

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

In re:)
) Chapter 11
)
TAILORED BRANDS, INC., et al.,1)
) Case No. 20-33900 (MI)
)
) Debtors.) (Jointly Administered)
)

DISCLOSURE STATEMENT FOR THE DEBTORS' JOINT PLAN OF
REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

THIS IS NOT A SOLICITATION OF AN ACCEPTANCE OR REJECTION OF THE PLAN.
ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THIS DISCLOSURE
STATEMENT HAS BEEN APPROVED BY THE COURT. THIS DISCLOSURE STATEMENT IS BEING
SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE COURT. THE
INFORMATION IN THIS DISCLOSURE STATEMENT IS SUBJECT TO CHANGE. THIS DISCLOSURE
STATEMENT IS NOT AN OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER
TO BUY ANY SECURITIES

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Dated: August 17, 2020

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1 A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and
noticing agent at http://cases.primeclerk.com/TailoredBrands. The location of the Debtors' service address in these chapter
11 cases is: 6100 Stevenson Boulevard, Fremont, California 94538.

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS AND INTERESTS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE DEBTORS' JOINT PLAN OF REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE. NOTHING IN THIS DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY OTHER PURPOSE. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN ARTICLE X HEREIN.

THE PLAN IS SUPPORTED BY THE DEBTORS AND CERTAIN PARTIES IN INTEREST THAT HAVE EXECUTED THE RESTRUCTURING SUPPORT AGREEMENT, INCLUDING HOLDERS OF APPROXIMATELY 83 PERCENT OF THE DEBTORS' TERM LOANS.

HOLDERS OF CLAIMS OR INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. THE DEBTORS URGE EACH HOLDER OF A CLAIM OR INTEREST TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX, OR BUSINESS ADVICE IN REVIEWING THIS DISCLOSURE STATEMENT, THE PLAN, AND THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE COURT'S APPROVAL OF THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE COURT'S APPROVAL OF THE PLAN.

THIS DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, AND CERTAIN ANTICIPATED EVENTS IN THE DEBTORS' CHAPTER 11 CASES. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THEY DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH ANTICIPATED EVENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN FOR ALL PURPOSES. THE DEBTORS' MANAGEMENT, EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED, HAS PROVIDED THE FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

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EXPRESSLY CAUTION READERS NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD LOOKING STATEMENTS CONTAINED HEREIN.

THIS DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION, OR WAIVER. THE DEBTORS MAY SEEK TO INVESTIGATE, FILE, AND PROSECUTE CLAIMS AND MAY OBJECT TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THIS DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS.

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO, AND EXPRESSLY DISCLAIM ANY DUTY TO PUBLICLY UPDATE ANY FORWARD LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE. HOLDERS OF CLAIMS OR INTERESTS REVIEWING THIS DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS DISCLOSURE STATEMENT WAS FILED. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION, MODIFICATION, OR AMENDMENT. THE DEBTORS RESERVE THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE TERMS OF THE PLAN AND RESTRUCTURING SUPPORT AGREEMENT.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS DISCLOSURE STATEMENT.

IF THE PLAN IS CONFIRMED BY THE COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS AND INTERESTS (INCLUDING THOSE HOLDERS OF CLAIMS AND INTERESTS WHO MAY BE ELIGIBLE TO SUBMIT BALLOTS BUT DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE BOUND BY THE TERMS OF THE PLAN AND THE RESTRUCTURING TRANSACTION CONTEMPLATED THEREBY.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 3016(B) AND IS NOT NECESSARILY PREPARED IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER SIMILAR LAWS.

THIS DISCLOSURE STATEMENT WAS NOT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE AUTHORITY AND NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE AUTHORITY HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE STATEMENT OR UPON THE MERITS OF THE PLAN.

THE SECURITIES DESCRIBED HEREIN WILL BE ISSUED WITHOUT REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED,

(THE “SECURITIES ACT”) OR ANY SIMILAR FEDERAL, STATE OR LOCAL LAW, IN RELIANCE ON THE EXEMPTIONS SET FORTH IN SECTION 1145 OF THE BANKRUPTCY CODE TO THE MAXIMUM EXTENT PERMITTED AND APPLICABLE AND TO THE EXTENT THAT SECTION 1145 IS EITHER NOT PERMITTED OR NOT APPLICABLE, THE EXEMPTION SET FORTH IN SECTION 4(A)(2) OF THE SECURITIES ACT, THE EXEMPTION SET FORTH IN SECTION 701 PROMULGATED UNDER THE SECURITIES ACT OR ANOTHER EXEMPTION THEREUNDER. IN ACCORDANCE WITH SECTION 1125(E) OF THE BANKRUPTCY CODE, A DEBTOR OR ANY OF ITS AGENTS THAT PARTICIPATES, IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, IN THE OFFER, ISSUANCE, SALE, OR PURCHASE OF A SECURITY, OFFERED OR SOLD UNDER THE PLAN, OF THE DEBTOR, OF AN AFFILIATE PARTICIPATING IN A JOINT PLAN WITH THE DEBTOR, OR OF A NEWLY ORGANIZED SUCCESSOR TO THE DEBTOR UNDER THE PLAN, IS NOT LIABLE, ON ACCOUNT OF SUCH PARTICIPATION, FOR VIOLATION OF ANY APPLICABLE LAW, RULE, OR REGULATION GOVERNING THE OFFER, ISSUANCE, SALE, OR PURCHASE OF SECURITIES.

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EXHIBITS

- EXHIBIT A** Plan of Reorganization
- EXHIBIT B** Disclosure Statement Order²
- EXHIBIT C** Financial Projections³
- EXHIBIT D** Valuation Analysis⁴
- EXHIBIT E** Liquidation Analysis⁵
- EXHIBIT F** Organizational Structure Chart

² The Debtors shall file Exhibit B in advance of the deadline to object to the Disclosure Statement.

³ The Debtors shall file Exhibit C in advance of the deadline to object to the Disclosure Statement.

⁴ The Debtors shall file Exhibit D in advance of the deadline to object to the Disclosure Statement.

⁵ The Debtors shall file Exhibit E in advance of the deadline to object to the Disclosure Statement.

I. INTRODUCTION

Tailored Brands, Inc. (“Tailored Brands”) and its debtor affiliates, as debtors and debtors in possession (collectively, the “Debtors” or the “Company”), submit this disclosure statement (as amended, modified, or supplemented, from time to time, the “Disclosure Statement”) pursuant to section 1125 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) to Holders of Claims against and Interests in the Debtors in connection with the solicitation of acceptances with respect to the *Debtors’ Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code* (as amended, modified, or supplemented, from time to time, the “Plan”).⁶ A copy of the Plan is attached hereto as **Exhibit A** and incorporated herein by reference.

THE DEBTORS BELIEVE THIS IS THE BEST AVAILABLE ALTERNATIVE FOR COMPLETING THE CHAPTER 11 CASES. THE DEBTORS STRONGLY RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

II. PRELIMINARY STATEMENT

George Zimmer opened the first Men’s Wearhouse store in a strip shopping center on the west side of Houston in 1973. By 1980, there were 12 Men’s Wearhouse locations in Houston, and, in 1981, Men’s Wearhouse expanded to San Francisco. By 2011, one in five suits in the United States was bought from the Company, making it one of the largest specialty retailers of men’s apparel in the country with more than 1,200 stores. The Company used acquisitions to expand and diversify. In 1999, the Company acquired (a) K&G Men’s Superstore, which became K&G Fashion Superstore (“K&G”), a discount retailer, and (b) the Canadian menswear chain Moores the Suit People (now known as Moores Clothing for Men (“Moores”)), representing the Company’s first look beyond the borders of the United States. The Company then acquired Twin Hill Acquisition Company, Inc. (“Twin Hill”), a corporate clothing and uniform company, in 2002 and purchased two dry cleaning chains in 2003 and 2004 and rebranded them as MW Cleaners. In 2010, the Company, through its subsidiary, MWUK Limited (“MWUK”), purchased Dimensions Clothing Limited, a corporate clothing and uniform company. In 2013, the Company also purchased the American clothing brand Joseph Abboud, which offers authentic American designer clothing manufactured in the United States. Most recently, the Company acquired competitor Jos. A. Bank in 2014. The umbrella of Men’s Wearhouse’s acquisitions is what we now know today as Tailored Brands. The Company continues to focus its operations in the United States and Canada, with Canadian retail sales comprising approximately seven percent of total retail sales in fiscal year 2019.

Prior to recent events, the Debtors identified certain segments of their operations that could be eliminated to increase overall net revenue and provide opportunities to generate increased liquidity through sales of those same segments. The Debtors took the following actions that were intended to accelerate debt reduction and provide additional financial flexibility to invest in the customer-facing transformation strategies. First, on February 28, 2018, the Debtors entered into a definitive agreement to divest their MW Cleaners business for approximately \$18 million, subject to certain adjustments, and the transaction closed on March 3, 2018. Second, on August 16, 2019, the Debtors completed the sale of MWUK, the UK corporate apparel operations, to Project Dart Bidco Limited. The Debtors also completed the sale of Twin

⁶ Capitalized terms used but not immediately defined in this Disclosure Statement shall have the meanings assigned to them elsewhere in this Disclosure Statement, in the *Declaration of Holly Etlin, Chief Restructuring Officer of Tailored Brands, Inc., in Support of the Debtors’ Chapter 11 Petitions and First Day Motions* [Docket No. 20] (the “First Day Declaration”), the Plan, or the *Debtors’ Motion For Entry of an Order (A) Approving the Adequacy of the Disclosure Statement, (B) Establishing the Voting Record Date, Voting Deadline, and Other Dates, (C) Approving Procedures for Soliciting, Receiving, and Tabulating Votes on the Plan, and (D) Approving the Manner and Forms of Notice and Other Related Documents* [Docket No. [●]], as applicable. The summary of the Plan provided herein is qualified in its entirety by reference to the Plan. In the case of any inconsistency between this Disclosure Statement and the Plan, the Plan will govern.

Hill, the U.S. corporate apparel operation, to TH Holdco Inc. The aggregate consideration for all of the outstanding equity of MWUK and Twin Hill was approximately \$62 million, subject to certain working capital adjustments. The Debtors determined that the sale of these corporate apparel business segments represented a strategic shift that will have a major effect on the results of operations. Finally, on January 16, 2020, certain of the Debtors entered into an agreement with WHP Global to sell the Joseph Abboud trademarks for a total of \$115 million in cash consideration.

Despite its dominant position within the market, the Company has faced certain struggles, with revenue declining by approximately 5.6 percent over the past two years alone. The Company has been impacted by the continuing decline in the brick-and-mortar retail industry generally. On March 11, 2020, the World Health Organization declared COVID-19 a pandemic, which has recently exacerbated the industry's decline. In response to COVID-19, national, state, and local governments in the United States and throughout the world imposed quarantines, social distancing protocols, and shelter-in-place orders. To protect the health and safety of the Debtors' customers and employees, the Debtors voluntarily closed all of their stores and dramatically reduced supply chain operations.⁷ These unprecedented events have severely impacted the Debtors' business and liquidity.

To navigate these market conditions, the Debtors knew they needed to proactively address their liquidity position and capital structure. The Debtors engaged Kirkland & Ellis LLP ("Kirkland") as restructuring counsel, AlixPartners, LLP ("Alix") as financial advisors, and PJT Partners, Inc. ("PJT") as investment banker to work with the Debtors to analyze financing needs and consider capital structure alternatives. The term loan lenders and their ABL lenders then organized and retained advisors. An ad hoc group of lenders who collectively hold approximately 83.5 percent of the Debtors' term loan debt organized and retained Gibson, Dunn & Crutcher LLP ("Gibson") as counsel and Houlihan Lokey, Inc. ("Houlihan") as investment banker to represent the Ad Hoc Group in negotiations with the Debtors. JPMorgan Chase Bank, N.A., as administrative agent under the ABL Facility retained Morgan, Lewis & Bockius LLP ("Morgan Lewis") as counsel and Berkeley Research Group, LLC ("BRG") as financial advisors. The Debtors believed that stakeholder support for its restructuring plans would provide significant additional value to its stakeholders and actively pursued a tri party negotiation with the Ad Hoc Group and the ABL Agent on behalf of the ABL Lenders.

The Debtors' efforts to garner support for their restructuring process have borne fruit. The Debtors' proposed restructuring pursuant to their restructuring support agreement (the "Restructuring Support Agreement") and proposed Plan will substantially deleverage the Debtors' balance sheet and allow the Debtors to emerge from these cases as a stronger, better-capitalized enterprise positioned for sustained success. The Restructuring Support Agreement includes a provision of liquidity to fund the Debtors' operations and the administration of these chapter 11 cases through the entry into a new debtor-in-possession asset-based financing facility (the "DIP ABL Facility") with a principal amount of \$500 million, including a refinancing of all obligations under the ABL Facility and a "roll-up" of the letters of credit issued thereunder.

