reviewed thousands of documents produced by the Debtors and Patriarch. The Committee alleged that Patriarch failed to timely produce certain relevant documents and on August 8, 2011, the Committee filed a motion (the “**Extension Motion**”) for an order extending the (i) Challenge Deadline, and (ii) the Sale Deadlines. [Docket No. 241]. The Debtors, Patriarch and the Committee subsequently resolved the issues raised in the Extension Motion and the other Sale related issues raised by the Committee (the “**Sale Objection Agreement**”). The parties embodied their settlement in an agreement which was attached to a consent order granting the Extension Motion. [Docket No. 271]. Pursuant to the Sale Objection Agreement, the parties agreed that the Asset Purchase Agreement would be amended to provide for a \$2 million cash payment to the Debtors, Patriarch would pay all cure costs in connection with the assumption of the Debtors’ contracts, Patriarch would not pursue and would release all Avoidance Actions, Patriarch would fund the Debtors’ payment of all allowed Administrative Claims (for the avoidance of doubt, this excludes any section 503(b)(9) claims) that accrued in the ordinary course of the Debtors’ business after the commencement of the Debtors’ Cases and through the Closing Date that were in excess of any amounts assumed by Patriarch under the Asset Purchase Agreement, and Patriarch would waive any and all of its claims against the Debtors.

2.2.1. The Sale and Wind-Down of the Debtors' Estates

Despite the marketing efforts of the Plan Proponents, the Debtors received no bids for the Assets other than the bid of the Purchaser. On September 9, 2011, the Bankruptcy Court thus entered the Sale Order approving (i) the sale of substantially all of the Debtors' Assets to the Purchaser, and (ii) the Asset Purchase Agreement. The Sale closed on the Closing Date.

Pursuant to the Asset Purchase Agreement, in consideration for the Debtors' Assets, Patriarch credit bid a portion of the Prepetition Lenders' Prepetition Secured Debt, made a cash payment to the Debtors in the amount of \$2 million, paid all cure costs in connection with the assumption of the Debtors' contracts, purchased and subsequently released all Avoidance Actions, agreed to fund the Debtors' payment of all allowed Administrative Claims (for the avoidance of doubt, excluding any section 503(b)(9) claims) that accrued in the ordinary course of the Debtors' business after the Petition Date and through the Closing Date that were in excess of any amounts assumed by Patriarch under the Asset Purchase Agreement, and waived any and all of its claims against the Debtors.

Since the Closing Date, the Plan Proponents have worked with one another to wind-down the Debtors' business affairs. In connection therewith, the Plan Proponents agreed to retain the Wind-Down Officer to serve as the Debtors' sole director and officer.

3. SUMMARY OF THE PLAN.

3.1 Purpose of the Plan.

The Plan Proponents propose the Plan over the alternative of converting the Cases to chapter 7 of the Bankruptcy Code because the Plan Proponents believe that: (i) the Plan ensures a timely distribution of the Debtors' remaining Assets; and (ii) the Plan avoids unnecessary costs to the Debtors' estates, which would accrue should the Case be converted to chapter 7 of the Bankruptcy Code. **For these reasons, the Plan Proponents are in favor of the Plan and urge Creditors to vote in favor of the Plan.**

3.2 Summary of Classification of Claims and Equity Interests under the Plan.

The categories of Claims and Equity Interests listed below classify Claims and Equity Interests for all purposes, including voting, Confirmation and Distribution and pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code.

| Class | Type | Status Under Plan | Treatment | Estimated Aggregate Amount in Class (\$) | Estimated Recovery of Class (%) |
|-------|----------------|--|---|--|---------------------------------|
| I | Secured Claims | Unimpaired, Not Entitled to Vote, Deemed to Accept | Except to the extent that a Holder of an Allowed Secured Claim has been paid by the Debtors prior to the Effective Date or agrees to a less favorable treatment, at the sole option of the Plan Proponents, each Holder of an Allowed Secured Claim that has not elected treatment pursuant to section 1111(b) of the Bankruptcy Code shall receive (a) Cash in an amount equal to such | \$0.00 - \$100,000 | 100% |

| Class | Type | Status Under Plan | Treatment | Estimated Aggregate Amount in Class (\$) | Estimated Recovery of Class (%) |
|-------|------------------|--|---|--|---------------------------------|
| | | | <p>Allowed Secured Claim, including any interest on such Allowed Secured Claim required to be paid pursuant to section 506(b) of the Bankruptcy Code, or (b) the collateral securing its Allowed Secured Claim and any interest on such Allowed Secured Claim required to be paid pursuant to section 506(b) of the Bankruptcy Code, in full and complete satisfaction of such Allowed Secured Claim as soon as reasonably practicable after the Effective Date, or, if the Secured Claim is not Allowed as of the Effective Date, thirty (30) days after the date on which such Secured Claim becomes an Allowed Secured Claim. The Holder of an Allowed Secured Claim shall retain any liens it may have until such Allowed Secured Claim is satisfied.</p> | | |
| II.A. | Priority Claims | Unimpaired, Not Entitled to Vote, Deemed to Accept | <p>Except to the extent that a Holder of an Allowed Priority Claim agrees to a less favorable treatment, as soon as reasonably practicable after the Effective Date, or, if the Priority Claim is not Allowed as of the Effective Date, thirty (30) days after the date on which such Priority Claim becomes an Allowed Priority Claim, each Holder of an Allowed Claim in Class II shall receive Cash equal to the amount of such Allowed Claim without postpetition interest. Notwithstanding the forgoing, the Purchaser agreed to assume many if not all, of the Debtors' Priority Claims under the Asset Purchase Agreement and all such Claims shall first be submitted to the Purchaser for payment.</p> | \$0.00 - \$275,000 | 100% |
| II.B. | Gift Card Claims | Unimpaired, Not Entitled to Vote, Deemed to Accept | <p>Class II.B. Claims are comprised of all Allowed Gift Card Claims. Allowed Gift Card Claims are classified under the Plan as Priority Claims. Subject to Section 2.5 of the Plan, Allowed Gift Card Claims shall be treated as provided in Section 1.2.A. of the Plan; <u>provided, however</u>, that Allowed Filed Gift Card Claims shall not receive a Distribution under the Plan unless a Gift Card Holder, no later than the Distribution Election Deadline, (i) properly completes and (ii) timely returns (a) the Gift Card Distribution Election Form and (b) its Gift Card. In the event a Holder of an Allowed Gift</p> | \$60,000 - \$70,000 | 100% |

| Class | Type | Status Under Plan | Treatment | Estimated Aggregate Amount in Class (\$) | Estimated Recovery of Class (%) |
|-------|---------------------------|----------------------------|---|--|---------------------------------|
| | | | Card Claims fails to return the Gift Card Distribution Election Form and its Gift Card by the Gift Card Distribution Election Deadline, such Gift Card Claim shall be deemed disallowed against the Debtors without further Order of the Bankruptcy Court and the sole source of recovery, if any, on account of such Gift Card shall be against the Purchaser in accordance with the Asset Purchase Agreement, pursuant to which the Purchaser agreed to accept unredeemed Gift Cards through February 24, 2012. | | |
| III.A | General Unsecured Claims | Impaired, Entitled to Vote | Each Holder of an Allowed or partially Allowed General Unsecured Claim shall receive its pro rata share (if any) of Distributable Cash as soon as reasonably practicable after the Effective Date. | \$11,000,000- \$14,000,000 | 8-10% |
| III.B | Merchandise Credit Claims | Impaired, Entitled to Vote | Class III.B. Claims are comprised of all Allowed Merchandise Credit Claims. Allowed Merchandise Credit Claims are classified under the Plan as General Unsecured Claims. Subject to Section 2.5 of the Plan, Allowed Merchandise Credit Claims shall be treated as provided in Section 1.3.A.; <u>provided, however,</u> that Allowed Filed Merchandise Credit Claims shall not receive a Distribution under the Plan unless a Merchandise Credit Holder, no later than the Merchandise Credit Distribution Election Deadline, (i) properly completes and (ii) timely returns (a) the Class III.B. Ballot and Distribution Election Form and (b) its Merchandise Credit or the code evidencing same. In the event a Holder of an Allowed Merchandise Credit Claims fails to return the Ballot and Class III.B. Distribution Election Form and the Merchandise Credit or the code evidencing same by the Merchandise Credit Distribution Election Deadline, such Merchandise Credit Claim shall be deemed disallowed against the Debtors without further Order of the Bankruptcy Court and the sole source of recovery, if any, on account of such Merchandise Credit shall be against the Purchaser in accordance with the Asset Purchase Agreement, pursuant to which the Purchaser agreed to accept | \$550,000- \$650,000 | 8-10% |

| Class | Type | Status Under Plan | Treatment | Estimated Aggregate Amount in Class (\$) | Estimated Recovery of Class (%) |
|-------|------------------|----------------------------|---|--|---------------------------------|
| | | | unredeemed Merchandise Credits through October 24, 2012. | | |
| IV | Equity Interests | Impaired, Deemed to Reject | Equity Interests shall be cancelled effective as of the Effective Date. | N/A | 0% |

3.3 **Unclassified Claims.** Except to the extent that a Holder of an Allowed Unclassified Claim agrees to a less favorable treatment, as soon as reasonably practicable after the Effective Date, or, if the Unclassified Claim is not Allowed as of the Effective Date, thirty (30) days after the date on which such Unclassified Claim becomes an Allowed Unclassified Claim, each Holder of an Unclassified Claim shall receive Cash equal to the amount of such Allowed Unclassified Claim without postpetition interest. Notwithstanding the forgoing, the Purchaser agreed to assume and satisfy most, if not all, of the Debtors' Unclassified Claims under the Asset Purchase Agreement and all such Claims shall first be submitted to the Purchaser for payment.

3.4 **United States Trustee Fees.** On and after the Effective Date, outstanding United States Trustee Fees shall be paid in Cash equal to the amount of such Claim by the Debtors until the earlier of the conversion or dismissal of the Cases under section 1112 of the Bankruptcy Code, or the closing of the Cases pursuant to section 350(a) of the Bankruptcy Code.

3.5 **Implementation and Execution of the Plan.**

3.5.1. **Effective Date.** As set forth in Article II of the Plan, the Plan shall become effective on the date which is the first Business Day on which each condition set forth in the Plan has been satisfied or waived as set forth therein. Upon the occurrence of the Effective Date, the Debtors will File and post on the Noticing Agent Website a notice of Confirmation and occurrence of the Effective Date. Except as provided in Section 5.13 of the Plan, Creditors will not receive further notice of the occurrence of the Effective Date and should monitor the Noticing Agent Website or the Bankruptcy Court docket of the Case for such notice.

3.5.2. **Summary of Means of Implementation and Execution of the Plan.** Article II of the Plan sets forth the means by which the Plan shall be implemented and executed, including the Distribution, the donation of Returned Distributions (if any) to Charity, the dissolution of the Debtors, and objections to and allowance of Claims for purposes of Distribution.

3.5.3. **Substantive Consolidation.** As set forth in the Plan, for the sole purpose of implementing and executing the Plan only, all Assets of and Claims against the Debtors will be deemed to be substantively consolidated. As a result, Claims filed against multiple Debtors seeking recovery of the same debt shall only receive a single Distribution from the consolidated Debtors' estates to the extent such Claim is an Allowed Claim. Claims of Debtors against other Debtors will be disregarded for both voting and distribution purposes. No Creditors are adversely affected by such consolidation.

3.6 **Executory Contracts and Unexpired Leases.**

The Debtors believe that all executory contracts and unexpired leases of the Debtors were either assumed and assigned to the Purchaser, or rejected during the Cases. Article III of the Plan is thus included out of an abundance of caution and (i) provides that all executory contracts and unexpired leases of the Debtors that were not assumed and assigned, or rejected, prior to the Confirmation Date, if any, shall be deemed rejected and (ii) sets forth procedures for asserting Claims on account of such rejection, if any.

3.7 **Conditions Precedent to Confirmation and Consummation of the Plan.**

Article IV of the Plan sets forth the conditions that must occur prior to both Confirmation of the Plan and the occurrence of the Effective Date. This Article also describes the Plan Proponents ability to waive such conditions, as well as the effect of non-occurrence of the conditions to the Effective Date, including the vacatur of the Confirmation Order. If the Confirmation Order is vacated, (i) the Plan shall be null and void in all respects, and (ii) nothing contained in the Plan shall (a) constitute a waiver or release of any Claims by or against, or any Equity Interest in, the Debtors, or (b) prejudice in any manner the rights of the Debtors or any other party in interest.

3.8 **Miscellaneous Provisions.**

Article V of the Plan contains several miscellaneous provisions, including: (i) the retention of jurisdiction by the Bankruptcy Court over certain matters following the Effective Date; (ii) the dissolution of the Committee; and (iii) the termination of the Balloting Agent in its capacity as claims, noticing and balloting agent. In addition, all Causes of Action and Avoidance Actions were purchased by the Purchaser. Thus, **from and after the Effective Date, no Causes of Action or Avoidance Actions will be pursued under the Plan.**

3.8.1. **Failure to Claim Undeliverable Distributions.** Any Holder of an Allowed Claim that does not assert a claim pursuant to the Plan for a distribution that was not received by such Holder within ninety (90) days after the date on which the distribution was made to such Holder will have its Claim for such undeliverable distribution deemed satisfied and released and shall be forever barred from asserting any such Claim against the Debtors and their estates. In such cases, such funds, in the Plan Proponents' discretion, will first be used to pay any Unclassified Claims, including Administrative Claims, Priority Tax Claims, and Professional Fee Claims of the Debtors, and then any other Allowed Claims against the Debtors, and after any such Claims and expenses are satisfied, be donated to Charity.

3.8.2. **De Minimis Distributions.** The Debtors will not distribute Cash to the Holder of an Allowed Claim if the amount of Cash to be distributed on account of such Claim is less than fifty dollars (\$50) in the aggregate. Any Holder of an Allowed Claim on account of which the amount of Cash to be distributed is less than fifty dollars (\$50) in the aggregate will be forever barred from asserting its Claim for such distribution against the Debtors or their property. Any Cash not distributed pursuant to the Plan will be the property of the Debtors free of any restrictions thereon.

3.9 **Final Fee Hearing and Final Decree.**

3.9.1. **The Professional Fee Claim Bar Date and the Final Fee Hearing.** Article VI of the Plan describes the Professional Fee Claim Bar Date and the Final Fee Hearing.

All applications for the final allowance of Professional Fee Claims shall be Filed and served upon the Plan Notice Parties, counsel to the Purchaser, and the United States Trustee on or before the Professional Fee Claim Bar Date. Notice of all applications for the final allowance of Professional Fee Claims and of the hearing on final allowance of Professional Fee Claims (the "**Final Fee Hearing**") shall be served on all parties on the Debtors' Bankruptcy Rule 2002 service list no less than twenty one (21) days prior to the Final Fee Hearing and posted on the Noticing Agent Website. The Final Fee Hearing shall be held as soon as practicable after the Professional Fee Bar Date.

3.9.2. **Entry of the Final Decree and Closing of the Case.** As set forth in Article VI of the Plan, subsequent to the Effective Date, the Final Fee Hearing and the Debtors' fulfillment of the standards for the closing of the Cases, Debtors' counsel shall File a proposed form of order under certification of counsel (the "**Final Decree Certification**") requesting the entry of a Final Decree pursuant to section 350(a) of the Bankruptcy Code. Such Final Decree shall close the Cases, which include: *In re Signature Styles, LLC* (11-11733 (KG)) and *In re Signature Styles Gift Cards, LLC* (11-11734 (KG)). At that time, the Debtors believe that their estates will be fully administered as: (i) the Confirmation Order will be a Final Order; (ii) the Distribution will be substantially completed; and (iii) all motions, contested matters and adversary proceedings will be resolved.¹

3.9.3. **Administrative Claims Bar Date.** All requests for payment of an Administrative Claim accrued since the Petition Date through the Effective Date, except for (i) U.S. Trustee fees and (ii) Professional Fee Claims, shall be filed with the Bankruptcy Court by the Administrative Claims Bar Date. Within five (5) business days after the Effective Date, the Debtors shall serve notice of the Effective Date and the Administrative Claim Bar Date on all creditors and parties in interest. For the avoidance of doubt, the Administrative Claim Bar Date shall not apply to claims arising under section 503(b)(9) of the Bankruptcy Code. All objections to allowance of Administrative Claims (excluding Professional Fee Claims) must be filed by any party in interest no later than thirty (30) days after (i) the Administrative Claim Bar Date or (ii) the date on which a request for payment of an Administrative Claim is filed with the Bankruptcy Court (the "**Administrative Claim Objection Deadline**"). The Administrative Claim Objection Deadline may be extended for one thirty (30) day period by either of the Plan Proponents by filing a notice of the extended Administrative Claim Objection Deadline with the Bankruptcy Court. Thereafter, the Administrative Claim Objection Deadline may be further extended only by an order of the Bankruptcy Court. If no objection to the applicable Administrative Claim is filed on or before that date, such Administrative Claim shall be deemed Allowed as of that date.

¹ Section 350(a) of the Bankruptcy Code provides that a case shall be closed "after an estate is fully administered and the court has discharged the trustee." 11 U.S.C. § 350(a). Likewise, Bankruptcy Rule 3022 provides that "after an estate is fully administered in a chapter 11 reorganization, the court . . . shall enter a final decree closing the case." Fed. R. Bankr. P. 3022. Further, Local Rule 5009-1 provides that, "upon written motion, a party in interest may seek the entry of a final decree at any time after the confirmed plan has been substantially consummated provided that all fees under 28 U.S.C. § 1930 have been paid." Del. Bankr. L.R. 5009-1(a). Based upon the foregoing, the Plan Proponents believe that the Bankruptcy Court's entry of the Final Decree will be appropriate and necessary subsequent to the Effective Date upon submission of the Final Decree Certification. See *In re SLI Inc.*, 2005 WL 1668396, at *2 (Bankr. D. Del. June 24, 2005) (citations omitted).

4. **FEASIBILITY.**

4.1 **Financial Feasibility Analysis.**

4.1.1. **Bankruptcy Code Standard.** The Bankruptcy Code requires that, in order to confirm a plan, the Bankruptcy Court must find that confirmation of such plan is not likely to be followed by the liquidation or the need for further financial reorganization of the debtor(s) unless contemplated by the plan.

4.1.2. **No Need for Further Reorganization of Debtors.** The Plan provides for the liquidation and distribution of all of the Debtors' Assets, including the dissolution of the Debtors. Accordingly, the Plan Proponents believe that all Plan obligations will be satisfied without the need for further reorganization of the Debtors.

5. **BEST INTERESTS OF CREDITORS AND ALTERNATIVES TO PLAN.**

5.1 **Chapter 7 Liquidation.**

5.1.1. **Bankruptcy Code Standard.** Notwithstanding acceptance of a plan by a voting impaired class, if an impaired class does not vote unanimously to accept the plan, the Bankruptcy Court must determine that the plan provides to each member of such impaired class a recovery, on account of each member's claim or interest, that has a value, as of the effective date, at least equal to the recovery that such class member would receive if the debtor was liquidated under Chapter 7. 11 U.S.C. § 1129(a)(7). This inquiry is often referred to as the "best interests of creditors test."

In a typical Chapter 7 case, a trustee is elected or appointed to liquidate a debtor's assets for distribution to creditors in accordance with the priorities set forth in the Bankruptcy Code. Generally, secured creditors are paid first from the proceeds of sales of the properties securing their liens. If any assets are remaining in the bankruptcy estate after satisfaction of the secured creditors' claims, Administrative Claims are next to receive payment. Unsecured creditors are paid from any remaining sales proceeds, according to their respective priorities. Unsecured creditors with the same priority share pro rata. Finally, Equity Interest Holders receive the balance that remains, if any, after all creditors are paid.

5.1.2. **Plan is in the Best Interests of Creditors.** Notwithstanding acceptance of the Plan by a voting Impaired Class, in order to confirm the Plan, the Bankruptcy Court must determine that the Plan is in the best interests of each Holder of a Claim or Equity Interest in any such Impaired Class that has not voted to accept the Plan. Accordingly, if an Impaired Class does not vote unanimously to accept the Plan, the best interests test requires the Bankruptcy Court to find that the Plan provides to each member of such Impaired Class a recovery on account of the Class member's Claim or Equity Interest that has a value, as of the Effective Date, at least equal to the value of the recovery that each such Class member would receive if the Debtors were liquidated under chapter 7.

The Plan Proponents believe that the Plan satisfies the best interests test because, among other things, the recoveries expected to be available to Holders of Allowed Claims under the Plan will be greater than the recoveries expected to be available in a chapter 7 liquidation.

The Debtors' assets currently consist solely of Cash - the Debtors do not have unliquidated assets. After consideration of the effects that a chapter 7 liquidation would have on the ultimate proceeds available for distribution to creditors in a chapter 11 case due to the increased costs and expenses of a liquidation under chapter 7 arising from fees payable to a trustee in bankruptcy and professional advisors to such trustee, the Plan Proponents have determined that confirmation of the Plan will provide each creditor and shareholder with a recovery that is not less than it would receive pursuant to a liquidation of the Debtors under chapter 7 of the Bankruptcy Code. The Plan Proponents' liquidation analysis is attached hereto as **Exhibit C**. **The Plan Proponents' liquidation analysis is an estimate of the proceeds that may be generated as a result of a hypothetical Chapter 7 liquidation of the assets of the Debtors. The analysis is based upon a number of significant assumptions. The liquidation analysis does not purport to be a valuation of the Debtors' assets and is not necessarily indicative of the values that may be realized in an actual liquidation.**

5.2 **Continuation of the Bankruptcy Case.**

The Debtors are not a going concern and, thus, there is no benefit to remaining in chapter 11.

5.3 **Alternative Plan(s).**

If the Plan is not confirmed, the Plan Proponents could attempt to formulate and propose a different plan of liquidation. However, the Plan Proponents believe that the Plan, as described herein, enables Holders of Claims to realize the greatest possible value under the circumstances and that, compared to any alternative plan, the Plan has the greatest chance to be confirmed and consummated.

6. **RISK FACTORS.**

Holders of Claims who are entitled to vote on the Plan should read and carefully consider the following factors, as well as the other information set forth in this Disclosure Statement and the Plan, before deciding whether to vote to accept or reject the Plan.

6.1 **Certain Bankruptcy Considerations.**

Even if an Impaired Voting Class votes to accept the Plan, and with respect to any Impaired Class deemed to have rejected the Plan, the requirements for "cramdown" are met, the Court may exercise substantial discretion and may choose not to confirm the Plan. Section 1129 of the Bankruptcy Code requires, among other things, that the value of distributions to dissenting Holders of Claims or Equity Interests may not be less than the value such Holders would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. Although the Plan Proponents believe that the Plan will meet such requirement, there can be no assurance that the Court will reach the same conclusion.

6.2 **Claims Estimation.**

There can be no assurance that the estimated amount of Claims set forth in the Plan is correct, and the actual Allowed amounts of Claims may differ from the estimates. Any value given as to the Claims against and the Assets of the Debtors is based upon an estimation of such value. Moreover, the Plan Proponents are advised that New York State or New York City may file a significant Priority Claim in advance of the applicable Bar Date. In the event that

Claim is Allowed by a Final Order, it may have a material impact on the projected Distribution to General Unsecured Creditors holding Allowed Claims.

7. **TAX CONSEQUENCES OF THE PLAN.**

THE PLAN PROPONENTS HAVE NOT REQUESTED A RULING FROM THE IRS OR AN OPINION OF COUNSEL WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN. THUS, NO ASSURANCE CAN BE GIVEN AS TO THE TAX CONSEQUENCES OF THE PLAN. EACH HOLDER OF A CLAIM OR EQUITY INTEREST IS URGED TO CONSULT ITS OWN TAX ADVISOR FOR THE FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

8. **CONCLUSION.**

The Plan Proponents believe that the Plan is substantially preferable to a liquidation under Chapter 7 of the Bankruptcy Code. Likewise, conversion of the Case would result in substantial delays in the distributions available under such an alternative, and significantly increase administrative costs, including trustee's fees and expenses, and, therefore, likely materially reduce Creditor recoveries. For these reasons, the Plan Proponents urge all holders of Allowed Claims in Impaired Classes to vote to ACCEPT the Plan, and to complete and return the applicable Ballot so that they are actually RECEIVED by the Balloting Agent on or before December 9, 2011 at 5 p.m. (Prevailing Eastern Time).