The material terms of the Plan are as follows:

- the reorganized Debtors or affiliates thereof (the "Reorganized Debtors") shall enter into the following exit facilities: (a) a new senior secured, first lien term loan facility in the aggregate principal amount of between \$325 million and \$425 million, which shall be on terms reasonably acceptable to the Debtors and the Required Consenting Term Loan Lenders (the "Exit Term Loan Facility"), and (b) a new asset based exit financing facility with aggregate total commitments of \$430 million, which shall be on terms reasonably

⁷ Nearly all stores have since opened.

acceptable to the Debtors, the ABL Agent, and the Required Consenting Term Loan Lenders (the “Exit ABL Facility”);

- holders of allowed claims under the DIP ABL Facility shall : (i) if those certain conversion conditions set forth in the DIP Credit Agreement remain unsatisfied as of the Effective Date, be Paid in Full on the Effective Date or (ii) if those certain conversion conditions as set forth in the DIP Credit Agreement are fully satisfied as of the Effective Date, receive its pro rata share of and interest in the Exit ABL Facility;
- holders of allowed claims under the Prepetition Term Loan Credit Agreement shall receive a pro rata share and interest in: (i) the Exit Term Loan Facility, and (ii) 100% of the New Common Stock to be issued by the Reorganized Debtors (subject to dilution by the Management Incentive Plan);
- holders of allowed claims on account of the Debtors’ swap agreements secured under the ABL Credit Agreement shall be Paid in Full in Cash in the amount of the Allowed Swap Claim from the proceeds of the DIP ABL Collateral and, solely to the extent that there is a deficiency of DIP ABL Priority Collateral, shall the proceeds of the Term Loan Collateral be made available;
- holders of allowed Ongoing Trade Claims shall receive [●];⁸
- holders of allowed Other General Unsecured Claims shall receive [●];⁹ and
- holders of allowed GUC Convenience Claims shall receive [●].¹⁰

The Restructuring Transactions embodied by the Plan and Restructuring Support Agreement are a significant achievement for the Debtors in the wake of a historically challenging operating environment. The Debtors strongly believe that the Plan is in the best interests of the Debtors’ estates, and represents the best available alternative at this time. The Debtors are confident that they can implement the Restructuring Transactions contemplated by the Plan to maximize stakeholder recoveries and ensure that the Reorganized Debtors can efficiently emerge from chapter 11 and continue to fulfill its promise as an omni-channel specialty retailer of menswear, including suits, formalwear, and a broad selection of polished and business casual offerings in the United States and Canada. For these reasons, the Debtors strongly recommend that Holders of Claims or Interests entitled to vote on the Plan vote to accept the Plan.

III. QUESTIONS AND ANSWERS REGARDING THIS DISCLOSURE STATEMENT AND THE PLAN

A. What is Chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 promotes equality of treatment for creditors and similarly situated equity interest holders, subject to the priority of distributions prescribed by the Bankruptcy Code.

⁸ Treatment of Ongoing Trade Claims to be agreed upon by the Debtors and the Super-Majority Consenting Term Loan Lenders.

⁹ Treatment of Other General Unsecured Claims to be agreed upon by the Debtors and the Super-Majority Consenting Term Loan Lenders.

¹⁰ Treatment of GUC Convenience Claims to be agreed upon by the Debtors and the Steering Committee.

The commencement of a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the date the chapter 11 case is commenced. The Bankruptcy Code provides that the debtor may continue to operate its business and remain in possession of its property as a “debtor in possession.” Consummating a chapter 11 plan is the principal objective of a chapter 11 case. A bankruptcy court’s confirmation of a plan binds the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor, and any other entity as may be ordered by the bankruptcy court. Subject to certain limited exceptions, the order issued by a bankruptcy court confirming a plan provides for the treatment of the debtor’s liabilities in accordance with the terms of the confirmed plan.

B. Why are the Debtors sending this Disclosure Statement?

The Debtors are seeking to obtain Court approval of the Plan. Before soliciting acceptances of the Plan, section 1125 of the Bankruptcy Code requires the Debtors to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan and to share such disclosure statement with all holders of claims or interests whose votes on the Plan are being solicited. This Disclosure Statement is being submitted in accordance with these requirements.

C. Am I entitled to vote on the Plan?

Your ability to vote on, and your distribution under, the Plan, if any, depends on what type of Claim or Interest you hold. Each category of Holders of Claims or Interests, as set forth in Article III of the Plan pursuant to section 1122(a) of the Bankruptcy Code, is referred to as a “Class.” Each Class’s respective voting status is set forth below.

Class	Claims and Interests	Status	Voting Rights
Class 1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 3	ABL Facility Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 4	Term Loan Claims	Impaired	Entitled to Vote
Class 5(a)	Ongoing Trade Claims	Impaired	Entitled to Vote
Class 5(b)	Other General Unsecured Claims	Impaired	Entitled to Vote
Class 5(c)	GUC Convenience Claims	Impaired	Entitled to Vote
Class 6	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept / Reject)
Class 7	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept / Reject)
Class 8	Existing Equity Interests	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

D. What will I receive from the Debtors if the Plan is consummated?

The following chart provides a summary of the anticipated recovery to Holders of Claims and Interests under the Plan. Any estimates of Claims or Interests in this Disclosure Statement may vary from the final amounts allowed by the Court. Your ability to receive distributions under the Plan depends upon the ability of the Debtors to obtain Confirmation and meet the conditions necessary to consummate the Plan.

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO CHANGE.

PLEASE REFERENCE THE PLAN FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS.¹¹

SUMMARY OF EXPECTED RECOVERIES				
Class	Claim/Equity Interest	Treatment of Claim and Equity Interest	Projected Amount of Claims	Projected Recovery Under the Plan
Classified Claims Against and Interests in the Debtors				
1	Other Secured Claims	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, to the extent such Claim has not already been paid in full during the Chapter 11 Cases, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Other Secured Claim, each Holder thereof shall receive, at the option of the applicable Debtor(s), with the reasonable consent of the Required Consenting Term Loan Lenders, either: (i) payment in full in Cash of the due and unpaid portion of its Allowed Other Secured Claim on the later of (x) the Effective Date (or as soon thereafter as reasonably practicable) or (y) as soon as practicable after the date such Claim becomes due and payable; (ii) the collateral securing its Allowed Other Secured Claim; (iii) Reinstatement of its Allowed Other Secured Claim; or (iv) such other treatment rendering its Allowed Other Secured Claim Unimpaired.	N/A	100%
2	Other Priority Claims	Except to the extent that a holder of an Allowed Other Priority Claim agrees to less favorable treatment, to the extent such Claim has not already	N/A	100%

¹¹ The recoveries set forth below may change based upon changes in the amount of Claims that are "Allowed" as well as other factors related to the Debtors' business operations and general economic conditions and the valuation of the consideration that may be provided to Holders of Claims and Interest, which in some instances are not currently knowable. "Allowed" shall mean, as to a claim or an interest (each as defined in the Bankruptcy Code), a claim or an interest allowed under the Plan, under the Bankruptcy Code, or by a final order, as applicable.

SUMMARY OF EXPECTED RECOVERIES				
Class	Claim/Equity Interest	Treatment of Claim and Equity Interest	Projected Amount of Claims	Projected Recovery Under the Plan
Classified Claims Against and Interests in the Debtors				
		been paid in full during the Chapter 11 Cases, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Other Priority Claim, each Holder thereof shall receive, either: (i) cash in an amount equal to the due and unpaid portion of such Allowed Other Priority Claim on the later of (x) the Effective Date (or as soon thereafter as reasonably practicable) or (y) as soon as practicable after the date such Claim becomes due in the ordinary course of business in accordance with the terms and conditions of the particular transaction, contract, or other agreement giving rise to such Allowed Other Priority Claim; (ii) subject to the reasonable consent of the Debtors and the Required Consenting Term Loan Lenders, such other treatment to render such Other Secured Claim unimpaired under section 1124 of the Bankruptcy Code; or (iii) subject to the reasonable consent of the Debtors and Required Consenting Term Loan Lenders, such other treatment as such holder may agree to or otherwise permitted by section 1129(a)(9) of the Bankruptcy Code.		
3	ABL Facility Claims	In full and final satisfaction, compromise, settlement, release, and discharge of its Claim (unless the applicable Holder agrees to a less favorable treatment), solely to the extent not already indefeasibly Paid in Full in cash or “rolled up” or converted into DIP Obligations pursuant to the DIP/Cash Collateral Orders before the Effective Date, each Holder of an Allowed ABL Facility Claim shall (i) receive Cash in the full amount of its Allowed ABL Facility Claim and (ii) all issued and undrawn letters of credit shall be replaced or cash collateralized in the amounts specified under the ABL Credit Agreement	\$[●]	100%
4	Term Loan Claims	Except to the extent that a Holder of an Allowed Term Loan Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Term Loan Claim, each Holder thereof shall receive its Pro Rata share of and interest in:	\$877.4 million	[●]%

SUMMARY OF EXPECTED RECOVERIES				
Class	Claim/Equity Interest	Treatment of Claim and Equity Interest	Projected Amount of Claims	Projected Recovery Under the Plan
Classified Claims Against and Interests in the Debtors				
		(i) the Exit Term Loan Facility; and (ii) 100% of the New Equity (subject to dilution by the Management Incentive Plan).		
5(a)	Ongoing Trade Claims	To the extent such Allowed Ongoing Trade Claim has not already been paid in full during the Chapter 11 Cases, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Ongoing Trade Claim, each Holder thereof shall receive [●]. ¹²	\$[●]	[●]%
5(b)	Other General Unsecured Claims	To the extent such Allowed Other General Unsecured Claim has not already been paid in full during the Chapter 11 Cases, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Other General Unsecured Claim, each holder thereof shall receive [●]. ¹³	\$[●]	[●]%
5(c)	GUC Convenience Claims	Except to the extent that a Holder of an Allowed GUC Convenience Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed GUC Convenience Claim, each Holder thereof shall receive [●]. ¹⁴	\$[●]	[●]%
6	Intercompany Claims	Each Intercompany Claim shall be, at the option of the Debtors and the Required Consenting Term Loan Lenders, setoff, contributed, distributed, compromised, settled, Reinstated, canceled and released without any distribution, or otherwise addressed in a manner determined by the Debtors and the Required Consenting Term Loan Lenders.	N/A	0% / 100%
7	Intercompany Interests	Each Intercompany Interest shall be, at the option of the Debtors and the Required Consenting Term Loan Lenders, as applicable, contributed, distributed, eliminated via merger or other	N/A	0% / 100%

¹² Treatment of Ongoing Trade Claims to be agreed upon by the Debtors and the Super-Majority Consenting Term Loan Lenders.

¹³ Treatment of Other General Unsecured Claims to be agreed upon by the Debtors and the Super-Majority Consenting Term Loan Lenders.

¹⁴ Treatment of GUC Convenience Claims to be agreed upon by the Debtors and the Steering Committee.

SUMMARY OF EXPECTED RECOVERIES				
Class	Claim/Equity Interest	Treatment of Claim and Equity Interest	Projected Amount of Claims	Projected Recovery Under the Plan
Classified Claims Against and Interests in the Debtors				
		corporate transaction, reinstated, canceled and released without any distribution, or otherwise addressed in a manner determined by the Debtors and the Required Consenting Term Loan Lenders.		
8	Existing Equity Interests	Each Existing Equity Interest shall be extinguished and cancelled, and will be of no further force or effect. Each Holder of an Existing Equity Interest shall receive no recovery on account of such Existing Equity Interest.	N/A	0%
9	Section 510(b) Claims	Section 510(b) Claims shall be discharged, cancelled, released, and extinguished without any distribution to holders of such Claims.	N/A	0%

E. What will I receive from the Debtors if I hold an Administrative Claim, Professional Fee Claim, DIP ABL Facility Claim, Priority Tax Claim, or United States Trustee Statutory Fee Claim?

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP ABL Facility Claims, Professional Fee Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III of the Plan.

1. Administrative Claims.

Each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims and Claims for fees and expenses pursuant to section 1930 of chapter 123 of title 28 of the United States Code), to the extent such Claim has not been paid in full during the Chapter 11 Cases or such Holder has not agreed to less favorable treatment, will receive in full and final satisfaction of its Administrative Claim (a) payment in full in cash of the due and unpaid portion of its Allowed Administrative Claim on the later of (x) the Effective Date (or as soon thereafter as reasonably practicable) or (y) as soon as practicable after the date such Claim becomes due and payable; (b) subject to the reasonable consent of the Debtors and the Required Consenting Term Loan Lenders, such other treatment to render such Administrative Claim unimpaired under section 1124 of the Bankruptcy Code; or (c) subject to the reasonable consent of the Debtors and the Required Consenting Term Loan Lenders, such other treatment as such holder may agree to or as otherwise permitted by section 1129(a)(9) of the Bankruptcy Code.

Except as otherwise provided in Article II.A of the Plan, and except with respect to Administrative Claims that are DIP ABL Facility Claims, Professional Fee Claims, or Cures, requests for payment of Administrative Claims must be Filed with the Bankruptcy Court and served on the Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred,

estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date.

2. Professional Fee Claims.

i. Final Fee Applications and Payment of Professional Fee Claims.

All requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than forty-five (45) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Reorganized Debtors shall pay Professional Fee Claims in Cash in the amount the Bankruptcy Court allows, including from the Professional Fee Escrow Account, which the Reorganized Debtors will establish in trust for the Professionals and fund with Cash equal to the Professional Fee Amount on the Effective Date. To the extent the funds held in the Professional Fee Escrow Account are insufficient to satisfy the amount of the Professional Fee Claims owing to the Professionals, such Professionals shall have an allowed Administrative Claim for any such sufficiency, which shall be satisfied in accordance with Article II.A of the Plan.

ii. Professional Fee Escrow Account.

On the Effective Date, the Reorganized Debtors shall, without duplication of any account or amount established for the benefit of Professionals pursuant to a DIP/Cash Collateral Order, establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Amount, which shall be funded by the Reorganized Debtors. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals. Such funds shall not be considered property of the Estates of the Debtors or the Reorganized Debtors. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Reorganized Debtors from the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed. When all such Allowed amounts owing to Professionals have been paid in full, any remaining amount in the Professional Fee Escrow Account shall promptly be paid to the Reorganized Debtors without any further action or order of the Bankruptcy Court.

iii. Professional Fee Amount.