IN WITNESS WHEREOF, the Plan Proponents have executed this Disclosure Statement this 18th day of November, 2011.

Signature Styles, LLC
Signature Styles Gift Cards, LLC

The Official Committee of Unsecured Creditors
of Signature Styles, LLC

By: /s/ Anthony M. Saccullo

By: /s/ Michael Ritter

Name: Anthony M. Saccullo

Name: Michael Ritter

Title: Wind Down Officer

Title: Chairperson

EXHIBIT A

THE PLAN

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

In re:) Chapter 11
)
Signature Styles, LLC, *et al.*,¹) Case No. 11-11733 (KG)
 a Delaware limited liability company,)
) Jointly Administered
 Debtors.)

**JOINT PLAN OF LIQUIDATION FILED BY THE DEBTORS
AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

Dated: November 18, 2011

POLSINELLI SHUGHART
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*Counsel to Debtors and
Debtors in Possession*

Dated: November 18, 2011

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-and-

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*Counsel to the Official
Committee of Unsecured Creditors*

¹ The Debtors in these chapter 11 cases, the last four digits of each tax identification number, and their respective case numbers are: (i) Signature Styles, LLC (4502) (Case No. 11-11733 (KG)) and (ii) Signature Styles Gift Cards, LLC (8699) (Case No. 11-11734 (KG)). The location of the Debtors' corporate headquarters was: 711 Third Avenue, 4th Floor, New York, New York 10017.

ARTICLE I.
TREATMENT AND CLASSIFICATION OF
CLAIMS AND EQUITY INTERESTS; IMPAIRMENT¹

All Claims and Equity Interests, except Administrative Claims and Priority Tax Claims, are placed in the following Classes. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified and thus are excluded from the following Classes. A Claim or Equity Interest is classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class and is classified in other Classes to the extent that any remainder of the Claim or Equity Interest qualifies within the description of such other Classes. Claims against and Equity Interests in the Debtors are divided into the following Classes and shall be treated as follows:

1.1 **Classification and Treatment of Class I Secured Claims.** Subject to Section 2.5 of the Plan, except to the extent that a holder of an Allowed Secured Claim has been paid by the Debtors prior to the Effective Date or agrees to a less favorable treatment, at the sole option of the Plan Proponents, each holder of an Allowed Secured Claim that has not elected treatment pursuant to section 1111(b) of the Bankruptcy Code shall receive (a) Cash in an amount equal to such Allowed Secured Claim, including any interest on such Allowed Secured Claim required to be paid pursuant to section 506(b) of the Bankruptcy Code, or (b) the collateral securing its Allowed Secured Claim and any interest on such Allowed Secured Claim required to be paid pursuant to section 506(b) of the Bankruptcy Code, in full and complete satisfaction of such Allowed Secured Claim as soon as reasonably practicable after the Effective Date, or, if the Secured Claim is not Allowed as of the Effective Date, thirty (30) days after the date on which such Secured Claim becomes an Allowed Secured Claim. The holder of an Allowed Secured Claim shall retain any liens it may have until such Allowed Secured Claim is satisfied. Class I is Unimpaired, not entitled to vote, and deemed to accept the Plan.

1.2 **Classification and Treatment of Class II Priority Claims.**

A. **Class II.A. Priority Claims.** Subject to Section 2.5 of the Plan, and except to the extent that a Holder of an Allowed Priority Claim agrees to a less favorable treatment, as soon as reasonably practicable after the Effective Date, or, if the Priority Claim is not Allowed as of the Effective Date, thirty (30) days after the date on which such Priority Claim becomes an Allowed Priority Claim, each Holder of an Allowed Claim in Class II.A. shall receive Cash equal to the amount of such Allowed Claim without postpetition interest. Notwithstanding the forgoing, the Purchaser agreed to assume many, if not all, of the Debtors' Priority Claims under the Asset Purchase Agreement and all such Claims shall first be submitted to the Purchaser for payment. Class II.A. is Unimpaired, not entitled to vote, and deemed to accept the Plan.

B. **Class II.B. Gift Card Claims.** Class II.B. Claims are comprised of all Allowed Gift Card Claims. Allowed Gift Card Claims are classified under the Plan as Priority Claims. Subject to Section 2.5 of the Plan, Allowed Gift Card Claims shall be treated as

¹ All capitalized terms not defined herein shall have the meaning ascribed to such capitalized term in the *Disclosure Statement for Joint Plan of Liquidation Filed by the Debtors and the Official Committee of Unsecured Creditors*, dated November 18, 2011 (the "**Disclosure Statement**").

provided in Section 1.2.A. of the Plan; provided, however, that Allowed Filed Gift Card Claims shall not receive a Distribution under the Plan unless a Gift Card holder, no later than the Distribution Election Deadline, (i) properly completes and (ii) timely returns (a) the Gift Card Distribution Election Form and (b) its Gift Card. In the event a holder of an Allowed Gift Card Claim fails to return the Gift Card Distribution Election Form and its Gift Card by the Gift Card Distribution Election Deadline, such Gift Card Claim shall be deemed Disallowed against the Debtors without further Order of the Bankruptcy Court and the sole source of recovery, if any, on account of such Gift Card shall be against the Purchaser in accordance with the Asset Purchase Agreement, pursuant to which the Purchaser agreed to accept unredeemed Gift Cards through February 24, 2012. Class II.B. is Unimpaired, not entitled to vote, and deemed to accept the Plan.

1.3 **Classification and Treatment of Class III General Unsecured Claims.**

A. **Class III.A. General Unsecured Claims.** Subject to Section 2.5 of the Plan, each Holder of an Allowed or partially Allowed General Unsecured Claim shall receive its pro rata share (if any) of Distributable Cash as soon as reasonably practicable after the Effective Date. Class III.A. is Impaired and entitled to vote on the Plan.

B. **Class III.B. Merchandise Credit Claims.** Class III.B. Claims are comprised of all Allowed Merchandise Credit Claims. Allowed Merchandise Credit Claims are classified under the Plan as General Unsecured Claims. Subject to Section 2.5 of the Plan, Allowed Merchandise Credit Claims shall be treated as provided in Section 1.3.A.; provided, however, that Allowed Filed Merchandise Credit Claims shall not receive a Distribution under the Plan unless a Merchandise Credit holder, no later than the Merchandise Credit Distribution Election Deadline, (i) properly completes and (ii) timely returns (a) the Class III.B. Ballot and Distribution Election Form and (b) its Merchandise Credit or the code evidencing same. In the event a holder of an Allowed Merchandise Credit Claim fails to return the Ballot and Class III.B. Distribution Election Form and the Merchandise Credit or the code evidencing same by the Merchandise Credit Distribution Election Deadline, such Merchandise Credit Claim shall be deemed Disallowed against the Debtors without further Order of the Bankruptcy Court and the sole source of recovery, if any, on account of such Merchandise Credit shall be against the Purchaser in accordance with the Asset Purchase Agreement, pursuant to which the Purchaser agreed to accept unredeemed Merchandise Credits through October 24, 2012. Class III.B. is Impaired and entitled to vote on the Plan.

1.4 **Classification and Treatment of Class IV Equity Interests.** The Record Holders of Class IV Equity Interests in the Debtors will receive no Distributions under this Plan on account of such Equity Interests, and the Equity Interests shall be deemed canceled and extinguished as of the Effective Date without any further act or action under any applicable agreement, law, regulation, order or rule.

1.5 **Unclassified Claims.** Except to the extent that a Holder of an Allowed Unclassified Claim agrees to a less favorable treatment, as soon as reasonably practicable after the Effective Date, or, if the Unclassified Claim is not Allowed as of the Effective Date, thirty (30) days after the date on which such Unclassified Claim becomes an Allowed Unclassified Claim, each Holder of an Unclassified Claim shall receive Cash equal to the amount of such Allowed Unclassified Claim without postpetition interest. Notwithstanding the forgoing, the Purchaser agreed to assume many, if not all, of the Debtors' Unclassified Claims under the Asset Purchase Agreement and all such Claims shall first be submitted to the Purchaser for payment.

1.6 **United States Trustee Fees.** On and after the Effective Date, outstanding United States Trustee Fees shall be paid in Cash equal to the amount of such Claim by the Debtors until the earlier of the conversion or dismissal of the Cases under section 1112 of the Bankruptcy Code, or the closing of the Cases pursuant to section 350(a) of the Bankruptcy Code.

1.7 **Special Provision Governing Claims.** Nothing under this Plan shall affect the Debtors' estates' rights and defenses in respect of any Claim, including all rights in respect of legal and equitable defenses to or setoffs or recoupment against such Claims.

1.8 **Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code.** In the event that a Voting Class votes to accept the Plan, the Plan Proponents shall request the Bankruptcy Court to confirm the Plan under section 1129(b) of the Bankruptcy Code.

1.9 **Cancellation of Claims and Equity Interests.** Except as otherwise set forth in this Plan, and except for purposes of evidencing a right to the Distribution, on the Effective Date, all agreements and other documents evidencing the Claims or rights of any Creditor against the Debtors, including, but not limited to, all notes, guarantees, mortgages, and all Equity Interests, shall be cancelled.

1.10 **Administrative Claims Bar Date.** All requests for payment of an Administrative Claim accrued since the Petition Date through the Effective Date, except for (i) U.S. Trustee Fees and (ii) Professional Fee Claims, shall be filed with the Plan Notice Parties no later than thirty (30) days after the Effective Date or be forever barred. For the avoidance of doubt, the Administrative Claim Bar Date shall not apply to claims arising under section 503(b)(9) of the Bankruptcy Code. All objections to allowance of Administrative Claims (excluding Professional Fee Claims) must be filed by any party in interest no later than thirty (30) days after (i) the Administrative Claim Bar Date or (ii) the date on which a request for payment of an Administrative Claim is filed with the Bankruptcy Court (the "**Administrative Claim Objection Deadline**"). The Administrative Claim Objection Deadline may be extended for one thirty (30) day period by either of the Plan Proponents by filing a notice of the extended Administrative Claim Objection Deadline with the Bankruptcy Court. Thereafter, the Administrative Claim Objection Deadline may be further extended only by an order of the Bankruptcy Court.

ARTICLE II.

IMPLEMENTATION AND EXECUTION OF THE PLAN

2.1 **Effective Date.** The Plan shall become effective on the date that is the first Business Day on which each condition set forth in Section 4.2 of the Plan has been satisfied or waived as set forth therein.

2.2 **Implementation of the Plan.** The Plan will be implemented through the Distribution of the Debtors' Distributable Cash. As soon as practicable after the Effective Date, but in no event prior to the final resolution of any objections to Claims that are or could be classified in Class III.A. and Class III.B. of the Plan, the Debtors shall make the Distribution to Class III.A. and Class III.B. Claims (provided that the Holder of the Class III.B. Claim elected to receive a Distribution under the Plan) by distributing the Distributable Cash pro rata among the Record Holders of Allowed Class III.A. and Class III.B. Claims. Disallowed Claims shall not receive any Distribution.

2.3 **Delivery of Distribution.** The Distribution shall be made to Record Holders of Allowed Class III.A. and Class III.B. Claims; provided that the Holder of the Class III.B. Claim elected to receive a Distribution under the Plan: (i) at the address set forth on the proof of claim Filed by such Holder; (ii) at the address set forth in any written notices of address change Filed by such Holder; (iii) at the addresses reflected in the Schedules if neither a proof of claim nor a written notice of address change has been Filed; or (iv) if the Holder's address is not listed in the Schedules, at the last known address of such Holder according to the Debtors' books and records.

2.4 **Failure to Claim Undeliverable Distributions.** Any Holder of an Allowed Claim that does not assert a claim pursuant to this Plan for a distribution that was not received by such Holder within ninety (90) days after the date on which the distribution was made to such Holder will have its Claim for such undeliverable distribution deemed satisfied and released and shall be forever barred from asserting any such Claim against the Debtors and their estates. In such cases, such funds, in the Plan Proponents' discretion, will first be used to pay any Unclassified Claims, including Administrative Claims, Priority Tax Claims, and Professional Fee Claims of the Debtors, and then any other Allowed Claims against the Debtors, and after any such Claims and expenses are satisfied, be donated to Charity.

2.5 **De Minimis Distributions.** The Debtors shall not Distribute Cash to the Holder of an Allowed Claim if the amount of Cash to be Distributed on account of such Claim is less than fifty dollars (\$50.00) in the aggregate. Any Holder of an Allowed Claim on account of which the amount of Cash to be distributed is less than fifty dollars (\$50.00) in the aggregate will be forever barred from asserting its Claim for such Distribution against the Debtors or their property. Any Cash not distributed pursuant to this Section will be the property of the Debtors free of any restrictions thereon.

2.6 **Dissolution of the Debtors.** On the Effective Date or as soon thereafter as is reasonably practicable, the affairs of the Debtors will be considered wound up, and the Debtors may be dissolved at any time without the need for any further action or approval; provided, however, that the Debtors will remain in existence as required under applicable law to (a) complete Distributions under the Plan, and (b) complete resolution of any Claims objections.

2.7 **Directors and Officers.** On the date of the entry of the Final Decree, the sole member of the board of directors and Wind Down Officer of the Debtors shall be deemed to have resigned to the extent permissible under applicable law.

2.8 **Substantive Consolidation.** This Plan provides for the substantive consolidation of the Debtors into a single entity, Signature Styles, LLC. Entry of the Confirmation Order shall constitute approval, pursuant to section 105(a) of the Bankruptcy Code, effective as of the Effective Date, of the substantive consolidation of the Cases. On and after the Effective Date, (i) all assets and liabilities of the Debtors shall be merged so that all of the assets of the Debtors shall be available to pay all of the liabilities under this Plan, (ii) no Distribution shall be made under this Plan on account of intercompany claims among the Debtors, (iii) all guarantees of the Debtors of the obligations of any other Debtor shall be eliminated so that any claim against any Debtor and any guarantee thereof executed by any other Debtor and any joint or several liability of the Debtors shall be one obligation of Signature Styles, LLC, and (iv) each and every Claim filed or to be filed in the Case of any of the Debtors other than Signature Styles, LLC, shall be deemed filed against Signature Styles, LLC.

2.9 **Effectuating Documents.** As of the Confirmation Date, the Wind Down Officer shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, and other agreements or documents and take such other actions as may be necessary or appropriate to effectuate and implement the provisions of the Plan.

2.10 **Objections to, and Settlement of, Claims.** Except as provided herein, the deadline to File objections to Claims shall be thirty (30) days after the Effective Date (the "**Claims Objection Deadline**"). The Claims Objection Deadline may be extended for one thirty (30) day period by either of the Plan Proponents by filing a notice of the extended Claims Objection Deadline with the Bankruptcy Court. Thereafter, the Claims Objection Deadline may be further extended only by an order of the Bankruptcy Court. Notwithstanding anything to the contrary in the Plan, the Debtors shall not make the Distribution until all Disputed Claims become Allowed or Disallowed in full or in part, either by (i) agreement between the Plan Proponents and the Record Holder of the Disputed Claim or (ii) by Final Order. If a Disputed Claim becomes Allowed, in full or in part, such Claim shall be treated, to the extent Allowed, in accordance with the treatment of its Class. The Debtors, upon the consent of the Committee, may settle or compromise any Disputed Claim without approval of the Bankruptcy Court.

ARTICLE III. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

3.1 All executory contracts and unexpired leases of the Debtors which are not assumed and assigned, or rejected, prior to the Confirmation Date shall be deemed rejected as of the Confirmation Date. If the rejection of an executory contract or unexpired lease pursuant to this Plan gives rise to a Claim by the other party or parties to such contract or lease, such rejection Claim will be forever barred and will not be enforceable against the Debtors unless a proof of Claim is Filed and served on the Plan Notice Parties no later than thirty (30) days after the Effective Date.

ARTICLE IV. CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

4.1 **Conditions to Confirmation.** The following shall be the condition to Confirmation unless such condition is duly waived pursuant to section 4.3 of the Plan: the Confirmation Order is entered by the Bankruptcy Court and is in form and substance reasonably satisfactory to the Plan Proponents.

4.2 **Conditions to the Effective Date.** The Effective Date shall not occur and the Plan shall not be consummated unless and until each of the following conditions has been satisfied or duly waived pursuant to section 4.3 of the Plan: (i) the Bankruptcy Court shall have entered the Confirmation Order in form and substance reasonably satisfactory to the Plan Proponents; and (ii) the Confirmation Order shall have become a Final Order.

4.3 **Waiver of Conditions to Confirmation or the Effective Date.** The conditions to Confirmation set forth in section 4.1 of the Plan and the conditions to the Effective Date set forth in section 4.2 of the Plan may be waived in whole or in part in writing signed by the Plan Proponents without further Order.

4.4 **Effect of Nonoccurrence of Conditions to the Effective Date.** If each of the conditions to the Effective Date is not satisfied or duly waived in accordance with section 4.3 of

the Plan, then upon motion by the Plan Proponents made before the time that each of such conditions has been satisfied or duly waived and upon notice to such parties in interest as the Bankruptcy Court may direct, the Confirmation Order shall be vacated by the Bankruptcy Court; provided, however, that, notwithstanding the filing of such motion, the Confirmation Order may not be vacated if each of the conditions to the Effective Date is either satisfied or duly waived before the Bankruptcy Court enters an order granting such motion. If the Confirmation Order is vacated pursuant to this section 4.4 of the Plan, (i) the Plan shall be null and void in all respects; and (ii) nothing contained in the Plan shall (a) constitute a waiver or release of any Claims by or against, or any Equity Interest in, the Debtors or (b) prejudice in any manner the rights of the Debtors or any other party in interest.

ARTICLE V. MISCELLANEOUS PROVISIONS

5.1 **Causes of Action and Avoidance Actions.** All Causes of Action and Avoidance Actions were purchased by the Purchaser pursuant to the Asset Purchase Agreement for the purpose of being extinguished. Thus, from and after the Effective Date, no Causes of Action or Avoidance Actions will be pursued by the Debtors or the Purchaser.

5.2 **Binding Effect of the Plan.** The provisions of the Plan shall be binding upon all Creditors, Holders of Equity Interests, and all parties to the Plan, and inure to the benefit of the Debtors' estates and their respective predecessors, successors, assigns, agents, officers and directors. The terms of the Plan shall be enforceable against the Debtors, their Creditors, and all parties-in-interest.

5.3 **Retention of Jurisdiction.** Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain such exclusive jurisdiction over the Cases after the Effective Date as is legally permissible, including, but not limited to, jurisdiction to: (i) resolve any objections to the amount, allowance, priority or classification of Claims or Equity Interests; (ii) grant or deny any Professional Fee Applications; (iii) resolve any matters related to the assumption, assumption and assignment or rejection of any executory contract or unexpired lease; (iv) decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters involving the Debtors that may be pending on the Effective Date or brought thereafter; (v) enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan; (vi) modify this Plan before or after the Effective Date pursuant to section 1127 of the Bankruptcy Code or modify the Confirmation Order in such manner as may be necessary or appropriate to consummate this Plan; (vii) issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with consummation, implementation or enforcement of this Plan and the Confirmation Order; (viii) resolve any controversies that may arise in connection with the Asset Purchase Agreement and the Sale Order; (ix) determine matters concerning state, local and federal taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code; (x) enter a final decree closing the Case; and (xi) hear any other matter not inconsistent with the Bankruptcy Code.

5.4 **Governing Law.** Except as mandated by the Bankruptcy Code or Bankruptcy Rules, as applicable, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware.

5.5 **Headings.** The headings of articles, paragraphs, and subparagraphs of the Plan are inserted for convenience only and shall not affect the interpretation of any provision of the Plan.

5.6 **Time.** Whenever the time for the occurrence or happening of an event as set forth in this Plan falls on a day that is not a Business Day, then the time for the next occurrence or happening of said event shall be extended to the next day which is a Business Day.

5.7 **Severability.** Should any provision of the Plan be determined to be unenforceable after the Effective Date, such determination shall in no way limit or affect the enforceability and operative effect of any and all of the other provisions of the Plan.

5.8 **Revocation.** The Plan Proponents reserve the right to revoke and withdraw the Plan prior to the entry of a Confirmation Order. If the Plan Proponents revoke or withdraw the Plan, the Plan shall be deemed null and void and nothing contained herein shall be deemed to constitute a waiver or release of any claims by or against the Debtors, any other Person, or to prejudice in any manner the rights of such parties in any further proceedings involving the Debtors.

5.9 **Plan Controls.** In the event and to the extent that any provision of the Plan is inconsistent with the provisions of the Disclosure Statement, or any other agreement to be executed by any Person pursuant to the Plan, the provisions of the Plan shall control and take precedence.

5.10 **Dissolution of the Committee.** On the Effective Date, the Committee shall be dissolved and its members shall be deemed released of any continuing duties, responsibilities and obligations in connection with the Case or the Plan and its implementation, and the retention and employment of the Committee's attorneys, financial advisors and other agents shall terminate, except with respect to: (i) any matters concerning the Distribution; (ii) the Final Fee Hearing; (iii) any objections Filed pursuant to Article III; or (iv) any appeals of the Confirmation Order through the date such appeals are finally decided, settled, withdrawn, or otherwise resolved.

5.11 **Balloting Agent.** The Balloting Agent, in its capacity as claims, noticing and balloting agent, shall be relieved of such duties on the date of the entry of the Final Decree without further Order of the Bankruptcy Court.

5.12 **Exculpation and Limitation of Liability.** **The Debtors, the Committee, the members and former members of the Committee, and any of such parties' respective current and/or post-Petition Date and pre-Effective Date affiliates, members, officers, directors, employees, advisors, attorneys, representatives, financial advisors, investment bankers, or agents and any of such parties' successors and assigns, shall not have or incur, and are hereby released from, any claim, obligation, cause of action, or liability to one another or to any Holder of any Claim or Equity Interest, or any other party-in-interest, or any of their respective agents, employees, representatives, financial advisors, attorneys, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of the Cases, the negotiation and Filing of this Plan, the Filing of the Cases, the settlement of Claims or renegotiation of executory contracts and leases, the pursuit of confirmation of this Plan, the consummation of this Plan, or the administration of this Plan or the property to be distributed under this Plan, except for their willful misconduct or gross negligence or any obligations that they have**

under or in connection with this Plan or the transactions contemplated in this Plan, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under this Plan.

5.13 **Limitation on Notice.** The Plan Proponents shall give the following notice with regard to the following matters, which notice shall be deemed to be good and sufficient notice of such matters with no requirement for any additional or further notice:

- (a) **Notice of Entry of Confirmation Order, the Effective Date and the Administrative Claim Bar Date.** Notice of the entry of the Confirmation Order, the Effective Date, and the Administrative Claim Bar Date shall be sufficient if mailed to all known holders of Claims and Equity Interests (which have not become Disallowed as of the date of mailing and with respect to holders of Merchandise Credit Claims, have elected to receive a Distribution under the Plan); **provided, however,** that such notice to Creditors holding Gift Card Claims shall be made pursuant to the Gift Card Distribution Election Form. All such notices shall be mailed within five (5) Business Days of the Effective Date.
- (b) **Post Confirmation Date Service.** From and after the date the Confirmation Order becomes a Final Order, notices of appearances and demands for service of process filed with the Bankruptcy Court prior to such date shall no longer be effective. No further notices (other than notice described above in Section 5.13(a)) shall be required to be sent to any entities or persons, except for any Creditor who files a renewed request for service of pleadings and whose Claim has not been fully satisfied.

ARTICLE VI. FINAL FEE HEARING AND FINAL DECREE

6.1 **The Professional Fee Claim Bar Date.** All applications for the final allowance of Professional Fee Claims shall be Filed and served upon the Plan Notice Parties, counsel to the Purchaser, and the United States Trustee on or before the Professional Fee Claim Bar Date. Notice of all applications for the final allowance of Professional Fee Claims and of the hearing on final allowance of Professional Fee Claims (the "**Final Fee Hearing**") shall be served on all parties on the Debtors' Bankruptcy Rule 2002 service list no less than twenty one (21) days prior to the Final Fee Hearing and posted on the Noticing Agent Website.