Professionals shall reasonably estimate their unpaid Professional Fee Claims and other unpaid fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date, and shall deliver such estimate to the Debtors no later than two (2) Business Days before the Effective Date; *provided, however,* that such estimate shall not be considered an admission with respect to the fees and expenses of such Professional or be deemed to limit the amount of the fees and expenses that are the subject of the Professional's final request for payment of Filed Professional Fee Claims. If a Professional does not provide an estimate, the Debtors or Reorganized Debtors may estimate the unpaid and unbilled fees and expenses of such Professional.

iv. Post-Confirmation Fees and Expenses.

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by the Debtors. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date

shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

3. DIP ABL Facility Claims.

Notwithstanding anything to the contrary in the Plan or the Confirmation Order, (i) the Surviving DIP Obligations shall survive the Effective Date and shall not be discharged or released pursuant to the Plan or the Confirmation Order until the obligations under the DIP ABL Facility have been Paid in Full, and (ii) the DIP ABL Facility and the DIP ABL Documents shall continue in full force and effect after the Effective Date with respect to any obligations thereunder governing the Surviving DIP Obligations until the obligations under the DIP ABL Facility have been Paid in Full. After the Effective Date, the Reorganized Debtors shall continue to reimburse the DIP ABL Agent and the DIP ABL Lenders for the reasonable and documented fees and expenses (including reasonable and documented legal fees and expenses) incurred by the DIP ABL Agent and the DIP ABL Lenders after the Effective Date that survive termination or maturity of the DIP ABL Facility in accordance with the terms thereof and/or the Final DIP/Cash Collateral Order until the obligations under the DIP ABL Facility have been Paid in Full. The Reorganized Debtors shall pay all of the amounts that may become payable to the DIP ABL Agent or any of the DIP ABL Lenders under any of the foregoing provisions in accordance with the terms of the DIP ABL Documents. The DIP ABL Documents and all related loan documents shall continue in effect solely for the purpose of preserving the DIP ABL Agent's right to any Surviving DIP Obligations of the Debtors pursuant to and subject to the terms of the DIP ABL Documents and the Final DIP/Cash Collateral Order.

For the avoidance of doubt, upon entry of the Confirmation Order, the DIP ABL Facility Claims shall be deemed to be Allowed for all purposes as fully Secured Claims in an amount equal to (i) the principal amount outstanding under the DIP ABL Facility on such date, (ii) all interest accrued and unpaid thereon to the date of payment, and (iii) any and all accrued and unpaid fees, expenses, and indemnification or other obligations of any kind payable under the DIP Credit Agreement Documents. Such DIP ABL Facility Claims shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity.

Except to the extent that a Holder of an Allowed DIP ABL Facility Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of each Allowed DIP ABL Facility Claim, on the Effective Date, each Holder thereof shall: (i) if those certain conversion conditions set forth in the DIP Credit Agreement remain unsatisfied as of the Effective Date, be Paid in Full on the Effective Date or (ii) if those certain conversion conditions as set forth in the DIP Credit Agreement are fully satisfied as of the Effective Date, receive its pro rata share of and interest in the Exit ABL Facility. Except with respect to the Surviving DIP Obligations and as otherwise expressly provided in the DIP ABL Documents, upon the Allowed DIP ABL Facility Claims being Paid in Full or such other treatment as contemplated by Article II.C of the Plan, all Liens and security interests granted to secure the Allowed DIP ABL Facility Claims shall be automatically terminated and of no further force and effect without any further notice to or action, order, or approval of the Court or any other Entity. Notwithstanding anything to the contrary herein, including in Article VIII of the Plan, neither the DIP ABL Facility Claims nor the ABL Facility Claims, shall be deemed satisfied, settled, released, or discharged until the later of (i) the Effective Date of the Plan and (ii) (a) with respect to the DIP ABL Facility Claims, satisfaction in accordance with Article II.C of the Plan or (b) with respect to ABL Facility Claims, satisfaction in accordance with Article III.B.3 of the Plan.

4. Swap Claims

The Swap Claims shall be deemed to be Allowed for all purposes as fully Secured Claims in an amount equal to \$[●]. Such Swap Claims shall not be subject to any avoidance, reduction, setoff, offset,

recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by an Entity.

Except to the extent that a Holder of an Allowed Swap Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of each Allowed Swap Claim, on the Effective Date, each Holder thereof shall be Paid in Full in Cash in the amount of the Allowed Swap Claim from the proceeds of DIP ABL Priority Collateral and, solely to the extent that there is a deficiency of DIP ABL Priority Collateral, Cash from the proceeds of the Term Loan Priority Collateral.

5. Priority Tax Claims.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

6. United States Trustee Statutory Fees.

The Debtors and the Reorganized Debtors, as applicable, shall pay all United States Trustee quarterly fees under 28 U.S.C. § 1930(a)(6), plus any interest due and payable under 31 U.S.C. § 3717 on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtors' or Reorganized Debtors' business (or such amount agreed to with the United States Trustee or ordered by the Bankruptcy Court), for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

7. Payment of Restructuring Expenses.

The Restructuring Expenses incurred, or estimated to be incurred, up to and including the Effective Date, shall be paid in full in Cash on the Effective Date or as reasonably practicable thereafter (to the extent not previously paid during the course of the Chapter 11 Cases) in accordance with, and subject to, the terms set forth herein and in the Restructuring Support Agreement, without any requirement to file a fee application with the Bankruptcy Court, without the need for itemized time detail, or without any requirement for Bankruptcy Court review or approval. All Restructuring Expenses to be paid on the Effective Date shall be estimated prior to and as of the Effective Date and such estimates shall be delivered to the Debtors at least two (2) Business Days before the anticipated Effective Date; *provided, however*, that such estimates shall not be considered an admission or limitation with respect to such Restructuring Expenses. On the Effective Date, final invoices for all Restructuring Expenses incurred prior to and as of the Effective Date shall be submitted to the Debtors. In addition, the Debtors and the Reorganized Debtors (as applicable) shall continue to pay pre- and post-Effective Date, when due and payable in the ordinary course, Restructuring Expenses related to implementation, consummation, and defense of the Plan, whether incurred before, on, or after the Effective Date.

F. Are any regulatory approvals required to consummate the Plan?

No. There are no known regulatory approvals that are required to consummate the Plan. However, to the extent that any such regulatory approvals or other authorizations, consents, rulings, or documents are necessary to implement and effectuate the Plan, it is a condition precedent to the Effective Date that they be obtained.

G. What happens to my recovery if the Plan is not confirmed or does not go effective?

In the event that the Plan is not confirmed or does not go effective, there is no assurance that the Debtors will be able to reorganize their businesses. It is possible that any alternative to the Plan may provide Holders of Claims and Interests with less than they would have received pursuant to the Plan. For a more detailed description of the consequences of an extended chapter 11 case, or of a liquidation scenario, see “*Confirmation of the Plan - Best Interests of Creditors/Liquidation Analysis*,” which begins on page 55 of this Disclosure Statement, and the Liquidation Analysis attached as **Exhibit E**.

H. If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan goes effective, and what is meant by “Confirmation,” “Effective Date,” and “Consummation?”

“Confirmation” of the Plan refers to approval of the Plan by the Court. Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After Confirmation of the Plan by the Court, there are conditions that need to be satisfied or waived so that the Plan can go effective. Initial distributions to Holders of Allowed Claims will only be made on the date the Plan becomes effective/is consummated—the “Effective Date”—or as soon as practicable thereafter, as specified in the Plan. See “*Confirmation of the Plan*,” which begins on page 54 of this Disclosure Statement, for a discussion of the conditions precedent to consummation of the Plan.

I. What will I receive from the Debtors if I hold an Ongoing Trade Claim, an Other General Unsecured Claim, or a GUC Convenience Claim?

[•] in accordance with the treatment set forth in the Plan for Classes 5(a), 5(b), and 5(c).

J. Will there be releases and exculpation granted to parties in interest as part of the Plan?

Yes, the Plan proposes to release the Released Parties and to exculpate the Exculpated Parties. The Debtors’ releases, third-party releases, and exculpation provisions included in the Plan (as reflected below) are an integral part of the Debtors’ overall restructuring efforts and were an essential element of the negotiations between the Debtors and their key constituencies in obtaining their support for the Plan.

As defined in the Plan, “Released Party” means collectively, and in each case in its capacity as such: (a) the Debtors and the Reorganized Debtors; (b) the Term Loan Lenders; (c) the Term Loan Agent, (d) the ABL Lenders; (e) the ABL Agent; (f) the DIP ABL Lenders; (g) the DIP ABL Agent; (h) the Exit ABL Facility Agent; (i) the Exit ABL Facility Lenders; (j) the Exit Term Loan Facility Agent; (k) the Exit Term Loan Facility Lenders; (l) with respect to each of the foregoing entities, each such Entity’s current and former predecessors, successors, Affiliates (regardless of whether such interests are held directly or indirectly), subsidiaries, direct and indirect equity holders, funds, portfolio companies, management companies; and (m) with respect to each of the foregoing Entities in clauses (a) through (l), each of their respective current and former directors, officers, members, employees, partners, managers, independent contractors, agents, representatives, principals, professionals, consultants, financial advisors, attorneys, accountants, investment bankers, and other professional advisors (with respect to clause (l), each solely in their capacity as such); provided, however, that any Holder of a Claim or Interest in a voting Class that objects to the Plan and votes to reject the Plan (and thereby opts out of the releases) shall not be a “Released Party.”

As defined in the Plan, “Releasing Party” means each of, and in each case in its capacity as such: (a) the Debtors and the Reorganized Debtors; (b) the Term Loan Lenders; (c) the Term Loan Agent, (d) the ABL Lenders; (e) the ABL Agent; (f) the DIP ABL Lenders; (g) the DIP ABL Agent; (h) the Exit ABL

Facility Agent; (i) the Exit ABL Facility Lenders; (j) the Exit Term Loan Facility Agent; (k) the Exit Term Loan Facility Lenders; (l) with respect to each of the foregoing entities, each such Entity's current and former predecessors, successors, Affiliates (regardless of whether such interests are held directly or indirectly), subsidiaries, direct and indirect equity holders, funds, portfolio companies, management companies; (m) with respect to each of the foregoing Entities in clauses (a) through (j) each of their respective current and former directors, officers, members, employees, partners, managers, independent contractors, agents, representatives, principals, professionals, consultants, financial advisors, attorneys, accountants, investment bankers, and other professional advisors (with respect to clause (l), each solely in their capacity as such); and (n) all Holders of Claims and Interests not described in the foregoing clauses (a) through (l); *provided, however*, that any Holder of a Claim or Interest that (1) votes to reject the Plan or (2) objects to the releases in the Plan, shall not be a "Releasing Party" for purposes of the Plan.

As defined in the Plan, "Exculpated Parties" means, collectively, and in each case in its capacity as such: (a) the Debtors and the Reorganized Debtors; (b) any official committees appointed in the Chapter 11 Cases and each of their respective members; (c) each Consenting Term Loan Lender; (d) each member of the Ad Hoc Group; (e) the Term Loan Agent, and (f) with respect to each of the foregoing entities, each such Entity's current and former predecessors, successors, Affiliates (regardless of whether such interests are held directly or indirectly), subsidiaries, direct and indirect equity holders, funds, portfolio companies, management companies, consultants, financial advisors, and attorneys (each in their capacity as such).

The Debtors believe that all of the Released Parties and the Exculpated Parties have made substantial and valuable contributions to the Debtors' restructuring through efforts to negotiate and implement the Plan, which will maximize and preserve the going-concern value of the Debtors for the benefit of all parties in interest. Accordingly, each of the Released Parties and the Exculpated Parties warrants the benefit of the release and exculpation provisions.

All Holders of Claims that (i) vote to accept or are deemed to accept the Plan or (ii) are in voting Classes that abstain from voting on the Plan and do not opt out of the release provisions contained in Article VIII of the Plan or timely file with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in the Plan that is not resolved before Confirmation will be deemed to have expressly, unconditionally, generally, individually, and collectively released and discharged all Claims and Causes of Action against the Debtors and the Released Parties. The releases represent an integral element of the Plan.

Based on the foregoing, the Debtors believe that the releases and exculpations in the Plan are necessary and appropriate and meet the requisite legal standard promulgated by the United States Court of Appeals for the Fifth Circuit. Moreover, the Debtors will present evidence at the Confirmation Hearing to demonstrate the basis for and propriety of the release and exculpation provisions. As set forth in Article VIII of the Plan, the releases (as well as the definitions of Released Parties and Releasing Parties) are subject to approval by the Court at the Confirmation Hearing.