6.2 **Final Fee Hearing.** The Final Fee Hearing shall be held as soon as practicable after the Professional Fee Bar Date.

6.3 **Final Decree.** Subsequent to the Effective Date and the Final Fee Hearing, Debtors' counsel shall File a certification of counsel requesting the entry of the Final Decree.

ARTICLE VII.
REQUEST FOR CONFIRMATION

7.1 **Request for Confirmation.** The Plan Proponents request confirmation of this Plan in accordance with section 1129(a) and/or section 1129(b) of the Bankruptcy Code.

IN WITNESS WHEREOF, the Plan Proponents have executed this Plan this 18th day of November, 2011.

Signature Styles, LLC
Signature Styles Gift Cards, LLC

The Official Committee of Unsecured Creditors
of Signature Styles, LLC

By: /s/ Anthony M. Saccullo

By: /s/ Michael Ritter

Name: Anthony M. Saccullo

Name: Michael Ritter

Title: Wind Down Officer

Title: Chairperson

EXHIBIT B

LETTER IN SUPPORT OF THE PLAN FROM THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS



November 18, 2011

VIA REGULAR MAIL

The General Unsecured Creditors of
Signature Styles, LLC and Signature Styles
Gift Cards, LLC d/b/a Spiegel, NewportNews
and Shapefx.com

**Recommendation of Creditors' Committee in Favor of Chapter 11 Plan of
Liquidation**

Dear Creditor:

The undersigned are counsel and advisors to the official committee of unsecured creditors (the "**Committee**") of Signature Styles, LLC and Signature Styles Gift Cards, LLC d/b/a Spiegel, NewportNews and Shapefx.com (collectively, the "**Debtors**"). The Committee is a co-proponent of the Debtors' chapter 11 plan of liquidation (the "**Plan**") and urges you to vote to accept the Plan. Copies of the Plan and related disclosure statement (the "**Disclosure Statement**") are being distributed to each holder of a claim against the Debtors who is entitled to vote to accept or reject the Plan, along with a ballot with which to cast its vote.

Since its appointment on June 17, 2011, the Committee has participated in all aspects of the Debtors' bankruptcy case. Upon filing the chapter 11 cases, the Debtors immediately sought to sell substantially all of their assets to Artemiss, LLC (the "**Purchaser**"), an affiliate of the Debtors' equity holder and pre- and postpetition lender, Patriarch Partners, LLC (collectively, "**Patriarch**"). The proposed consideration for the Debtors' assets was principally in the form of a credit bid of Patriarch's prepetition secured debt; consideration which would have provided the Debtors' general unsecured creditors with no return in the case.

As set forth in detail in the Disclosure Statement, the Committee opposed the pace at which the sale process was to proceed and sought to insert itself into the marketing of the Debtors' assets. The Committee was ultimately successful on both fronts, thereby increasing the marketing period for the Debtors' assets and being granted authority to co-manage the sale process. After conducting a thorough investigation into Patriarch's prepetition transactions and asserted liens, and with no bidders making an offer for the Debtors' assets, the Debtors, Patriarch and the Committee agreed that the Committee would no longer oppose the sale process in consideration for the Purchaser providing the Debtors with a \$2 million cash payment, paying all cure costs in connection with the assumption of the Debtors' contracts, not pursuing and releasing all chapter 5 causes of action, including preference actions, funding the Debtors' payment of all allowed administrative claims that accrued in the ordinary course of the Debtors' business after the commencement of the Debtors' cases and through the closing date that were in excess of any amounts assumed by the Purchaser under the Asset Purchase Agreement, and waiving any and all of its claims against the Debtors. Holders of allowed unsecured claims are currently projected to receive between approximately **8% and 10%** on account of their allowed claims.

The sale accomplished several significant goals for the Committee's constituency, which consists of vendors of goods and service providers, including:

- (i) general unsecured creditors will receive a significantly higher distribution than would have been realized in a liquidation of the Debtors' assets;
- (ii) vendors with valid section 503(b)(9) claims will be paid in full;
- (iii) vendors and service providers continue to have a customer for their products and services going forward; and
- (iv) the Purchaser buying, and agreeing not to pursue, preference actions against the Debtors' creditors.

The Committee voted to support the Plan because it believes that acceptance of the Plan is in the best interests of the holders of unsecured claims. The Committee concluded that the projected distribution under the Plan represents a substantial improvement over the recovery that unsecured creditors might expect under chapter 7 of the Bankruptcy Code. Moreover, the Committee believes that distributions to creditors would take longer if these cases were converted to chapter 7. **Accordingly, the Committee recommends that creditors vote in favor of the Plan by so indicating on the enclosed ballot.** However, you should make your own determination on whether to accept or reject the Plan after reading and giving careful consideration to both the Plan and Disclosure Statement, and in consultation with your own advisors and professionals.

In order to count, ballots must be returned to:

Delaware Claims Agency, LLC
230 North Market Street
P.O. Box 515
Wilmington, DE 19899

and be received no later than **December 9, 2011 at 5:00 P.M. ET.**

If you have any questions, please contact the undersigned.

Very truly yours,

Lead Counsel to the Committee

Cooley LLP

Jay R. Indyke
jindyke@cooley.com
Tel. (212) 479-6080

Jeffrey L. Cohen
jcohen@cooley.com
Tel. (212) 479-6218

Brent Weisenberg
bweisenberg@cooley.com
Tel. (212) 479-6651

Local Counsel to the Committee

The Rosner Law Group LLC
Frederick B. Rosner
Julia B. Klein

Financial Advisor to the Committee

FTI Consulting
Steven D. Simms
Matthew Diaz
Terrence Grossman
Jeremy Stern

Committee Members

| | | |
|---|-----|-------------------------------------|
| Michael Ritter (Chairman) | rep | Gould Paper Corp. |
| Scott Yamano Jean Metzger Jenny Slepuhina | rep | Dedicated Marketing Solutions, Inc. |
| Chris Cavalier Janna Tubman | rep | Experian Marketing Solutions, Inc. |
| Allan Bittner Bridgette Fitzpatrick | rep | Hearst Communications, Inc. |
| Nancy Lazaros | rep | X+1 |

EXHIBIT C

LIQUIDATION ANALYSIS

The purpose of this Liquidation Analysis (this “**Analysis**”) is to provide information to the Bankruptcy Court and Creditors to determine whether the Plan is in the best interests of all Classes of Creditors and Equity Holders who are Impaired by the Plan.¹

If the Plan is not confirmed, the Debtors’ cases may be converted to cases under Chapter 7 of the Bankruptcy Code. After conversion, the Debtors’ assets would be distributed to holders of Allowed Claims in accordance with the priority scheme established by the Bankruptcy Code. Conversion of the Debtors’ cases to Chapter 7 of the Bankruptcy Code would likely result in significant additional costs to the Debtors’ estates, and significant delays in the distribution of assets to Allowed Claim Holders. The costs of liquidation under Chapter 7 would consist of a Chapter 7 trustee, as well as counsel and other professionals retained by the Chapter 7 trustee, expenses related to claims adjudication and resolution, and expenses related to distribution of assets.

The Plan Proponents and their advisors prepared this Analysis, which is based upon a hypothetical Chapter 7 liquidation. This Analysis utilizes estimates and assumptions that are inherently subject to significant uncertainties and contingencies beyond the control of the Plan Proponents. Actual results may vary significantly from the calculations provided in this Analysis. As such, this Analysis is speculative in nature, and no representation or warranty can be, or is being, made with respect to the actual proceeds that could be achieved in a Chapter 7 liquidation.

The Plan Proponents submit that this Analysis evidences that the Plan satisfies the best interest of creditors test. Under the Plan, the Holders of Allowed Claims will receive value that is not less than the amount such Holders would receive in a Chapter 7 liquidation. In fact, under a Chapter 7 scenario it is likely that General Unsecured Creditors would receive a substantially reduced distribution.

GENERAL ASSUMPTIONS

- The Debtors’ cases are converted to Chapter 7 on or about December 21, 2011.

ASSET ASSUMPTIONS

- **Cash:** The estimated cash balance is based upon anticipated cash on hand as of December 21, 2011, and is assumed to be net of professional fees that were accrued *and paid* as chapter 11 administrative claims through that date. At present, this amount is estimated to be \$1,750,000.
- **Intangible and non-Cash Assets:** As a result of the Sale described in the Disclosure Statement, the Debtors’ sole remaining asset is cash. The Debtors do not possess any additional assets that may be liquidated for the benefit of Creditors.
- **Avoidance Actions:** Pursuant to the Sale, the Purchaser purchased, and agreed not to pursue, Avoidance Actions.

¹ Any capitalized term not defined in this Analysis shall have the meaning ascribed to such capitalized term in the Disclosure Statement or Plan.

COST ASSUMPTIONS

- **Trustee and Professional Fees:** The Chapter 7 Trustee fees are calculated based upon the statutory scale set forth in section 326 of the Bankruptcy Code, which provides for fees equal to 25% of the first \$5,000 of proceeds; 10% of the next \$45,000 of proceeds; 5% of the next \$950,000 of proceeds; and 3% of proceeds in excess of \$1,000,000. Based upon this formula, and assuming that the Chapter 7 Trustee distributes a minimum of \$1.75 million, the Chapter 7 Trustee would be entitled to at least \$75,750 as a commission in this case. This amount significantly exceeds the currently-anticipated costs that the Wind Down Officer will accrue during the same time period. The Wind Down Officer, and his retained professionals, will control the distribution process if the Plan is confirmed.

It is also assumed that the administration of the Chapter 7 cases would require the retention of legal counsel and accountants. These professionals would require time and fees to come “up-to-speed” on all of the outstanding issues that must be addressed and resolved prior to the distribution of funds. These issues include, without limitation: claims adjudication, general background of the case, and tax preparation and reconciliation. At present, the estimated combined professional fees for the Chapter 7 Trustee’s professionals is a minimum of \$250,000. Additional Chapter 7 administrative costs may also be incurred, which are unable to be estimated at this time.

CLAIMS ASSUMPTIONS

- The Plan and Disclosure Statement contain the Plan Proponents’ best estimate of the dollar amount of Allowed Claims in each Class. In many instances, these estimates contain a range of estimated amounts of aggregate Allowed Claims that may fall into a particular Class. Given the nature of this Analysis and its intended use, it is assumed that all known Claims will be Allowed, and therefore, entitled to a Distribution in a Chapter 7 case. In essence, this Analysis projects the estimated “worst case” scenario for Creditors receiving a distribution in a Chapter 7 case.
- It is also assumed that as of December 21, 2011, the estates would have accrued, *but unpaid*, professional fees and other administrative expenses of approximately \$300,000. These payments are included in the liquidation analysis set forth below, and would be satisfied in full before General Unsecured Creditors receive a distribution in these cases.
- It is also assumed that all Gift Card Claims and Merchandise Credit Claims will be afforded the same classification as they would receive under the Plan: Gift Card Claims will be treated as Priority Claims and be paid in full and Merchandise Credit Claims will be treated as General Unsecured Claims and receive their pro rata Distribution of Distributable Cash.

THIS ANALYSIS DOES NOT ACCOUNT FOR THE DELAY INCUMBENT IN ADMINISTERING A CASE UNDER CHAPTER 7. AT PRESENT, THE PLAN PROPONENTS ANTICIPATE MAKING DISTRIBUTIONS TO CREDITORS IN THE FIRST CALENDAR QUARTER OF 2012. IT IS HIGHLY UNLIKELY THAT A CHAPTER 7 TRUSTEE WOULD BE ABLE TO MAKE DISTRIBUTIONS WITHOUT SIGNIFICANT DELAY. THE PLAN PROPONENTS CONSIDER THE TIMING OF DISTRIBUTIONS TO BE A MAJOR BENEFIT

TO UNSECURED CREDITORS THAT IS ATTAINABLE SOLELY THROUGH CONFIRMATION OF THE PLAN.

LIQUIDATION PROJECTIONS

The table below presents estimated creditor recoveries in the event these Chapter 11 cases are converted to Chapter 7.

| <u>ASSETS</u> | <u>LIQUIDATION VALUE</u> |
|--|---------------------------------|
| Cash | \$ 1,750,000 |
| Intangible Assets | \$ 0 |
| Equity Interest | \$ 0 |
| Fixed Assets | \$ 0 |
| Avoidance Actions | <u>\$ 0</u> |
| | \$ 1,750,000 |
| <u>COSTS</u> | |
| Chapter 7 Trustee and Professionals | (\$ 323,750) |
| Costs of Distribution | <u>(\$ 10,000)</u> |
| | (\$ 333,750) |
| NET LIQUIDATION PROCEEDS | \$ 1,416,250 |
| CASH AVAILABLE FOR DISTRIBUTION | \$ 1,416,250 |

| Plan Class | Estimated Amount | Estimated Recovery Ch. 7 | Estimated Recovery Percentage Ch. 7 | Estimated Recovery Set forth in Plan |
|---|------------------|--------------------------|-------------------------------------|--------------------------------------|
| Secured Claims | \$100,000 | \$100,000 | 100% | 100% |
| Chapter 11 Administrative Claims | \$300,000 | \$300,000 | 100% | 100% |
| Priority Tax Claims | \$275,000 | \$275,000 | 100% | 100% |
| Gift Card Claims | \$70,000 | \$70,000 | 100% | 100% |
| Merchandise Credit Claims | \$650,000 | \$671,250 | 4.6% | 8-10% |
| General Unsecured Claims | \$14,000,000 | | | |

SENSITIVITY ANALYSIS

Numerous Claims are, or will be, contested by the Debtors. The allowance, or disallowance, of these Claims may impact the Distribution made to General Unsecured Creditors, including Holders of Merchandise Credit Claims. The chart below demonstrates the Distribution that General Unsecured Creditors would realize through a Chapter 7 case in which the allowed "pool" of General Unsecured Claims varies (assuming all other factors remain the same as described above):

| Amount of General Unsecured Claim Pool | Distribution Percentage |
|---|--------------------------------|
| \$11,000,000 | 6.10% |
| \$11,500,000 | 5.84% |
| \$12,000,000 | 5.56% |
| \$12,500,000 | 5.37% |
| \$13,000,000 | 5.16% |
| \$13,500,000 | 4.97% |
| \$14,000,000 | 4.79% |
| \$14,500,000 | 4.63% |
| \$14,650,000 | 4.58% |

EXHIBIT 1.2.9

BALLOT

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

In re:) Chapter 11
)
Signature Styles, LLC, *et al.*,¹) Case No. 11-11733 (KG)
a Delaware limited liability company,)
) Jointly Administered
Debtors.)

**BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN OF LIQUIDATION FILED BY THE
DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

CLASS III.A. – GENERAL UNSECURED CLAIMS

THIS BALLOT MUST BE RECEIVED BY DELAWARE CLAIMS AGENCY, LLC (THE “BALLOTING AGENT”) BY NO LATER THAN 5:00 P.M. PREVAILING EASTERN TIME ON DECEMBER 9, 2011 (THE “VOTING DEADLINE”). IF YOUR BALLOT IS NOT RECEIVED BY THE VOTING DEADLINE, THE DEBTORS WILL REJECT SUCH BALLOT AS INVALID. IF THE PLAN (DEFINED BELOW) IS CONFIRMED BY THE BANKRUPTCY COURT, IT WILL BE BINDING ON YOU WHETHER OR NOT YOU VOTE.

This Ballot is being sent to you because our records indicate that you are a Holder of a Class III.A. General Unsecured Claim as of November 18, 2011 (the “**Record Date**”), and, accordingly, you have the right to vote to accept or reject the Plan. Your rights are described in the *Disclosure Statement for Joint Plan of Liquidation Filed By the Debtors and the Official Committee of Unsecured Creditors* (the “**Disclosure Statement**”) and the *Joint Plan of Liquidation Filed by the Debtors and the Official Committee of Unsecured Creditors* (the “**Plan**”). The Disclosure Statement and the Plan are included in the packet you are receiving with this Ballot (the “**Solicitation Package**”). The Solicitation Package materials are also available (i) on the official electronic docket of these bankruptcy cases and (ii) by contacting the Balloting Agent at (800) 838-6773 or by visiting its website at www.virtualclaimsinfo.com.

You should carefully and thoroughly review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the classification and treatment of your Claim under the Plan. Your Claim has been placed in Class III.A. under the Plan. If you hold Claims in more than one Class, you will receive a Ballot for each Class in which you are entitled to vote. You should return all Ballots for each Class in which you are entitled to vote.

PLEASE DELIVER YOUR BALLOT PROMPTLY.

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING INSTRUCTIONS,
PLEASE CALL THE BALLOTING AGENT AT (800) 838-6773.

VOTING INSTRUCTIONS

1. All capitalized terms used in this Ballot but not otherwise defined herein shall have the meaning ascribed to them in the Disclosure Statement or the Plan, as the case may be.

¹ The Debtors in these chapter 11 cases, the last four digits of each tax identification number, and their respective case numbers are: (i) Signature Styles, LLC (4502) (Case No. 11-11733 (KG)) and (ii) Signature Styles Gift Cards, LLC (8699) (Case No. 11-11734 (KG)). The location of the Debtors’ corporate headquarters was: 711 Third Avenue, 4th Floor, New York, New York 10017.

2. This Ballot may not be used for any purpose other than for submitting a vote to accept or reject the Plan.
3. The Bankruptcy Court can confirm the Plan and bind you if the Plan is accepted by the Holders of at least two-thirds in amount and more than one-half in number of the Claims in the impaired Classes that are entitled to vote on the Plan and if the Plan otherwise satisfies the applicable requirements of Bankruptcy Code section 1129(a). If the requisite acceptances are not obtained, the Bankruptcy Court nonetheless may confirm the Plan if (i) at least one Class of impaired Claims votes in favor of the Plan and (ii) the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, each Class rejecting the Plan and (b) otherwise satisfies the requirements of Bankruptcy Code section 1129(b). If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote or affirmatively vote to reject the Plan.
4. To ensure that your vote is counted, you must complete and return this Ballot as follows: (a) make the certification as to the amount of your Claim in Item 1, (b) indicate your vote either to accept or reject the Plan in the boxes provided in Item 2, (c) review the Certifications in Item 3, (e) sign and complete the requested information at the bottom of the Ballot, and (f) return the Ballot so that it is **actually received** by the Balloting Agent by the Voting Deadline, **December 9, 2011 at 5:00 p.m. prevailing Eastern Time**.
5. If a Ballot is received after the Voting Deadline, it will not be counted. Except as otherwise provided herein, such delivery will be deemed made only when the original executed Ballot is **actually received** by the Balloting Agent. You should allow sufficient time to assure timely delivery. Ballots delivered by facsimile transmission, electronic mail, or any other electronic means will not be counted. **This Ballot may not be submitted to the Debtors or their financial or legal advisors.**
6. You must vote all of your Claims either to accept or reject the Plan. Accordingly, a Ballot that partially rejects and partially accepts the Plan will not be counted.
7. If multiple Ballots are received from you with respect to the same Claims prior to the Voting Deadline, the last Ballot timely received will be deemed to reflect your intent and will supersede and revoke any prior Ballot received.
8. The Ballot is not a letter of transmittal and may not be used for any purpose other than to vote to accept or reject the Plan.
9. This Ballot does not constitute, and shall not be deemed to be, a proof of claim or equity interest or an assertion or admission of a Claim or Interest.
10. The following Ballots will not be counted in determining the acceptance or rejection of the Plan:
 - (i) any Ballot that is not actually received by the Balloting Agent on or before the Voting Deadline;
 - (ii) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder;
 - (iii) any Ballot that (a) does not indicate an acceptance or rejection of the Plan, (b) indicates both an acceptance and rejection of the Plan, and/or (c) partially accepts and partially rejects the Plan;
 - (iv) any Ballot cast by a Person who does not hold, or represent a Person that holds, a Claim in a Class that is entitled to vote on the Plan;

- (v) any Ballot cast for a Claim scheduled as unliquidated, contingent or disputed for which no proof of claim was timely filed;
 - (vi) any Ballot sent to the Balloting Agent by facsimile, electronic mail or any other electronic means;
 - (vii) any Ballot sent to a Person other than the Balloting Agent; and
 - (viii) any unsigned Ballot.
11. Be sure to sign and date your Ballot. If you are signing the Ballot as a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or acting in a fiduciary or representative capacity, you must indicate such capacity when signing and, if required or requested by the Balloting Agent, the Debtors, or the Bankruptcy Court, must submit evidence satisfactory to the requesting party to so act on behalf of the Holder of the Claim.
 12. Unless otherwise directed by the Bankruptcy Court, delivery of a defective or irregular Ballot will not be deemed to have been made until such defect or irregularity has been cured or waived by the Debtors. Any waiver by the Debtors of defects or irregularities in any Ballot will be detailed in the voting report filed with the Bankruptcy Court by the Balloting Agent. Neither the Debtors, nor any other person or entity, will be under any duty to provide notification of defects or irregularities with respect to delivered Ballots, nor will any of them incur any liability for failure to provide such notification.
 13. No fees or commissions or other remuneration will be payable to any broker, dealer or other person for soliciting Ballots accepting the Plan.
 14. If you have any questions regarding the Ballot, please contact the Balloting Agent immediately.

THIS BALLOT IS TO BE USED BY THE HOLDERS OF CLASS III.A. GENERAL UNSECURED CLAIMS. PLEASE CAREFULLY READ AND FOLLOW THE FOREGOING INSTRUCTIONS. THIS BALLOT IS NOT ACCOMPANIED BY A PRE-ADDRESSED, POSTAGE PRE-PAID RETURN ENVELOPE SO PLEASE MAKE SURE YOU SEND YOUR COMPLETED BALLOT TO THE CORRECT ADDRESS USING THE CORRECT AMOUNT OF POSTAGE. YOUR VOTE MUST BE RECEIVED BY THE BALLOTING AGENT ON OR BEFORE THE VOTING DEADLINE.

Item 1. Amount of Claim.

The undersigned certifies that as of the Record Date, the Holder identified below was the Holder of a Class III.A. General Unsecured Claim in the amount of \$_____.

Item 2. Vote on Plan.

THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

| | |
|---|---|
| The Holder votes to (please check one): | |
| <u>ACCEPT</u> THE PLAN <input type="checkbox"/> | <u>REJECT</u> THE PLAN <input type="checkbox"/> |

Item 3. Certifications.

Upon execution of this Ballot, the undersigned certifies to the Bankruptcy Court and the Debtors that:

1. As of the Record Date, November 18, 2011, the undersigned (a) was the Holder of the Claim being voted or (b) is an authorized signatory for the Person that was the Holder on the Record Date of the Claim being voted and, in either case, has the full power and authority to accept or reject the Plan, and make the acknowledgments and certifications contained in this Ballot.
2. The Holder of the Claim being voted is eligible to be treated as a Holder of a Claim in Class III.A.
3. The Holder has received and reviewed a copy of the Disclosure Statement, the Plan, and any other documents contained in the Solicitation Package.
4. The Holder has reviewed and understands the instructions contained in this Ballot.

[Ballot continues on following page]

| | |
|---|------------------------|
| Name of Holder: | _____ |
| | (Print or Type) |
| Holder's Social Security or Federal Tax Identification Number: | _____ |
| Signature: | _____ |
| Name of Signatory: | _____ |
| | (If other than Holder) |
| Title: | _____ |
| Address: | _____ |
| | _____ |
| | _____ |
| Date Completed: | _____ |

**PLEASE COMPLETE, SIGN, AND DATE THE BALLOT AND RETURN IT ON OR BEFORE 5:00 PM
PREVAILING EASTERN TIME ON DECEMBER 9, 2011.**

THIS BALLOT MUST BE MAILED TO:

**Delaware Claims Agency, LLC
230 North Market Street
P.O. Box 515
Wilmington, DE 19899**

EXHIBIT 1.2.24
CLASS III.B. BALLOT AND
DISTRIBUTION ELECTION
FORM

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

In re:) Chapter 11
)
Signature Styles, LLC, *et al.*,¹) Case No. 11-11733 (KG)
a Delaware limited liability company,)
) Jointly Administered
Debtors.)