1. Discharge of Claims and Termination of Interests.

PURSUANT TO SECTION 1141(D) OF THE BANKRUPTCY CODE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN OR IN ANY CONTRACT, INSTRUMENT, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, THE DISTRIBUTIONS, RIGHTS, AND TREATMENT THAT ARE PROVIDED IN THE PLAN SHALL BE IN COMPLETE SATISFACTION, DISCHARGE, AND RELEASE, EFFECTIVE AS OF THE EFFECTIVE DATE, OF CLAIMS (INCLUDING ANY INTERCOMPANY CLAIMS RESOLVED OR COMPROMISED AFTER THE EFFECTIVE DATE BY THE REORGANIZED DEBTORS), INTERESTS, AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER, INCLUDING ANY

INTEREST ACCRUED ON CLAIMS OR INTERESTS FROM AND AFTER THE PETITION DATE, WHETHER KNOWN OR UNKNOWN, AGAINST, LIABILITIES OF, LIENS ON, OBLIGATIONS OF, RIGHTS AGAINST, AND INTERESTS IN, THE DEBTORS OR ANY OF THEIR ASSETS OR PROPERTIES, REGARDLESS OF WHETHER ANY PROPERTY SHALL HAVE BEEN DISTRIBUTED OR RETAINED PURSUANT TO THE PLAN ON ACCOUNT OF SUCH CLAIMS AND INTERESTS, INCLUDING DEMANDS, LIABILITIES, AND CAUSES OF ACTION THAT AROSE BEFORE THE EFFECTIVE DATE, ANY LIABILITY (INCLUDING WITHDRAWAL LIABILITY) TO THE EXTENT SUCH CLAIMS OR INTERESTS RELATE TO SERVICES PERFORMED BY EMPLOYEES OF THE DEBTORS BEFORE THE EFFECTIVE DATE AND THAT ARISE FROM A TERMINATION OF EMPLOYMENT, ANY CONTINGENT OR NON-CONTINGENT LIABILITY ON ACCOUNT OF REPRESENTATIONS OR WARRANTIES ISSUED ON OR BEFORE THE EFFECTIVE DATE, AND ALL DEBTS OF THE KIND SPECIFIED IN SECTIONS 502(G), 502(H), OR 502(I) OF THE BANKRUPTCY CODE, IN EACH CASE WHETHER OR NOT: (1) A PROOF OF CLAIM BASED UPON SUCH DEBT OR RIGHT IS FILED OR DEEMED FILED PURSUANT TO SECTION 501 OF THE BANKRUPTCY CODE; (2) A CLAIM OR INTEREST BASED UPON SUCH DEBT, RIGHT, OR INTEREST IS ALLOWED PURSUANT TO SECTION 502 OF THE BANKRUPTCY CODE; OR (3) THE HOLDER OF SUCH A CLAIM OR INTEREST HAS ACCEPTED THE PLAN. ANY DEFAULT OR "EVENT OF DEFAULT" BY THE DEBTORS OR AFFILIATES WITH RESPECT TO ANY CLAIM OR INTEREST THAT EXISTED IMMEDIATELY BEFORE OR ON ACCOUNT OF THE FILING OF THE CHAPTER 11 CASES SHALL BE DEEMED CURED (AND NO LONGER CONTINUING) AS OF THE EFFECTIVE DATE. THE CONFIRMATION ORDER SHALL BE A JUDICIAL DETERMINATION OF THE DISCHARGE OF ALL CLAIMS AND INTERESTS SUBJECT TO THE EFFECTIVE DATE OCCURRING.

2. Release of Liens.

EXCEPT AS OTHERWISE PROVIDED IN THE EXIT ABL FACILITY DOCUMENTS, THE EXIT TERM LOAN FACILITY DOCUMENTS, THE PLAN (INCLUDING, WITHOUT LIMITATION, THE SATISFACTION OF THE DIP ABL FACILITY CLAIMS IN ACCORDANCE WITH ARTICLE II.C OF THE PLAN), THE CONFIRMATION ORDER, OR ANY CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT CREATED PURSUANT TO THE PLAN, ON THE EFFECTIVE DATE AND CONCURRENTLY WITH THE APPLICABLE DISTRIBUTIONS MADE PURSUANT TO THE PLAN AND, IN THE CASE OF A SECURED CLAIM, SATISFACTION IN FULL OF THE PORTION OF THE SECURED CLAIM THAT IS ALLOWED AS OF THE EFFECTIVE DATE, EXCEPT FOR OTHER SECURED CLAIMS THAT THE DEBTORS ELECT TO REINSTATE IN ACCORDANCE WITH ARTICLE III.B.I OF THE PLAN, ALL MORTGAGES, DEEDS OF TRUST, LIENS, PLEDGES, OR OTHER SECURITY INTERESTS AGAINST ANY PROPERTY OF THE ESTATES SHALL BE FULLY RELEASED AND DISCHARGED, AND ALL OF THE RIGHT, TITLE, AND INTEREST OF ANY HOLDER OF SUCH MORTGAGES, DEEDS OF TRUST, LIENS, PLEDGES, OR OTHER SECURITY INTERESTS SHALL REVERT TO THE REORGANIZED DEBTORS AND THEIR SUCCESSORS AND ASSIGNS. ANY HOLDER OF SUCH SECURED CLAIM (AND THE APPLICABLE AGENTS FOR SUCH HOLDER) SHALL BE AUTHORIZED AND DIRECTED, AT THE SOLE COST AND EXPENSE OF THE REORGANIZED DEBTORS, TO RELEASE ANY COLLATERAL OR OTHER PROPERTY OF ANY DEBTOR (INCLUDING ANY CASH COLLATERAL AND POSSESSORY COLLATERAL) HELD BY SUCH HOLDER (AND THE APPLICABLE AGENTS FOR SUCH HOLDER), AND TO TAKE SUCH ACTIONS AS MAY BE REASONABLY REQUESTED BY THE REORGANIZED DEBTORS TO EVIDENCE THE RELEASE OF SUCH LIEN, INCLUDING THE EXECUTION, DELIVERY, AND FILING OR RECORDING OF SUCH RELEASES. THE PRESENTATION OR FILING OF THE CONFIRMATION ORDER TO OR WITH ANY FEDERAL, STATE, PROVINCIAL, OR LOCAL

AGENCY OR DEPARTMENT SHALL CONSTITUTE GOOD AND SUFFICIENT EVIDENCE OF, BUT SHALL NOT BE REQUIRED TO EFFECT, THE TERMINATION OF SUCH LIENS.

3. Releases by the Debtors.

PURSUANT TO SECTION 1123(B) OF THE BANKRUPTCY CODE, FOR GOOD AND VALUABLE CONSIDERATION, ON AND AFTER THE EFFECTIVE DATE, EACH RELEASED PARTY IS DEEMED RELEASED AND DISCHARGED BY THE DEBTORS, THE REORGANIZED DEBTORS, AND THEIR ESTATES FROM ANY AND ALL CAUSES OF ACTION, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED ON BEHALF OF THE DEBTORS, THAT THE DEBTORS, THE REORGANIZED DEBTORS, OR THEIR ESTATES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST, OR THAT ANY HOLDER OF ANY CLAIM OR INTEREST COULD HAVE ASSERTED ON BEHALF OF THE DEBTORS, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART:

- (a) THE DEBTORS, THE DEBTORS' RESTRUCTURING EFFORTS, INTERCOMPANY TRANSACTIONS, THE FORMULATION, PREPARATION, DISSEMINATION, NEGOTIATION, OR FILING OF THE RESTRUCTURING SUPPORT AGREEMENT;
- (b) ANY RESTRUCTURING TRANSACTION, CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT (INCLUDING PROVIDING ANY LEGAL OPINION REQUESTED BY ANY ENTITY REGARDING ANY TRANSACTION, CONTRACT, INSTRUMENT, DOCUMENT, OR OTHER AGREEMENT CONTEMPLATED BY THE PLAN OR THE RELIANCE BY ANY RELEASED PARTY ON THE PLAN OR THE CONFIRMATION ORDER IN LIEU OF SUCH LEGAL OPINION) CREATED OR ENTERED INTO IN CONNECTION WITH THE RESTRUCTURING SUPPORT AGREEMENT, THE DISCLOSURE STATEMENT, OR THE PLAN;
- (c) THE CHAPTER 11 CASES, THE DISCLOSURE STATEMENT, THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION, THE PURSUIT OF CONSUMMATION, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, INCLUDING THE ISSUANCE OR DISTRIBUTION OF SECURITIES PURSUANT TO THE PLAN, OR THE DISTRIBUTION OF PROPERTY UNDER THE PLAN OR ANY OTHER RELATED AGREEMENT;
- (d) THE FORMULATION, PREPARATION, DISSEMINATION, NEGOTIATION, OR FILING OF THE EXIT ABL FACILITY, THE EXIT ABL DOCUMENTS, THE EXIT TERM LOAN FACILITY, THE EXIT TERM LOAN FACILITY DOCUMENTS, THE DIP ABL FACILITY, THE DIP CREDIT AGREEMENT DOCUMENTS, THE ABL DOCUMENTS, OR THE TERM LOAN DOCUMENTS; OR
- (e) ANY OTHER ACT OR OMISSION, TRANSACTION, AGREEMENT, EVENT, OR OTHER OCCURRENCE TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASES SET FORTH IN ARTICLE VIII.C OF THE PLAN (I) DO NOT RELEASE ANY POST-EFFECTIVE DATE OBLIGATIONS OF ANY PARTY OR ENTITY UNDER THE PLAN, ANY RESTRUCTURING TRANSACTION, OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE SET FORTH IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN AND (II) DO NOT RELEASE ANY CLAIMS RELATED TO ANY ACT OR OMISSION THAT CONSTITUTES FRAUD, WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE, BUT IN ALL RESPECTS SUCH ENTITIES SHALL BE ENTITLED TO REASONABLY RELY UPON THE ADVICE OF COUNSEL WITH RESPECT TO THEIR DUTIES AND RESPONSIBILITIES PURSUANT TO THE PLAN.

4. Releases by Holders of Claims and Interests.

AS OF THE EFFECTIVE DATE, EACH RELEASING PARTY IS DEEMED TO HAVE RELEASED AND DISCHARGED EACH DEBTOR, REORGANIZED DEBTOR, AND RELEASED PARTY FROM ANY AND ALL CAUSES OF ACTION, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED ON BEHALF OF THE DEBTORS, THAT SUCH ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT (WHETHER

INDIVIDUALLY OR COLLECTIVELY), BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART:

- (a) THE DEBTORS, THE DEBTORS' RESTRUCTURING EFFORTS, INTERCOMPANY TRANSACTIONS, THE FORMULATION, PREPARATION, DISSEMINATION, NEGOTIATION, OR FILING OF THE RESTRUCTURING SUPPORT AGREEMENT;
- (b) ANY RESTRUCTURING TRANSACTION, CONTRACT, INSTRUMENT, RELEASE, OR OTHER AGREEMENT OR DOCUMENT (INCLUDING PROVIDING ANY LEGAL OPINION REQUESTED BY ANY ENTITY REGARDING ANY TRANSACTION, CONTRACT, INSTRUMENT, DOCUMENT, OR OTHER AGREEMENT CONTEMPLATED BY THE PLAN OR THE RELIANCE BY ANY RELEASED PARTY ON THE PLAN OR THE CONFIRMATION ORDER IN LIEU OF SUCH LEGAL OPINION) CREATED OR ENTERED INTO IN CONNECTION WITH THE RESTRUCTURING SUPPORT AGREEMENT, THE DISCLOSURE STATEMENT, OR THE PLAN;
- (c) THE CHAPTER 11 CASES, THE DISCLOSURE STATEMENT, THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION, THE PURSUIT OF CONSUMMATION, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, INCLUDING THE ISSUANCE OR DISTRIBUTION OF SECURITIES PURSUANT TO THE PLAN, OR THE DISTRIBUTION OF PROPERTY UNDER THE PLAN OR ANY OTHER RELATED AGREEMENT;
- (d) THE FORMULATION, PREPARATION, DISSEMINATION, NEGOTIATION, OR FILING OF THE EXIT ABL FACILITY, THE EXIT ABL DOCUMENTS, THE EXIT TERM LOAN FACILITY, THE EXIT TERM LOAN FACILITY DOCUMENTS, THE DIP ABL FACILITY, THE DIP CREDIT AGREEMENT DOCUMENTS, THE ABL DOCUMENTS, OR THE TERM LOAN DOCUMENTS; OR
- (e) ANY OTHER ACT OR OMISSION, TRANSACTION, AGREEMENT, EVENT, OR OTHER OCCURRENCE TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASES SET FORTH IN ARTICLE VIII.D OF THE PLAN (I) DO NOT RELEASE ANY POST-EFFECTIVE DATE OBLIGATIONS OF ANY PARTY OR ENTITY UNDER THE PLAN, ANY RESTRUCTURING TRANSACTION, OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE SET FORTH IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN AND (II) DO NOT RELEASE ANY CLAIMS RELATED TO ANY ACT OR OMISSION THAT CONSTITUTES FRAUD, WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE, BUT IN ALL RESPECTS SUCH ENTITIES SHALL BE ENTITLED TO REASONABLY RELY UPON THE ADVICE OF COUNSEL WITH RESPECT TO THEIR DUTIES AND RESPONSIBILITIES PURSUANT TO THE PLAN.

5. Exculpation.

EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THE PLAN, NO EXCULPATED PARTY SHALL HAVE OR INCUR, AND EACH EXCULPATED PARTY IS HEREBY RELEASED AND EXCULPATED FROM ANY CAUSE OF ACTION FOR ANY CLAIM RELATED TO ANY ACT OR OMISSION IN CONNECTION WITH, RELATING TO, OR ARISING OUT OF, THE CHAPTER 11 CASES, THE FORMULATION, PREPARATION, DISSEMINATION, NEGOTIATION, FILING, OR TERMINATION OF THE RESTRUCTURING SUPPORT AGREEMENT AND RELATED PREPETITION TRANSACTIONS, THE DISCLOSURE STATEMENT, THE PLAN, OR ANY RESTRUCTURING TRANSACTION, CONTRACT, INSTRUMENT, RELEASE OR OTHER AGREEMENT OR DOCUMENT (INCLUDING PROVIDING ANY LEGAL OPINION REQUESTED BY ANY ENTITY REGARDING ANY TRANSACTION, CONTRACT, INSTRUMENT, DOCUMENT, OR OTHER AGREEMENT CONTEMPLATED BY THE PLAN (INCLUDING THE EXIT ABL FACILITY, THE EXIT ABL DOCUMENTS, THE EXIT TERM LOAN FACILITY, THE EXIT TERM LOAN FACILITY DOCUMENTS, THE DIP ABL FACILITY, THE DIP CREDIT AGREEMENT DOCUMENTS, THE ABL DOCUMENTS, OR THE TERM LOAN DOCUMENTS) OR THE RELIANCE BY ANY EXCULPATED PARTY ON THE PLAN OR THE CONFIRMATION ORDER IN LIEU OF SUCH LEGAL OPINION) CREATED OR ENTERED INTO IN CONNECTION WITH THE

DISCLOSURE STATEMENT OR THE PLAN, THE FILING OF THE CHAPTER 11 CASES, THE PURSUIT OF CONFIRMATION, THE PURSUIT OF CONSUMMATION, THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN, INCLUDING THE ISSUANCE OF SECURITIES PURSUANT TO THE PLAN, OR THE DISTRIBUTION OF PROPERTY UNDER THE PLAN OR ANY OTHER RELATED AGREEMENT, EXCEPT FOR CLAIMS RELATED TO ANY ACT OR OMISSION THAT CONSTITUTES ACTUAL FRAUD, WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE, BUT IN ALL RESPECTS SUCH ENTITIES SHALL BE ENTITLED TO REASONABLY RELY UPON THE ADVICE OF COUNSEL WITH RESPECT TO THEIR DUTIES AND RESPONSIBILITIES PURSUANT TO THE PLAN. THE EXCULPATED PARTIES HAVE, AND UPON COMPLETION OF THE PLAN SHALL BE DEEMED TO HAVE, PARTICIPATED IN GOOD FAITH AND IN COMPLIANCE WITH THE APPLICABLE LAWS WITH REGARD TO THE SOLICITATION OF, AND DISTRIBUTION OF, CONSIDERATION PURSUANT TO THE PLAN AND, THEREFORE, ARE NOT, AND ON ACCOUNT OF SUCH DISTRIBUTIONS SHALL NOT BE, LIABLE AT ANY TIME FOR THE VIOLATION OF ANY APPLICABLE LAW, RULE, OR REGULATION GOVERNING THE SOLICITATION OF ACCEPTANCES OR REJECTIONS OF THE PLAN OR SUCH DISTRIBUTIONS MADE PURSUANT TO THE PLAN.

6. Injunction.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN OR FOR OBLIGATIONS ISSUED OR REQUIRED TO BE PAID PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER, ALL ENTITIES THAT HAVE HELD, HOLD, OR MAY HOLD CLAIMS OR INTERESTS THAT HAVE BEEN RELEASED PURSUANT TO THE PLAN, SHALL BE DISCHARGED PURSUANT TO THE PLAN, OR ARE SUBJECT TO EXCULPATION PURSUANT TO THE PLAN, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS AGAINST, AS APPLICABLE, THE DEBTORS, THE REORGANIZED DEBTORS, OR THE RELEASED PARTIES: (I) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (II) ENFORCING, ATTACHING, COLLECTING, OR RECOVERING BY ANY MANNER OR MEANS ANY JUDGMENT, AWARD, DECREE, OR ORDER AGAINST SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (III) CREATING, PERFECTING, OR ENFORCING ANY LIEN OR ENCUMBRANCE OF ANY KIND AGAINST SUCH ENTITIES OR THE PROPERTY OR THE ESTATES OF SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS; (IV) ASSERTING ANY RIGHT OF SETOFF, SUBROGATION, OR RECOUPMENT OF ANY KIND AGAINST ANY OBLIGATION DUE FROM SUCH ENTITIES OR AGAINST THE PROPERTY OF SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS UNLESS SUCH ENTITY HAS TIMELY ASSERTED SUCH SETOFF RIGHT IN A DOCUMENT FILED WITH THE BANKRUPTCY COURT EXPLICITLY PRESERVING SUCH SETOFF, AND NOTWITHSTANDING AN INDICATION OF A CLAIM OR INTEREST OR OTHERWISE THAT SUCH ENTITY ASSERTS, HAS, OR INTENDS TO PRESERVE ANY RIGHT OF SETOFF PURSUANT TO APPLICABLE LAW OR OTHERWISE; AND (V) COMMENCING OR CONTINUING IN ANY MANNER ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS OR INTERESTS RELEASED OR SETTLED PURSUANT TO THE PLAN.

K. What impact does a potential Claims Bar Date have on my Claim?

On August 4, 2020, the Bankruptcy Court entered the *Order (I) Setting Bar Dates for Filing Proofs of Claim, Including Requests for Payment Under Section 503(b)(9), (II) Establishing Amended Schedules*

Bar Date and Rejection Damages Bar Date, (III) Approving the Form of and Manner for Filing Proofs of Claim, Including Section 503(b)(9) Requests, and (IV) Approving Notice of Bar Dates [Docket No. 95] (the “Bar Date Order”), setting bar dates by which the following entities holding Claims against the Debtors that arose (or that are deemed to have arisen) prior to the Petition Date (including, without limitation, Class 5(a): Ongoing Trade Claims; Class 5(b): Other General Unsecured Claims; and 5(c): GUC Convenience Claims) must file proofs of claim (the “Bar Date”): (a) any entity whose claim against a Debtor is not listed in the applicable Debtor’s Schedules or is listed as contingent, unliquidated, or disputed if such entity desires to participate in any of these Chapter 11 Cases or share in any distribution in any of these Chapter 11 Cases; (b) any entity that believes that its claim is improperly classified in the Schedules or is listed in an incorrect amount and that desires to have its claim allowed in a different classification or amount other than that identified in the Schedules; (c) any former or present full-time, part-time, salaried, or hourly employees must submit Proofs of Claim relating to any grievance prior to the Claims Bar Date to the extent grounds for such grievances arose on or prior to the Petition Date; (d) any entity that believes that its prepetition claims as listed in the Schedules is not an obligation of the specific Debtor against which the claim is listed and that desires to have its claim allowed against a Debtor other than that identified in the Schedules; and (e) any entity that believes that its claim against a Debtor is or may be an administrative expense pursuant to section 503(b)(9) of the Bankruptcy Code.

In accordance with Bankruptcy Rule 3003(c)(2), if any person or entity that is required, but fails, to file a proof of claim on or before the applicable Bar Date: (a) such person or entity may be forever barred, estopped, and enjoined from asserting such Claim against the Debtors (or filing a proof of claim with respect thereto); (b) the Debtors and their property may be forever discharged from any and all indebtedness or liability with respect to or arising from such Claim; (c) such person or entity may not receive any distribution in the Chapter 11 Cases on account of that Claim; and (d) such person or entity may not be permitted to vote on any plan or plans of reorganization for the Debtors on account of these barred Claims or receive further notices regarding such Claim. **Except in the cases of governmental units and certain other exceptions expressly set forth in the Bar Date Order, all proofs of claims of any person or entity that is required to file a proof of claim must have been filed so that they were actually received on or before October 7, 2020, at 5:00 p.m. (prevailing Central Time). All governmental units holding claims that arose prior to the Petition Date must file proofs of claims so they are actually received on or before January 30, 2021, at 5:00 p.m. (prevailing Central Time).**

L. What is the deadline to vote on the Plan?

The Voting Deadline is [●], at 4:00 p.m. (prevailing Central Time). The Voting Deadline for any counterparty to an Unexpired Lease which is identified as rejected on a Schedules of Assumed and Rejected Contracts filed later than one Business Day prior to the Voting Deadline shall be extended to the date of the Confirmation Hearing.

M. How do I vote for or against the Plan?

Detailed instructions regarding how to vote on the Plan are contained on the Ballots distributed to holders of Claims and Interests that are entitled to vote on the Plan. For your vote to be counted, your Ballot must be completed and signed so that it is **actually received** by [●], 2020 at 4:00 p.m. (prevailing Central Time) at the following address:

Tailored Brands, Inc. Ballot Processing
c/o Prime Clerk LLC
850 3rd Avenue, Suite 412

Brooklyn, New York 11232

For more detail on voting and solicitation procedures, *see* Article XI of this Disclosure Statement.

N. Who do I contact if I have additional questions with respect to this Disclosure Statement or the Plan?

If you have any questions regarding this Disclosure Statement or the Plan, please contact the notice and claims agent, Prime Clerk LLC (the “Notice and Claims Agent”):

By regular, hand delivery, or overnight mail at:	By electronic mail at:	By telephone at:
Tailored Brands, Inc. c/o Prime Clerk LLC 850 3rd Avenue, Suite 412 Brooklyn, New York 11232	TailoredBrandsInfo@PrimeClerk.com	(877) 461-5690 (Toll-Free) (347) 817-4089 (International)

Copies of the Plan, this Disclosure Statement, and any other publicly filed documents in the Chapter 11 Cases are available upon written request to the Notice and Claims Agent at the address above or by downloading the exhibits and documents from the website of the Debtors’ notice, claims, and solicitation agent at <http://cases.primeclerk.com/TailoredBrands> (free of charge) or the Court’s website at <https://ecf.txsb.uscourts.gov/> (for a fee).

O. Do the Debtors recommend voting in favor of the Plan?

Yes. The Debtors believe the Plan provides for a larger distribution to the Debtors’ creditors than would otherwise result from any other available alternative. The Debtors believe the Plan is in the best interest of all Holders of Claims and Interests and that other alternatives fail to realize or recognize the value inherent under the Plan.

P. What is the effect of the Plan on the Debtors’ ongoing business?

The Debtors are seeking to reorganize under chapter 11 of the Bankruptcy Code. Confirmation means that the Debtors will not be liquidated or forced to go out of business. Following Confirmation, the Plan will be consummated on the Effective Date, which is a date selected by the Debtors that is a Business Day on which: (a) no stay of the Confirmation Order is in effect; (b) all conditions precedent specified in Article IX.A of the Plan have been satisfied or waived (in accordance with Article IX.B of the Plan); and (c) the Plan is declared effective. On or after the Effective Date, and unless otherwise provided in the Plan, the Reorganized Debtors may operate or wind-down their businesses, as applicable, and, except as otherwise provided by the Plan, may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. Additionally, upon the Effective Date, all actions contemplated by the Plan will be deemed authorized and approved.

IV. IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT

A. Additional Important Information.

The confirmation and effectiveness of the Plan are subject to certain material conditions precedent described herein and set forth in Article IX of the Plan. There is no assurance that the Plan will be confirmed, or if confirmed, that the conditions required to be satisfied for the Plan to go effective will be satisfied (or waived).

You are encouraged to read this Disclosure Statement in its entirety, including the section entitled “Risk Factors” and the Plan before submitting your ballot to vote on the Plan.

The Court’s approval of this Disclosure Statement does not constitute a guarantee by the Court of the accuracy or completeness of the information contained herein or an endorsement by the Court of the merits of the Plan.

Summaries of the Plan and statements made in this Disclosure Statement are qualified in their entirety by reference to the Plan. The summaries of the financial information and the documents annexed to this Disclosure Statement or otherwise incorporated herein by reference are qualified in their entirety by reference to those documents. The statements contained in this Disclosure Statement are made only as of the date of this Disclosure Statement, and there is no assurance that the statements contained herein will be correct at any time after such date. Except as otherwise provided in the Plan or in accordance with applicable law, the Debtors are under no duty to update or supplement this Disclosure Statement.

The information contained in this Disclosure Statement is included for purposes of soliciting acceptances to, and Confirmation of, the Plan and may not be relied on for any other purpose. In the event of any inconsistency between the Disclosure Statement and the Plan, the relevant provisions of the Plan will govern.

This Disclosure Statement has not been approved or disapproved by the SEC or any similar federal, state, local or foreign regulatory agency, nor has the SEC or any other agency passed upon the accuracy or adequacy of the statements contained in this Disclosure Statement.

The Debtors have sought to ensure the accuracy of the financial information provided in this Disclosure Statement; however, the financial information contained in this Disclosure Statement or incorporated herein by reference has not been, and will not be, audited or reviewed by the Debtors’ independent auditors unless explicitly provided otherwise.

Upon Confirmation of the Plan, certain of the securities described in this Disclosure Statement will be issued without registration under the Securities Act, or similar federal, state, local, or foreign laws, in reliance upon the exemption set forth in section 1145 of the Bankruptcy Code. Other securities may be issued pursuant to other applicable exemptions under the federal securities laws, if any.

The Debtors make statements in this Disclosure Statement that are considered forward-looking statements under federal securities laws. The Debtors consider all statements regarding anticipated or future matters, to be forward-looking statements. Forward-looking statements may include statements about:

- the Debtors’:
 - business strategy, plans, objectives, and expectations;
 - estimated future net reserves and present value thereof;

- technology, supply chain and other operations;
 - brand partner and vendor relationships;
 - arrangements with brand partners, suppliers or other institutions as they relate to: (i) the manner in which goods are made available, (ii) the levels of merchandise made available and (iii) the pricing and payment terms with respect to such purchases;
 - financial condition, revenues, cash flows, and expenses;
 - levels of indebtedness and compliance with debt covenants;
 - financial strategy, budget, projections, and operating results;
 - amount, nature, and timing of capital expenditures;
 - access to capital and terms of such capital;
 - liquidity and cost savings as a result of the closing the Debtors' stores;
 - capital resources and liquidity, including access to additional borrowing capacity under the DIP ABL Facility and the Exit Facilities, and ability to satisfy future cash obligations; and
 - integration and benefits of asset and property acquisitions or the effects of asset and property acquisitions or dispositions on the Debtors' cash position and levels of indebtedness.
- costs of developing the Debtors' properties and conducting other operations;
 - general economic and business conditions;
 - the outcome of pending and future litigation;
 - the competitive nature of the specialty retail industry;
 - uncertainty regarding the Debtors' future operating results;
 - variations in the market demand for, and prices of, the Debtors' key product lines;
 - the impact of regional or global pandemics or other public health issues; and
 - the potential adoption of new governmental regulations that affect the Debtors' business.