**CLASS III.B. BALLOT
AND
DISTRIBUTION ELECTION FORM FOR CREDITORS
HOLDING UNREDEEMED MERCHANDISE CREDIT CLAIMS**

On June 6, 2011, Signature Styles, LLC and Signature Styles Gift Cards, LLC dba Spiegel, NewportNews and Shapefx.com (collectively, the “**Debtors**”) filed voluntary petitions for relief under the Bankruptcy Code. On or about September 13, 2011, the Debtors sold substantially all of their assets to Artemiss, LLC (the “**Purchaser**”) pursuant to an Asset Purchase Agreement (the “**Asset Purchase Agreement**”). **THE PURCHASER CONTINUES TO OPERATE THE DEBTORS’ BUSINESS AND, PURSUANT TO THE ASSET PURCHASE AGREEMENT, AGREED TO ACCEPT ALL UNREDEEMED MERCHANDISE CREDITS ISSUED BY THE DEBTORS THROUGH OCTOBER 24, 2012. IF YOU WISH TO REDEEM THE FULL AMOUNT OF YOUR MERCHANDISE CREDIT FOR MERCHANDISE, RATHER THAN RECEIVE A PORTION OF YOUR CLAIM IN CASH FROM THE DEBTORS, YOU SHOULD GO TO WWW.SPIEGEL.COM/AWARD.**

On November 18, 2011, the Debtors and their Official Committee of Unsecured Creditors (the “**Committee**”) filed the *Joint Plan of Liquidation Filed by the Debtors and the Official Committee of Unsecured Creditors* (the “**Plan**”). Pursuant to the Plan, creditors asserting a right to payment on account of an unredeemed merchandise credit (a “**Merchandise Credit Claim**”) will receive their pro rata share (if any) of Distributable Cash as soon as reasonably practicable after the Effective Date; provided that (i) they elect to forgo their right to redeem their merchandise credit from the Purchaser and (ii) the Debtors will not make a distribution on account of any Merchandise Credit Claim if the amount of the distribution on account of such claim is less than fifty dollars (\$50.00) in the aggregate.

THE DEBTORS PROJECT THAT HOLDERS OF MERCHANDISE CREDIT CLAIMS THAT ELECT TO RECEIVE A DISTRIBUTION IN ACCORDANCE WITH THE INSTRUCTIONS BELOW WILL RECEIVE A DISTRIBUTION OF APPROXIMATELY 8-10%. HOWEVER, CREDITORS THAT ELECT NOT TO RECEIVE A DISTRIBUTION FROM THE DEBTORS MAY REDEEM THE FULL VALUE OF THEIR MERCHANDISE CREDIT FROM THE PURCHASER BY GOING TO WWW.SPIEGEL.COM/AWARD.

THE PLAN REQUIRES THAT HOLDERS OF MERCHANDISE CREDIT CLAIMS (I) COMPLETE AND RETURN THIS CLASS III.B. BALLOT AND DISTRIBUTION ELECTION FORM (THIS “BALLOT**” OR “**FORM**”) AND (II) PROVIDE THE DEBTORS WITH THE UNREDEEMED AND VALID MERCHANDISE CREDIT OR THE CODE EVIDENCING SAME, IN ACCORDANCE WITH THE INSTRUCTIONS BELOW, BY NO LATER THAN 5:00 P.M. PREVAILING EASTERN TIME ON DECEMBER 9, 2011 (THE “**DEADLINE**”) IN ORDER TO RECEIVE A DISTRIBUTION FROM THE DEBTORS. IF THIS FORM AND THE MERCHANDISE CREDIT, OR THE CODE EVIDENCING SUCH**

¹ The Debtors in these chapter 11 cases, the last four digits of each tax identification number, and their respective case numbers are: (i) Signature Styles, LLC (4502) (Case No. 11-11733 (KG)) and (ii) Signature Styles Gift Cards, LLC (8699) (Case No. 11-11734 (KG)). The location of the Debtors’ corporate headquarters was: 711 Third Avenue, 4th Floor, New York, New York 10017.

CREDIT, ARE NOT RECEIVED BY THE DEADLINE, THE MERCHANDISE CREDIT CLAIM SHALL BE DEEMED DISALLOWED AND THE SOLE SOURCE OF RECOVERY, IF ANY, FOR SUCH UNUSED MERCHANDISE CREDIT SHALL BE AGAINST THE PURCHASER.

IF YOU HAVE ANY QUESTIONS REGARDING THIS FORM,
PLEASE CALL (800) 838-6773.

I.

BALLOT FOR ACCEPTING OR REJECTING THE JOINT PLAN OF LIQUIDATION FILED BY THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

THIS BALLOT MUST BE RECEIVED BY DELAWARE CLAIMS AGENCY, LLC (THE "BALLOTING AGENT") BY NO LATER THAN DECEMBER 9, 2011 AT 5 P.M. ET. IF YOUR BALLOT IS NOT RECEIVED BY THAT DEADLINE, THE DEBTORS WILL REJECT SUCH BALLOT AS INVALID. IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT, IT WILL BE BINDING ON YOU WHETHER OR NOT YOU VOTE.

This Ballot is being sent to you because our records indicate that you are a Holder of a Class III.B. Merchandise Credit Claim as of November 18, 2011 (the "**Record Date**"), and, accordingly, you have the right to vote to accept or reject the Plan. Your rights are described in the *Disclosure Statement for Joint Plan of Liquidation Filed By the Debtors and the Official Committee of Unsecured Creditors* (the "**Disclosure Statement**") and the Plan. The Disclosure Statement and the Plan are included in the packet you are receiving with this Ballot (the "**Solicitation Package**"). The Solicitation Package materials are also available (i) on the official electronic docket of these bankruptcy cases and (ii) by contacting the Balloting Agent at (800) 838-6773 or by visiting its website at www.virtualclaimsinfo.com.

You should carefully and thoroughly review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the classification and treatment of your Claim under the Plan. Your Claim has been placed in Class III.B. under the Plan. If you hold Claims in more than one Class, you will receive a Ballot for each Class in which you are entitled to vote. You should return all Ballots for each Class in which you are entitled to vote.

PLEASE DELIVER YOUR BALLOT PROMPTLY.

IF YOU HAVE ANY QUESTIONS REGARDING THIS BALLOT OR THE VOTING INSTRUCTIONS,
PLEASE CALL THE BALLOTING AGENT AT (800) 838-6773.

VOTING AND ELECTION INSTRUCTIONS

1. All capitalized terms used in this Ballot but not otherwise defined herein shall have the meaning ascribed to them in the Disclosure Statement or the Plan, as the case may be.
2. This Ballot may not be used for any purpose other than for (i) submitting a vote to accept or reject the Plan and (ii) electing to receive a distribution on account of an unused Merchandise Credit Claim Filed against the Debtors pursuant to the Plan.
3. The Bankruptcy Court can confirm the Plan and bind you if the Plan is accepted by the Holders of at least two-thirds in amount and more than one-half in number of the Claims in the impaired Classes that are entitled to vote on the Plan and if the Plan otherwise satisfies the applicable requirements of Bankruptcy Code section 1129(a). If the requisite acceptances are not obtained, the Bankruptcy Court nonetheless may confirm the Plan if (i) at least one Class of impaired Claims votes in favor of the Plan and (ii) the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, each Class rejecting the Plan and (b) otherwise satisfies

the requirements of Bankruptcy Code section 1129(b). If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether or not you vote or affirmatively vote to reject the Plan.

4. To ensure that your vote is counted and you receive a distribution under the Plan, you must complete and return this Ballot as follows: (a) make the certification as to the amount of your Claim in Item 1, (b) indicate your vote either to accept or reject the Plan in the boxes provided in Item 2, (c) indicate your election to either (i) receive a distribution from the Debtors under the Plan (estimated to equal 8-10%) or (ii) retain your merchandise credit and redeem it in full through the Purchaser's website at www.spiegel.com/award, (d) review the Certifications in Item 4, (e) sign and complete the requested information, and (f) return the Ballot, **ALONG WITH YOUR MERCHANDISE CREDIT OR THE CODE EVIDENCING SAME**, so that it is **actually received** by the Balloting Agent by the Voting Deadline, December 9, 2011 at 5:00 p.m. prevailing Eastern Time.
5. If a Ballot is received after the Voting Deadline, it will not be counted. Except as otherwise provided herein, such delivery will be deemed made only when the original executed Ballot is **actually received** by the Balloting Agent. You should allow sufficient time to assure timely delivery. Ballots delivered by facsimile transmission, electronic mail, or any other electronic means will not be counted. **This Ballot may not be submitted to the Debtors or their financial or legal advisors.**
6. If a Form is received after the Distribution Election Deadline, the creditor submitting such form shall not be entitled to receive any distribution from the Debtors under the Plan and its sole source of recovery shall be by redeeming the merchandise credit through the Purchaser's website. Except as otherwise provided herein, such delivery will be deemed made only when the original executed Form AND MERCHANDISE CREDIT OR THE CODE EVIDENCING SAME are **actually received** by the Balloting Agent.
7. You must vote all of your Claims either to accept or reject the Plan. Accordingly, a Ballot that partially rejects and partially accepts the Plan will not be counted.
8. If multiple Ballots are received from you with respect to the same Claims prior to the Voting Deadline, the last Ballot timely received will be deemed to reflect your intent and will supersede and revoke any prior Ballot received.
9. The Ballot is not a letter of transmittal and may not be used for any purpose other than to vote to accept or reject the Plan.
10. This Ballot does not constitute, and shall not be deemed to be, a proof of claim or equity interest or an assertion or admission of a Claim or Interest.
11. The following Ballots will not be counted (i) in determining the acceptance or rejection of the Plan and (ii) in connection with the distribution election, in which case the creditor submitting such form shall not be entitled to receive any distribution from the Debtors under the Plan and its sole source of recovery shall be by redeeming the merchandise credit through the Purchaser's website:
 - (i) any Ballot that is not actually received by the Balloting Agent on or before the Voting Deadline;
 - (ii) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder;

- (iii) any Ballot that is not accompanied by a Merchandise Credit or a code evidencing same that is unredeemed and will not receive a distribution on account of such Claim in an amount equal to or exceeding \$50.00;
 - (iv) any Ballot that (a) does not indicate an election for a distribution under the Plan, or (b) indicates both an election for, and against, receiving a distribution under the Plan;
 - (v) any Ballot that (a) does not indicate an acceptance or rejection of the Plan, (b) indicates both an acceptance and rejection of the Plan, and/or (c) partially accepts and partially rejects the Plan;
 - (vi) any Ballot cast by a Person who does not hold, or represent a Person that holds, a Claim in a Class that is entitled to vote on the Plan;
 - (vii) any Ballot cast for a Claim scheduled as unliquidated, contingent or disputed for which no proof of claim was timely filed;
 - (viii) any Ballot sent to the Balloting Agent by facsimile, electronic mail or any other electronic means;
 - (ix) any Ballot sent to a Person other than the Balloting Agent; and
 - (x) any unsigned Ballot.
12. Be sure to sign and date your Ballot. If you are signing the Ballot as a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation, or acting in a fiduciary or representative capacity, you must indicate such capacity when signing and, if required or requested by the Balloting Agent, the Debtors, or the Bankruptcy Court, must submit evidence satisfactory to the requesting party to so act on behalf of the Holder of the Claim.
13. Unless otherwise directed by the Bankruptcy Court, delivery of a defective or irregular Ballot will not be deemed to have been made until such defect or irregularity has been cured or waived by the Debtors. Any waiver by the Debtors of defects or irregularities in any Ballot will be detailed in the voting report filed with the Bankruptcy Court by the Balloting Agent. Neither the Debtors, nor any other person or entity, will be under any duty to provide notification of defects or irregularities with respect to delivered Ballots, nor will any of them incur any liability for failure to provide such notification.
14. No fees or commissions or other remuneration will be payable to any broker, dealer or other person for soliciting Ballots accepting the Plan.
15. If you have any questions regarding the Ballot, please contact the Balloting Agent immediately.