Statements concerning the foregoing and other matters are not guarantees of the Reorganized Debtors' future performance. There are risks, uncertainties, and other important factors that could cause the Debtors' actual performance or achievements to be different from those they may project, and the Debtors undertake no obligation to update the projections made herein. These risks, uncertainties, and factors may include: the Debtors' ability to confirm and consummate the Plan; the Debtors' ability to reduce its overall financial leverage; the potential adverse impact of the Chapter 11 Cases on the Debtors' operations, management, and employees, and the risks associated with operating the Debtors' business during the Chapter 11 Cases; customer and vendor responses to the Chapter 11 Cases; the Debtors' inability to discharge or settle Claims during the Chapter 11 Cases; general economic, business and market

conditions and the impact of the recent COVID-19 outbreak; currency fluctuations; interest rate fluctuations; price increases; exposure to litigation; a decline in the Debtors' market share due to competition or price pressure by customers; the Debtors' ability to implement cost reduction initiatives in a timely manner; the Debtors' ability to divest existing businesses; financial conditions of the Debtors' customers; adverse tax changes; limited access to capital resources; changes in domestic and foreign laws and regulations; trade balance; natural disasters; geopolitical instability; and the effects of governmental regulation on the Debtors' businesses.

V. OVERVIEW OF THE PLAN

The Plan provides for the reorganization of the Debtors as a going concern and will significantly reduce long-term debt and annual interest payments and preserve the Debtors' existing liquidity, resulting in a stronger, delivered balance sheet. Specifically, the Plan contemplates a restructuring of the Debtors through a debt-for-equity conversion. The key terms of the Plan are as follows:

A. The Restructuring Transactions.

On or before the Effective Date, the applicable Debtors or the Reorganized Debtors shall enter into any transactions and shall take any actions as may be necessary or appropriate to effectuate the Restructuring Transactions (as agreed, including as set forth in the Description of Transaction Steps, and in accordance with the Restructuring Support Agreement and subject to the applicable consent and approval rights thereunder), including to establish Reorganized Tailored and, if applicable, to transfer assets of the Debtors to Reorganized Tailored or a subsidiary thereof. The applicable Debtors or the Reorganized Debtors will take any actions as may be necessary or advisable to effect a corporate restructuring of the overall corporate structure of the Debtors, to the extent agreed in accordance with the consent rights in the Restructuring Support Agreement and provided herein, in the Description of Transaction Steps, or in the Definitive Documentation, including the issuance of all securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Plan, one or more intercompany mergers, consolidations, amalgamations, arrangements, continuances, restructurings, conversions, dissolutions, transfers, liquidations, or other corporate transactions.

On the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in the Reorganized Debtors, free and clear of all Liens, Claims, charges, Causes of Action, or other encumbrances. To the extent provided in the Description of Transaction Steps, each Debtor, other than Reorganized Tailored, may be deemed dissolved in accordance with applicable law, without any further notice to or action, order, or approval of the Bankruptcy Court or any other Entity. Reorganized Tailored shall be the issuer of New Equity to the applicable Holders of Claims and Interests as set forth herein.

The actions to implement the Restructuring Transactions may include, in each case if and as agreed in accordance with the Restructuring Support Agreement and subject to the applicable consent and approval rights thereunder: (1) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or reorganization containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable parties may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, duty, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; (4) the filing of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable law; (5) all transactions necessary or appropriate to provide for the purchase of substantially all of the assets

or Interests of any of the Debtors by one or more Entities to be wholly owned by Reorganized Tailored, which purchase, if applicable, may be structured as a taxable transaction for United States federal income tax purposes; and (6) all other actions that the applicable parties determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law in connection with the Plan in each case of clauses (1) through (6) consistent with the Description of Transaction Steps.

The Confirmation Order shall and shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including the Restructuring Transactions.

B. Sources of Consideration for Plan Distributions.

1. Exit ABL Facility.

On the Effective Date, the Reorganized Debtors shall enter into the Exit ABL Facility, the terms of which will be set forth in the Exit ABL Facility Documents. Confirmation of the Plan shall be deemed approval of the Exit ABL Facility and the Exit ABL Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, expenses, and other payments provided for therein and authorization of the Reorganized Debtors to enter into and execute the Exit ABL Facility Documents and such other documents as may be required to effectuate the treatment afforded by the Exit ABL Facility.

On the later of (i) the Effective Date and (ii) the satisfaction of the DIP ABL Facility Claims in accordance with Article II.C of the Plan, all of the Liens and security interests to be granted in accordance with the Exit ABL Facility Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Exit ABL Facility Documents, (c) shall be deemed automatically perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Exit ABL Facility Documents, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

2. Exit Term Loan Facility.

On the Effective Date, the Reorganized Debtors shall enter into the Exit Term Loan Facility, the terms of which will be set forth in the Exit Term Loan Facility Documents. Confirmation of the Plan shall be deemed approval of the Exit Term Loan Facility and the Exit Term Loan Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, expenses, and other payments provided for therein and authorization of the Reorganized Debtors to enter into and execute the Exit Term Loan Facility Documents and such other documents as may be required to effectuate the treatment afforded by the Exit Term Loan Facility.

On the Effective Date, all of the Liens and security interests to be granted in accordance with the Exit Term Loan Facility Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Exit Term Loan Facility Documents, (c) shall be deemed automatically perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Exit Term Loan Facility Documents, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

3. New Equity.

On the Effective Date, upon cancellation of the Existing Equity Interests, Reorganized Tailored (consistent with the Description of Transaction Steps) shall issue the New Equity directly or indirectly to Holders of Claims to the extent provided in the Plan. The issuance of the New Equity, including New Equity reserved under the Management Incentive Plan, shall be authorized without the need for any further corporate action and without any further action by any party. The terms of the New Equity shall be governed by the Shareholder Agreement and the New Equity Documentation, as applicable.

All of the New Equity issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

C. Management Incentive Plan.

The New Board shall be authorized to implement the Management Incentive Plan on or after the Effective Date, the form of which shall be included in the Plan Supplement.

D. Releases.

The Plan contains certain releases (as described more fully in Article III.J of this Disclosure Statement), including mutual releases among the Debtors, Reorganized Debtors, and certain of their key stakeholders. Additionally, all Holders of Claims or Interests that do not opt out of the releases contained in the Plan; or timely file with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to its inclusion as a Releasing Party under the releases contained in the Plan that is not resolved before Confirmation will be deemed to have expressly, unconditionally, generally, individually, and collectively consented to the release and discharge of all Claims and Causes of Action against the Debtors and the Released Parties to the extent set forth in the Plan.

E. Directors and Officers of the Reorganized Debtors.

As of the Effective Date, the term of the current members of the board of directors of the Debtors shall expire, and the members for the initial term of the New Board shall be appointed. The initial members

of the New Board will be identified in the Plan Supplement, to the extent known at the time of filing, pursuant to the terms of the Restructuring Support Agreement. Each such member and officer of the Reorganized Debtors shall serve from and after the Effective Date pursuant to the terms of the New Organizational Documents and other constituent documents of the Reorganized Debtors. The New Board shall consist of [●] members; *provided*, that the process for selecting the New Board and all governance related matters for Reorganized Tailored shall be in form and substance acceptable to the Required Consenting Term Loan Lenders (in consultation with the Debtors).

VI. THE DEBTORS' CORPORATE HISTORY, STRUCTURE, AND BUSINESS OVERVIEW

A. Tailored Brands' Corporate History.

1. A Founding Tailored for Success.

George Zimmer opened the first Men's Wearhouse store in a strip shopping center on the west side of Houston in 1973. To open his first store, Mr. Zimmer used \$30,000 in credit from his father, \$7,000 of his own money, and help from a college friend, Harry Levy. The first Men's Wearhouse store sold \$10 slacks and \$25 polyester sport coats. Selling apparel was a natural choice for Mr. Zimmer. His father first worked for a discount clothier and later started a raincoat manufacturing company. Mr. Zimmer grew up hiding in the clothes racks as his father visited stores around New York City and spent summers packing raincoats in the warehouse of his father's company.

Mr. Zimmer was a natural and hardworking salesman. And he was in high demand. Immediately before opening his first Men's Wearhouse store, Mr. Zimmer spent six months in Hong Kong working as a salesman for his father's raincoat manufacturing company. When he turned his attention to getting Men's Wearhouse off the ground, it took his father's business more than six months to find a replacement for him. As a result, during the time Mr. Zimmer continued to work for his father from Monday through Thursday, and on Friday and Saturday he would travel back to Houston to be on the sales floor of Men's Wearhouse.

The Company emphasized integrity and service. Employees, trained in customer service skills, were also treated as family, with everyone on a first-name basis and most hired full time. Mr. Zimmer began donating a percentage of pre-tax profits to charities, establishing the Company's socially responsible reputation. Vendors were also treated well; the Company had the reputation of never cancelling an order. Capitalizing on the reputation that the Company had developed through its conscious business decisions, the Company shifted its marketing campaign to capture this corporate culture. In 1986, Mr. Zimmer starred in his first television commercial, in which the famous tagline "I guarantee it" was born. Mr. Zimmer wanted the nation to know that he personally stood behind his suits. In later years, the Company's advertising emphasized service and expertise, in contrast to earlier price centered pitches.

2. An Expansion Suited for Growth.

In the ten years following the first store opening, Mr. Zimmer opened one store per year in the Houston area. By 1980, there were 12 Men's Wearhouse locations in Houston, and, in 1981, Men's Wearhouse expanded to San Francisco.

Like the decade before, the Company intentionally expanded in the 1990s, capitalizing on its early success. 17 new stores were opened in 1990 and 19 the following year. In April 1992, Mr. Zimmer took the Company public. That year, new store openings jumped to 31. In 1998, revenue exceeded \$1 billion for the first time. The Company was growing at an average of fifty stores each year—an average of one per week—reaching 500 stores by 2000. By 2011, one in five suits in the United States was bought from the Company, making it one of the largest specialty retailers of men's apparel in the country with more than 1,200 stores.

A key to the Company's rapid growth and success throughout its nearly 50-year history is its ability to adapt to changing customer preferences. In the 1990s, a major factor in the decreasing sales of tailored clothing was the move towards more casual business dress. The Company responded to this trend by slightly increasing its stores' selection of sport coats and slacks, replacing about sixty suits with an equal number of sport coats. At the same time, the Company increased the training employees received, stressing all aspects of a customer's business attire needs.

The Company also sought to capitalize on the highly fragmented formal wear business, testing tuxedo rentals at a dozen Seattle stores in the spring of 1999. The formal wear customer was younger than the Company's traditional customer base. In 2007, the Company bought 509 Afterhours Formalwear and Mr. Tux rental stores and converted them into Men's Wearhouse locations, cementing its position as the leading tuxedo rental company in the United States. Similarly, in 2014, the Company launched a custom clothing service after identifying the market potential for such services.

The Company also used acquisitions to expand and diversify. In 1999, the Company acquired (a) K&G Men's Superstore, which became K&G Fashion Superstore, a discount retailer, and (b) the Canadian menswear chain Moores the Suit People (now known as Moores Clothing for Men), representing the Company's first look beyond the borders of the United States. The Company then acquired Twin Hill, a corporate clothing and uniform company, in 2002 and purchased two dry cleaning chains in 2003 and 2004 and rebranded them as MW Cleaners. In 2010, the Company, through its subsidiary, MWUK, purchased Dimensions Clothing Limited, a corporate clothing and uniform company. In 2013, the Company also purchased the American clothing brand Joseph Abboud, which offers authentic American designer clothing manufactured in the United States. Most recently, the Company acquired competitor Jos. A. Bank in 2014. The umbrella of Men's Wearhouse's acquisitions is what we now know today as Tailored Brands. The Company continues to focus its operations in the United States and Canada, with Canadian retail sales comprising approximately seven percent of total retail sales in fiscal year 2019. Although the Company's ability to adapt to the market is an important factor in its viability over the past fifty years, the Company's success is also attributable to standing by its core values: offering personalized, quality products and service at a below-market price. This balance has been one of the Company's main customer draws.

3. The Tailored Brands Companies.

On January 31, 2016, the new holding company Tailored Brands, replaced Men's Wearhouse as the publicly held corporation. The Company offers products and services through its four retail brands—Men's Wearhouse (including Men's Wearhouse and Tux), Jos. A. Bank, K&G, and Moores—and online. Men's Wearhouse, Moores and K&G each operate as a house of brands carrying a wide selection of exclusive and non-exclusive merchandise brands. Jos. A. Bank is a branded house where substantially all merchandise is sold under the exclusive Jos. A. Bank label.

4. The Men's Wearhouse Brand.

Founded in 1973, Men's Wearhouse has been an all-occasion apparel retailer that strives to empower men to look and feel their best. Men's Wearhouse is one of the largest specialty retailers of men's apparel and providers of tuxedo rental products in the United States. For more than forty years, Men's Wearhouse has been supplying men with high-quality and affordable designer apparel for all occasions, with a focus on personalized service.

Men's Wearhouse targets male consumers (eighteen to sixty-five years old) by providing superior, personalized customer service and offering a broad selection of exclusive and non-exclusive merchandise brands at regular and sale prices that are competitive with specialty retailers and traditional department stores. Merchandise includes suits, suit separates, sport coats, slacks, formalwear, business casual, denim, sportswear, outerwear, dress shirts, shoes, and accessories in classic, modern, slim and ultra-slim fits and

in a wide range of sizes including a selection of “Big and Tall” products. Stores carry clothing and accessories from designers including Joseph Abboud, Calvin Klein, Tommy Hilfiger, and Lucky Brand Jeans, as well as exclusive offerings from JOE by Joseph Abboud, AWEARNESS Kenneth Cole, and BLACK by Vera Wang. The Company also offers a full selection of special occasion offerings including tuxedo and suit rental products under the Men’s Wearhouse and Tux brand, which broadens the customer base by drawing first-time and younger customers into the stores.

The Company’s campaign “Good on You” celebrates the everyday moments in a man’s life, big and small, and having confidence that comes with knowing he looks his best in moments that matter. As a brand that has always supplied men with confidence by guiding them to look good and feel their best, it is now also taking a much broader approach by encouraging men to be their best, standing up and setting a good example each and every day.

5. The Jos. A. Bank Brand.

In June 2014, the Company acquired Jos. A. Bank. From its inception in Baltimore, Maryland in 1905, Jos. A. Bank has been a leader in the menswear retail sphere. With a heritage of quality tailoring and excellent service, Jos. A. Bank is a leading provider of classically styled, expertly tailored business and casual menswear.

Jos. A. Bank targets male consumers (twenty-five to sixty-five years old), emphasizing superior, personalized customer service and offering high quality, business formalwear and business casual merchandise, substantially all of which are Jos. A. Bank branded products including the exclusive Reserve and 1905 labels. Merchandise consists of suits, suit separates, sport coats, slacks, formalwear, business casual, denim, sportswear, outerwear, dress shirts, shoes, and accessories in classic, modern, slim, and ultra-slim fits and in a wide range of sizes including a selection of “Big and Tall” products.

Although the target gender and age of the Jos. A. Bank customer are similar to Men’s Wearhouse, Jos. A. Bank customers and the Men’s Wearhouse customers are distinct in their style preferences and, based on information from loyalty programs, the Company believes that there is minimal overlap between the Jos. A. Bank customer and the Men’s Wearhouse customer. Jos. A. Bank also offers a full selection of special occasion rental products and, similar to the Men’s Wearhouse rental offering, believes the rental product offering draws first-time and younger customers into the stores. As is the case at Men’s Wearhouse, the Company believes Jos. A. Bank is well-positioned to meet its customers’ special occasion needs, through retail clothing offerings, rental products, or custom offerings.

6. The Moores Clothing for Men Brand.

In 1999, the Company acquired Moores. One of Canada’s leading menswear retailers, Moores features a wide selection of designer styles and a commitment to quality and customer service. Moores began in 1980 with a single, family-owned store in Mississauga, Ontario. Today, with stores in more than one hundred locations, including every major city in Canada, Moores employs over 1,200 people in a culture of “servant leadership” focusing on customer satisfaction and building lasting relationships. Designer brands represent a key offering, including Joseph Abboud, JOE by Joseph Abboud, AWEARNESS Kenneth Cole, and Calvin Klein. Moores targets the same consumer and provides the same broad merchandise offerings as Men’s Wearhouse but is based in Canada whereas the Men’s Wearhouse footprint is in the United States.

7. The K&G Fashion Superstore Brand.

K&G was founded in 1989 in Atlanta, Georgia. In 1999, with thirty-five stores, the Company acquired K&G and was rebranded from K&G Men’s Superstore to K&G Fashion Superstore. K&G

Fashion Superstore is a one-stop shopping experience for men, women, and kids who are looking for clothing that allows them to express their individual style at a price they can afford.

From career wear to the latest trends, K&G offers incredible value to families that want fashionable, designer brand apparel, footwear, and accessories. K&G stores offer a value-oriented superstore approach that appeals to the more price-sensitive customer in the apparel market. K&G offers first-quality, current-season apparel and accessories comparable in quality to that of value-oriented department stores, at prices that are typically up to 60% below the regular prices charged by such stores. K&G's merchandising strategy emphasizes broad assortments across all major categories of both men's and women's career and casual apparel in a wide range of sizes including "Big and Tall" and "Women's plus sizes," as well as tailored clothing, dress furnishings, sportswear, accessories, shoes, and children's apparel. This merchandise selection, which includes exclusive and non-exclusive merchandise brands, positions K&G to attract a wide range of customers in each of its markets.

B. Tailored Brands' Business Operations.

1. Offer Personalized Products and Services.

In 2019, Tailored Brands custom clothing business increased to \$276 million, or approximately 12% of retail clothing product net sales, compared to over \$220 million in fiscal 2018. Tailored Brands' custom clothing offerings are available at all Men's Wearhouse, Jos. A. Bank and Moores locations with two initial price points: an entry-level offering and a premium offering. With respect to the custom business, Tailored Brands has focused on three key aspects that are crucial to the customer: speed, selection, and service. Tailored Brands has significant competitive advantages in these areas because of its: (1) supply chain advantages with an owned factory that manufactures entry level custom clothing, (2) a wide assortment of custom suit fabrics to create high-quality and unique products for our customers and (3) a convenient U.S. and Canada store footprint staffed by expert wardrobe consultants and tailors.

In 2019, Tailored Brands announced partnerships with the National Football and the National Hockey League that enable fans the ability to customize suits and sport coats with linings depicting their favorite teams. Given the continuing trend in casualization of workplace and special occasion attire, Tailored Brands accelerated and plans to continue to accelerate the evolution of its assortments to a mix that better reflects the way men dress for moments that matter. In 2020, Tailored Brands plans to expand its polished casual assortments with outfit completers to build head-to-toe looks for its customers, including spring sweaters and layering pieces, as well as growing its denim, casual fashion chino, and performance pants business.

2. Omni-Channel Operations.

Tailored Brands maintains an omni-channel for seamless operations allowing customers to shop whenever, wherever, and however they choose. It's convenient U.S. and Canada store footprint continues to be a significant asset, yet the location, look, feel, and functioning of its stores has not kept up with the evolving customer's expectations. Tailored Brands plans to make select investments in its store fleet to improve the customer experience. In 2018, Tailored Brands installed 580 custom clothing fixtures across the Men's Wearhouse, Jos. A. Bank, and Moores stores to provide a better custom suit buying experience. In 2019, Tailored Brands tested the impact of enhanced fixtures, in-store graphics, and product presentation across its store fleet and is in the process of rolling out these items to certain stores. In 2020, Tailored Brands is testing the next-generation of store design with a new more modernized version of Men's Wearhouse, featuring an open floorplan concept with less merchandise on the floor, distinct merchandising zones for polished casual and tailored clothing, an elevated rental and custom experience, a new shirt wall and cutting-edge technology to enable the sales process.

Tailored Brands continues to invest in initiatives that support its omni-channel strategies. The Company can ship online purchases from its stores to further enhance the customer's online shopping experience and reduce delivery times. In addition, Tailored Brands offers a guided shopping experience called "Look Finder" that provides customers with product recommendations. In 2019, Tailored Brands grew its e-commerce sales through a combination of traffic gains, feature enhancements, and elevated merchandising.

Beyond its store and e-commerce channels, Tailored Brands believes that marketing is an important element of the omni-channel experience. In recent years, Tailored Brands has evolved its marketing mix, dedicating a greater share of the marketing mix to digital channels to target a broader customer segment. In 2019, Tailored Brands continued to shift its marketing mix away from traditional broadcast television and into broad-reach digital channels that are more relevant, more easily personalized, and whose performance is more easily measured.

C. Critical Components of the Debtors' Cost Structure.

1. Supply Chain.

Delivering quality merchandise at reasonable prices is the essence of the Company's business. For most, but not all, products sold by the Men's Wearhouse, Jos. A. Bank, and Moores Brand, and, to a lesser extent, the K&G brand, a vertical direct sourcing model with third-party manufacturers covers design, product development, manufacturing, testing, quality control, and all necessary logistics required to get merchandise from the factory to the sales floor.

The Company purchases merchandise and rental product from a broad base of manufacturers. The Company has no material long-term merchandise manufacturing contracts and typically transacts business on an order-by-order basis either directly with manufacturers and fabric mills or trading companies, or through the sourcing agreement with Debtor Tailored Brands Worldwide Purchasing Co. ("WPC"), a subsidiary of Tailored Brands. Pursuant to that sourcing agreement, WPC is responsible for developing and expanding a reliable network of third-party suppliers, negotiating and contracting with suppliers, maintaining on-the-ground relationships with local suppliers and monitoring their manufacturing activities, ensuring that the product quality standards are met, arranging for the transportation of goods to the Company, and purchasing the finished goods from the suppliers and selling the finished goods to the Company. Each of the Company's business units places orders to and through WPC, which in turn places orders to, and pays, third-party vendors on behalf of the Company. To facilitate such purchases, the Company transfers funds to WPC on an as-needed basis. The Company has developed long-term and reliable relationships with most of its direct manufacturers and fabric mills, which the Company believes provides stability, quality, and price leverage. Furthermore, the Company works with trading companies that support the Company's relationships with manufacturers for direct-sourced merchandise and contract agent offices that provide administrative functions on the Company's behalf. The agent offices provide all quality-control inspections and ensure that operating procedures manuals are adhered to by the manufacturers.

Not only is the Company relying heavily on its vendors to deliver outstanding orders, the Company is also relying on its vendors to provide future deliveries, namely those set to occur during the pendency of these chapter 11 cases. Because of substantial production lead-time and the transport time necessary to receive goods, the Company orders merchandise well in advance of the applicable selling season. Accordingly, it is required to forecast future demand when placing such orders. Failure to manage lead times appropriately could impact the business. Regarding customized clothing, the Company has supply chain advantages with its owned factory that manufactures premium custom clothing in the United States and strong relationships and scale advantages with foreign manufacturers for entry-level custom clothing,

along with a wide assortment of custom suit fabrics to create high-quality and unique products for customers.

The Company uses a regional distribution center approach to leverage the geographic locations of the main distribution centers in Texas and Maryland, as well as hub facilities. Merchandise received into these regional distribution centers is either placed in back-stock or allocated to a store for shipping. In the majority of the larger markets, the Company also has separate hub distribution facilities or space within certain stores used as redistribution facilities for their respective areas. Merchandise for Moores is distributed to the stores from the distribution center in Canada. The majority of merchandise for K&G stores is direct shipped by suppliers to the stores with the remainder of K&G merchandise being managed via a third-party logistics firm.

2. Employee Compensation and Benefits.

As of the Petition Date, the Debtors employed approximately 18,000 employees, including approximately 13,000 full-time employees and approximately 5,000 part-time and seasonal employees. The Debtors also typically retain approximately 750 independent contractors and temporary workers at any given time. The Debtors offer their employees the opportunity to participate in a number of insurance and benefits programs, including, among other programs, dental, medical and vision plans, workers' compensation, 401Ks, customary commission bonuses, vacation time, non-insider incentive programs, paid time off, disability benefits, and other employee benefit plans.

Jos. A. Bank and seventeen affiliated companies are either the contributing sponsor of, or a member of the contributing sponsor's controlled group (as defined in 29 U.S.C. § 1301(a)(14)) with respect to, The Joseph A. Bank Mfg. Co., Inc. Defined Benefit Pension Plan (the "Pension Plan"), a single employer defined benefit pension plan. The Debtors assert that the Pension Plan is covered by Title IV of the Employee Retirement Income Security Act of 1974, as amended 29 U.S.C. §§ 1301-1461 (2018) ("ERISA").

The Pension Benefit Guaranty Corporation ("PBGC") is the federal government agency created under Title IV of ERISA to administer the federal pension insurance programs and enforce compliance with the provisions of Title IV of ERISA. PBGC guarantees the payment of certain pension benefits upon termination of a pension plan covered by Title IV of ERISA. Jos. A. Bank and all members of its controlled group are obligated to pay (i) contributions to the Pension Plan necessary to satisfy the minimum funding obligations under 26 U.S.C. §§ 412, 430 and 29 U.S.C. §§ 1082, 1083 (the "Minimum Funding Obligations"); and (ii) variable- and flat-premiums owed to PBGC pursuant to 29 U.S.C. §§ 1306, 1307 (the "PBGC Premiums").

On the Effective Date, Jos. A. Bank shall continue the Pension Plan in accordance with and subject to the terms of the Pension Plan (as such terms may be amended from time to time) and applicable non-bankruptcy law (and the Reorganized Debtors reserve all rights thereunder) and, as a consequence, PBGC and the Debtors agree that PBGC would not have claims for unfunded benefit liabilities (as described below), and any such PBGC claims for the unfunded benefit liabilities will be deemed withdrawn as of the Effective Date without incurring liability in the bankruptcy and without any further action of the Debtors or the Reorganized Debtors or the PBGC and without any further action, order, or approval of the Bankruptcy Court.

If Jos. A. Bank does not continue the Pension Plan, then the Pension Plan most likely will terminate. If the Pension Plan terminates, in addition to the Minimum Funding Obligations and PBGC Premiums, PBGC will assert that Jos. A. Bank and all members of its controlled group will be jointly and severally liable for the unfunded benefit liabilities of the Pension Plan. *See* 29 U.S.C. § 1362(a). PBGC will also assert that Jos. A. Bank and all members of its controlled group are also jointly and severally

liable to PBGC for termination premiums. *See* 29 U.S.C. §§ 1306(a)(7), 1307. The Debtors and Reorganized Debtors reserve all rights relating to any asserted liability, including but not limited to contesting the validity and amount of any such claims.

PBGC estimates the contingent claim for unfunded benefit liabilities owed upon Pension Plan termination, and effective against each of the Debtors, jointly and severally, to be \$1.6 million. PBGC estimates the contingent claim for termination premiums owed to PBGC upon Pension Plan termination, and effective against each of the Debtors, jointly and severally, to be \$ 1.1 million. The Debtors and Reorganized Debtors respectfully disagree with many of the PBGC's foregoing assertions and reserve all rights relating to any asserted liability, including but not limited to contesting the validity and amount of any such claims.