THIS BALLOT IS TO BE USED BY THE HOLDERS OF CLASS III.B. MERCHANDISE CREDIT CLAIMS. PLEASE CAREFULLY READ AND FOLLOW THE FOREGOING INSTRUCTIONS. THIS BALLOT IS NOT ACCOMPANIED BY A PRE-ADDRESSED, POSTAGE PRE-PAID RETURN ENVELOPE SO PLEASE MAKE SURE YOU SEND YOUR COMPLETED BALLOT TO THE CORRECT ADDRESS USING THE CORRECT AMOUNT OF POSTAGE. YOUR VOTE MUST BE RECEIVED BY THE BALLOTING AGENT ON OR BEFORE THE VOTING DEADLINE.

THE MERCHANDISE CREDIT ITSELF OR THE CODE EVIDENCING SAME MUST BE SENT TO THE DEBTORS ALONG WITH THIS BALLOT AND ELECTION FORM IN ORDER TO BE ENTITLED TO A DISTRIBUTION UNDER THE PLAN.

Item 1. Amount of Claim.

The undersigned certifies that as of as of November 18, 2011, the individual identified below was the Holder of a Class III.B. Merchandise Credit Claim in the amount of \$_____.

Item 2. Vote on Plan.

THE DEBTORS AND THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

| | |
|---|---|
| The Holder votes to (please check one): | |
| <u>ACCEPT</u> THE PLAN <input type="checkbox"/> | <u>REJECT</u> THE PLAN <input type="checkbox"/> |

Item 3. Distribution Election.

| | |
|--|--|
| The Holder elects to (please check one): | |
| <u>RECEIVE A DISTRIBUTION OF APPROXIMATELY 8-10% UNDER THE PLAN</u> <input type="checkbox"/> | <u>RETAIN MY MERCHANDISE CREDIT AND NOT RECEIVE A DISTRIBUTION UNDER THE PLAN</u> <input type="checkbox"/> |

Item 4. Certifications.

Upon execution of this Ballot, the undersigned certifies to the Bankruptcy Court and the Debtors that:

1. As of the Record Date, November 18, 2011, the undersigned (a) was the Holder of the Claim being voted or (b) is an authorized signatory for the Person that was the Holder on the Record Date of the Claim being voted and, in either case, has the full power and authority to accept or reject the Plan, and make the acknowledgments and certifications contained in this Ballot.
2. The Holder of the Claim being voted is eligible to be treated as a Holder of a Claim in Class III.B..
3. The Holder has received and reviewed a copy of the Disclosure Statement, the Plan, and any other documents contained in the Solicitation Package.
4. The Holder has reviewed and understands the instructions contained in this Ballot.

[Ballot continues on following page]

| | |
|---|------------------------|
| Name of Holder: | _____ |
| | (Print or Type) |
| Holder's Social Security or Federal Tax Identification Number: | _____ |
| Signature: | _____ |
| Name of Signatory: | _____ |
| | (If other than Holder) |
| Title: | _____ |
| Address: | _____ |
| | _____ |
| | _____ |
| Date Completed: | _____ |

**PLEASE COMPLETE, SIGN, AND DATE THE BALLOT AND RETURN IT ON OR BEFORE 5:00 PM
PREVAILING EASTERN TIME ON DECEMBER 9, 2011.**

THIS BALLOT MUST BE MAILED TO:

**Delaware Claims Agency, LLC
230 North Market Street
P.O. Box 515
Wilmington, DE 19899**

EXHIBIT 1.2.46
GIFT CARD DISTRIBUTION
ELECTION FORM

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

In re:) Chapter 11
)
Signature Styles, LLC, *et al.*,¹) Case No. 11-11733 (KG)
a Delaware limited liability company,)
) Jointly Administered
Debtors.)

**NOTICE OF CONFIRMATION AND EFFECTIVENESS OF PLAN OF LIQUIDATION
AND
DISTRIBUTION ELECTION FORM FOR CREDITORS HOLDING UNREDEEMED GIFT CARDS**

On or about June 6, 2011, Signature Styles, LLC and Signature Styles Gift Cards, LLC dba Spiegel, NewportNews and Shapefx.com (collectively, the "**Debtors**") filed their voluntary petitions for relief under the Bankruptcy Code. On or about September 13, 2011, the Debtors sold substantially all of their assets to Artemiss, LLC (the "**Purchaser**") pursuant to an Asset Purchase Agreement (the "**Asset Purchase Agreement**"). The Purchaser continues to operate the Debtors' business and, pursuant to the Asset Purchase Agreement, agreed to accept all unredeemed gift cards issued by the Debtors through **February 24, 2012**.

On November 18, 2011, the Debtors and their Official Committee of Unsecured Creditors (the "**Committee**") filed the *Joint Plan of Liquidation Filed by the Debtors and the Official Committee of Unsecured Creditors* (the "**Plan**"). On December [___], 2011, the Plan was confirmed by the Bankruptcy Court and the Plan became effective on [_____].

Pursuant to the Plan, creditors holding claims asserting a right to payment on account of an unredeemed gift card (a "**Gift Card Claim**") will receive payment in full (100%); provided that the Debtors will not make a distribution on account of any Gift Card Claim if the amount of the Gift Card Claim is less than fifty dollars (\$50) in the aggregate.

THE PLAN REQUIRES THAT HOLDERS OF GIFT CARD CLAIMS (I) COMPLETE AND RETURN THIS DISTRIBUTION ELECTION FORM (THIS "FORM**") AND (II) PROVIDE THE DEBTORS WITH THE UNREDEEMED GIFT CARD, IN ACCORDANCE WITH THE INSTRUCTIONS BELOW, BY NO LATER THAN 5:00 P.M. PREVAILING EASTERN TIME ON [_____] , 2012 (THE "**DISTRIBUTION ELECTION DEADLINE**") IN ORDER TO RECEIVE A DISTRIBUTION FROM THE DEBTORS. IF THIS FORM AND THE GIFT CARD ARE NOT RECEIVED BY THE DISTRIBUTION ELECTION DEADLINE, THE GIFT CARD CLAIM SHALL BE DEEMED DISALLOWED WITHOUT FURTHER ORDER OF THE COURT AND THE SOLE SOURCE OF RECOVERY, IF ANY, FOR SUCH UNUSED GIFT CARD SHALL BE AGAINST THE PURCHASER.**

IF YOU HAVE ANY QUESTIONS REGARDING THIS FORM,
PLEASE CALL (800) 838-6773.

ELECTION INSTRUCTIONS

1. All capitalized terms used in this Form but not otherwise defined herein shall have the meaning ascribed to them in the Disclosure Statement or the Plan, as the case may be.

¹ The Debtors in these chapter 11 cases, the last four digits of each tax identification number, and their respective case numbers are: (i) Signature Styles, LLC (4502) (Case No. 11-11733 (KG)) and (ii) Signature Styles Gift Cards, LLC (8699) (Case No. 11-11734 (KG)). The location of the Debtors' corporate headquarters was: 711 Third Avenue, 4th Floor, New York, New York 10017.

1. This Form may not be used for any purpose other than electing to receive a distribution on account of an unredeemed Gift Card pursuant to the Plan.
2. To ensure that you receive a distribution under the Plan, you must complete and return this Form as follows: (a) make the certification as to the amount of your Gift Card Claim in Item 1, (b) indicate your election to either (i) receive a distribution from the Debtors under the Plan or (ii) retain your gift card and redeem it through the Purchaser's website at www.spiegel.com/award, (c) review the Certifications in Item 3, (d) sign and complete the requested information, and (e) return the Form, **ALONG WITH YOUR GIFT CARD**, and send it so that it is **actually received** by Delaware Claims Agency, LLC (the "**Debtors' Agent**") by the Distribution Election Deadline.
3. If a Form is received after the Distribution Election Deadline, the creditor submitting such form shall not be entitled to receive any distribution from the Debtors under the Plan and its sole source of recovery shall be by redeeming the gift card through the Purchaser's website. Except as otherwise provided herein, such delivery will be deemed made only when the original executed Form AND GIFT CARD are **actually received** by the Debtors' Agent. You should allow sufficient time to assure timely delivery. Forms delivered by facsimile transmission, electronic mail, or any other electronic means will not be counted. **The Form may not be submitted to the Debtors or their financial or legal advisors.**
4. The Form does not constitute, and shall not be deemed to be, a proof of claim or equity interest or an assertion or admission of a Claim or Interest.
5. The following Forms will not be counted, in which case the creditor submitting such form shall not be entitled to receive any distribution from the Debtors under the Plan and its sole source of recovery shall be by redeeming the gift card through the Purchaser's website:
 - (i) any Form that is not actually received by the Debtors' Agent on or before the Distribution Election Deadline;
 - (ii) any Form that is not accompanied by a Gift Card that the Debtors confirm is unredeemed and has a cash balance exceeding \$50.00;
 - (iii) any Form that is illegible or contains insufficient information to permit the identification of the Holder;
 - (iv) any Form that (a) does not indicate an election for a distribution under the Plan, or (b) indicates both an election for, and against, receiving a distribution under the Plan;
 - (v) any Form cast for a Claim for which no proof of claim was timely filed;
 - (vi) any Form sent to the Debtors' Agent by facsimile, electronic mail or any other electronic means;
 - (vii) any Form sent to a Person other than the Debtors' Agent; and
 - (viii) any unsigned Form.
6. Neither the Debtors, nor any other person or entity, will be under any duty to provide notification of defects or irregularities with respect to delivered Forms, nor will any of them incur any liability for failure to provide such notification.
7. If you have any questions regarding the Form, please contact the Debtors' Agent immediately.

THIS FORM IS TO BE USED BY THE HOLDERS OF UNREDEEMED GIFT CARDS THAT FILED CLAIMS AGAINST THE DEBTORS. PLEASE CAREFULLY READ AND FOLLOW THE FOREGOING INSTRUCTIONS. THIS FORM IS NOT ACCOMPANIED BY A PRE-ADDRESSED, POSTAGE PRE-PAID RETURN ENVELOPE SO PLEASE MAKE SURE YOU SEND YOUR COMPLETED FORM AND GIFT CARD TO THE CORRECT ADDRESS USING THE CORRECT AMOUNT OF POSTAGE. YOUR FORM MUST BE RECEIVED BY THE DEBTORS' AGENT ON OR BEFORE THE DISTRIBUTION ELECTION DEADLINE.

THE GIFT CARD ITSELF MUST BE SENT TO THE DEBTORS ALONG WITH THIS FORM IN ORDER TO BE ENTITLED TO A DISTRIBUTION UNDER THE PLAN.

Item 1. Amount of Gift Card Claim.

The undersigned certifies that as of November 18, 2011, the individual identified below held an unredeemed Gift Card in the amount of \$_____.

Item 2. Distribution Election.

| | |
|--|--|
| The Holder elects to (please check one): | |
| RECEIVE A DISTRIBUTION UNDER THE PLAN <input type="checkbox"/> | RETAIN MY GIFT CARD AND NOT RECEIVE A DISTRIBUTION UNDER THE PLAN <input type="checkbox"/> |

Item 3. Certifications.

Upon execution of this Form, the undersigned certifies to the Bankruptcy Court and the Debtors that:

1. As of November 18, 2011, the undersigned (a) was the Holder of the Gift Card Claim or (b) is an authorized signatory for the Person that was the Holder of the Gift Card Claim and, in either case, has the full power and authority to make the election for a distribution, and make the acknowledgments and certifications contained in this Form.
2. The Holder has reviewed and understands the instructions contained in this Form.

[Form continues on following page]

| | |
|---|------------------------|
| Name of Holder: | _____ |
| | (Print or Type) |
| Holder's Social Security or Federal Tax Identification Number: | _____ |
| Signature: | _____ |
| Name of Signatory: | _____ |
| | (If other than Holder) |
| Title: | _____ |
| Address: | _____ |
| | _____ |
| | _____ |
| Date Completed: | _____ |

PLEASE COMPLETE, SIGN, AND DATE THE FORM AND RETURN IT ON OR BEFORE _____.

THIS FORM MUST BE MAILED TO:

**Delaware Claims Agency, LLC
230 North Market Street
P.O. Box 515
Wilmington, DE 19899**