3. Real Estate Portfolio.

As of the Petition Date, the Debtors leased almost all of their stores and offices. The aggregate annual occupancy cost of the Debtors' current stores is approximately \$416 million. The Debtors lease retail business locations, office and warehouse facilities, and equipment under various non-cancelable operating leases expiring in various years through 2029. As of the Petition Date, the Debtors operated 1,274 retail apparel and rental stores in all fifty states and the District of Columbia, and 125 retail apparel stores across ten Canadian provinces, amounting to approximately 9.0 million square feet in store front. Almost all of these stores are leased, generally for five to ten year initial terms with one or more renewal options after the initial term.

The Debtors also own or lease properties in various parts of the United States and Canada to facilitate the distribution of retail and rental product to the stores. Total owned and leased property for distribution is approximately 6 million square feet and 1.8 million square feet, respectively.

In addition, the Debtors have primary office locations in Houston, Texas, Fremont, California, Atlanta, Georgia, and New York, New York with additional satellite offices in other parts of the United States and Canada. The Debtors lease approximately 240,000 square feet and own approximately 120,000 square feet of office space.

Prior to the Petition Date, the Debtors hired A&G Realty Partners ("A&G") to assist with their real estate negotiation strategy, including potential rent concessions, rental deferment and other relief. As a result, the Debtors have successfully secured rental deferments with approximately 60% of go-forward landlords for the months of April and May 2020 in relation to the COVID-19 pandemic. Further, following the Petition Date, the Debtors and A&G intend to negotiate rent reductions with landlords in the base rent for the go-forward fleet. That process was launched shortly after the Petition Date.

D. Prepetition Capital Structure.¹⁵

As of the Petition Date, the Debtors' capital structure consists of outstanding funded debt obligations in the aggregate principal amount of approximately \$1.4 billion, including the ABL Facility, the Term Loan, and the Unsecured Notes. The following table summarizes the Debtors' outstanding funded-debt obligations as of the Petition Date:

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Funded Debt	Maturity	Interest Rates	Principal Amount Outstanding
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¹⁵ In the event of any inconsistencies between the summaries set forth below and the provisions of the documents governing such prepetition debt, the provisions governing such prepetition debt, as applicable, shall control.

Funded Debt	Maturity	Interest Rates	Principal Amount Outstanding
ABL Facility	October 25, 2022 ¹⁶	1.7%	\$375 million line balance and \$22.9 million L/C balance
Term Loan	April 9, 2025 ¹⁷	5.53% ¹⁸	\$877.4 million
Unsecured Notes	July 1, 2022	7.0%	\$173.8 million
TOTAL			\$1.4 billion

1. The Asset-Based Revolving Credit Facility.

The Debtors are party to that certain credit agreement, dated as of June 18, 2014 (as amended by that certain amendment no. 1 dated as of July 28, 2014, amendment no. 2, dated as of October 25, 2017, amendment no. 3 dated as of April 30, 2019, and as may be further amended, restated, modified or supplemented from time to time, the “ABL Credit Agreement”), by and among The Men’s Wearhouse, Inc., each of the U.S. subsidiary borrowers from time to time party thereto, Moores the Suit People Corp., the Canadian guarantors party thereto, the lenders party thereto (the “ABL Lenders”), and JPMorgan Chase Bank, N.A., as administrative agent (the “ABL Agent”), and JPMorgan Chase Bank, N.A. Toronto branch, as Canadian administrative agent.

The ABL Credit Agreement provides for a \$550 million facility with possible future increases to \$650 million (subject to a borrowing base composed primarily of receivables, credit card receivables and inventory) with a maturity date of October 25, 2022 (the “ABL Facility”).¹⁹ The October 25, 2022 maturity date is subject to a springing maturity (a) on April 1, 2022, if any Unsecured Notes remain outstanding on that date, or (b) on the date that is the 91st day prior to the final maturity date of any class or tranche of term loans under the Term Credit Agreement.

The obligations under the ABL Facility are secured on a senior basis by a first priority lien on substantially all of the assets of Tailored Brands, certain U.S. subsidiaries, and Moores The Suit People Corp., including, without limitation, accounts (including receivables), inventory, deposit accounts, security accounts, cash, and cash equivalents, subject to the priority scheme set forth in an intercreditor agreement governing the relationship between the ABL Facility and the Term Loan Credit Agreement (the “Intercreditor Agreement”). Certain of the Debtors have jointly and severally guaranteed all U.S. borrowing obligations under the ABL Facility. Due to ongoing liquidity constraints, the aggregate availability under the ABL Facility has been constrained for many months preceding the Petition Date, including due to a \$260 million draw on March 16, 2020 as a proactive measure in response to COVID-19.

¹⁶ Subject to a springing maturity (a) on April 1, 2022, if any Unsecured Notes remain outstanding on that date, or (b) on the date that is the 91st day prior to the final maturity date of any class or tranche of term loans under the Prepetition Term Credit Agreement.

¹⁷ Subject to a springing maturity provision that would accelerate the maturity of the Prepetition Term Loans to April 1, 2022 if any of the Debtors’ obligations under their Unsecured Notes remain outstanding as of April 1, 2022.

¹⁸ Based on 1-month LIBOR, which was 2.51% at February 2, 2019, plus the applicable margin of 3.25%, resulting in total interest rate of 5.76%. Interest swap agreements converted 80% of loan to a fixed rate resulting in weighted rate of 5.77%.

¹⁹ The ABL Facility has several borrowing and interest rate options including the following indices: (a) adjusted LIBOR, (b) Canadian Dollar Offered Rate rate, (c) Canadian prime rate, or (d) an alternate base rate (equal to the greater of the prime rate, the New York Federal Reserve Bank rate plus 0.5% or adjusted LIBOR for a one-month interest period plus 1.0%). Advances under the ABL Facility bear interest at a rate per annum using the applicable indices plus a varying interest rate margin of up to 1.75%. The ABL Facility also provides for fees applicable to amounts available to be drawn under outstanding letters of credit which range from 1.25% to 1.75%, and a fee on unused commitments of 0.25%.

As of the Petition Date, there was approximately \$65 million of availability under the ABL Facility and approximately \$100 million in cash and cash equivalents.

2. The Term Loan Facility.

The Men's Wearhouse, Inc. is party to that certain term credit agreement, dated as of June 8, 2014 (as amended by that certain amendment no. 1, dated June 26, 2014, as further amended by that certain incremental facility agreement no. 1, dated as of April 7, 2015, as further amended by that certain amendment no. 2, dated as of April 9, 2018, as further amended by that certain amendment no. 3, dated as of October 10, 2018, and as may be further amended, restated, amended and restated, modified, or supplemented from time to time, the "Term Loan Credit Agreement," and the loans provided thereunder, the "Term Loan"), with the lenders from time to time party thereto (the "Prepetition Term Loan Lenders") and JPMorgan Chase, N.A. as administrative agent (the "Prepetition Term Loan Agent" and together with the Prepetition Term Loan Lenders, collectively, the "Prepetition Term Loan Secured Parties").

The Term Loan Credit Agreement has a commitment level of \$900 million²⁰ and provides for an interest rate of 5.53%,²¹ with a maturity date of April 9, 2025.²² The obligations are secured on a senior basis by a first priority lien on substantially all of the assets of the Debtors, and subject to the priority scheme set forth in the Intercreditor Agreement. As of the Petition Date, the Debtors have approximately \$877.4 million of aggregate principal outstanding under the Term Loan Credit Agreement.

3. The Unsecured Notes.

The Men's Wearhouse, Inc. issued 7.00% senior notes (the "Unsecured Notes") in the aggregate amount of \$600 million under that certain indenture dated as of June 18, 2014 (the "Indenture"). The Unsecured Notes are guaranteed, jointly and severally, on an unsecured basis by all other U.S. Debtors. The Unsecured Notes and the related guarantees are senior unsecured obligations of The Men's Wearhouse, Inc. and the guarantors, respectively, and will rank equally with all of The Men's Wearhouse, Inc.'s and each guarantor's present and future senior indebtedness. The Unsecured Notes will mature on July 1, 2022.²³ As of the Petition Date, there is approximately \$173.8 million outstanding under the Unsecured Notes.

²⁰ In addition to this commitment level, the Term Loan Credit Agreement provides for the ability to request additional term loans or incremental equivalent debt borrowings, all of which uncommitted, in an aggregate amount up to the greater of (a) \$250 million and (b) an aggregate principal amount such that, on a pro forma basis (giving effect to such borrowings), the senior secured leverage ratio will not exceed 2.5 to 1.0.

²¹ The interest rate on the Term Loan is based on 1-month LIBOR, which was 0.30% at May 2, 2020. However, the Term Loan interest rate is subject to a LIBOR floor of 1%, plus the applicable margin of 3.25%, results in a total interest rate of 4.25%. There are two interest rate swap agreements where the variable rates due under the Term Loan have been exchanged for a fixed rate. As a result of the interest rate swaps, 80% of the variable interest rate under the Term Loan has been converted to a fixed rate and, as of May 2, 2020, the Term Loan had a weighted average interest rate of 5.62%.

²² The April 9, 2025 maturity date is subject to a springing maturity provision that would accelerate the maturity of the Term Loans to April 1, 2022 if any of the Debtors' obligations under their Unsecured Notes remain outstanding as of April 1, 2022.

²³ The Debtors may redeem some or all of the Unsecured Notes at any time on or after July 1, 2017 at the redemption prices set forth in the Indenture. As of February 1, 2020, the redemption price is 101.75% of the face value and steps down to 100% of the face value on July 1, 2020. Upon the occurrence of certain specific changes of control, they may be required to offer to purchase the Unsecured Notes at 101% of their aggregate principal amount plus accrued and unpaid interest thereon to the date of purchase.

4. Equity Interests.

Tailored Brands' common stock was traded on the New York Stock Exchange ("NYSE") under the symbol "TLRD" prior to the Petition Date, but has subsequently been delisted and is currently trading on the "Pink Sheets." As of the Petition Date, there were approximately 48.9 million shares outstanding.

VII. PREPETITION STRATEGIC TURNAROUND INITIATIVES

The Debtors, recognizing the need to address certain business inefficiencies and to preserve liquidity, worked to develop and implement a comprehensive operational turnaround to simplify their business and build on their core strengths. The turnaround initiatives include processes to: (a) modify the leadership structure; (b) sell non-core operations; (c) right-size the physical store footprint; (d) refine the product assortment; (e) enhance the customer experience; and (f) grow the e-commerce offering. In addition, the Debtors took certain steps in response to COVID-19 including draw-down of their ABL Facility and taking substantial steps to reduce cash outflow including furloughing employees and deferring all non-essential expenses. The Debtors have undertaken certain of these processes and will continue to implement the remainder through these chapter 11 cases.

A. Operational Initiatives

1. Change in Leadership.

The first component of the Debtors' turnaround initiative was to modify the leadership structure. On December 11, 2019, the Debtors announced the creation of a new Chief Customer Officer role providing common leadership for the Men's Wearhouse, Jos. A. Bank, and Moores brands, and eliminated the brand president position for these brands. Carrie Ask, then brand president of Men's Wearhouse and Moores, was appointed as the Chief Customer Officer. The Debtors believe this new structure heightens their focus and ability to unlock value across their brand portfolio and will enable them to show up for customers in more effective and efficient ways.

Additionally, on July 21, 2020, the Debtors also appointed Holly Etlin as Chief Restructuring Officer of Tailored Brands to help lead the Debtors' turnaround efforts and evaluate restructuring and refinancing alternatives.

2. Sale of Non-Core Operations.

Prior to recent events, the Debtors identified certain non-core segments of their operations that could be eliminated to increase overall net revenue and provide opportunities to generate increased liquidity through sales of those same segments. The Debtors took the following actions intended to accelerate debt reduction and provide additional financial flexibility to invest in the customer-facing transformation strategies.

First, on February 28, 2018, the Debtors entered into a definitive agreement to divest their MW Cleaners business for approximately \$18 million, subject to certain adjustments, and the transaction closed on March 3, 2018.

Second, on August 16, 2019, the Debtors completed the sale of MWUK, the UK corporate apparel operations, to Project Dart Bidco Limited. The Debtors also completed the sale of Twin Hill Acquisition Company, Inc. ("Twin Hill"), the U.S. corporate apparel operation, to TH Holdco Inc. The aggregate consideration for all of the outstanding equity of MWUK and Twin Hill was approximately \$62 million, subject to certain working capital adjustments. The Debtors determined that the sale of these corporate

apparel business segments represented a strategic shift that will have a major effect on the results of operations.

Finally, on January 16, 2020, certain of the Debtors entered into an agreement with WHP Global to sell the Joseph Abboud trademarks for a total of \$115 million in cash consideration. The proceeds of such sale were deposited into a blocked account and used to fund certain capital expenditures and purchase of rental products. Upon closing of this transaction in March 2020, certain of the Debtors and their non-Debtor affiliates entered into a license agreement with WHP Global granting the Debtors the exclusive right and license to sell and rent Joseph Abboud branded apparel and related merchandise in the United States and Canada.

3. Right Sizing Physical Store Footprint.

The third component of the turnaround initiative focuses on streamlining the Debtors' real estate footprint. The Debtors have continued the process of exiting unprofitable stores and analyzing optimal markets in which to maintain a physical presence on a go-forward basis, including the closure of seventeen retail locations in fiscal year 2019. The Debtors only maintain storefronts located in the United States and Canada. During the current fiscal year and up to the Petition date, the Debtors have closed approximately fifty stores either with expired leases or stores which are subject to the Debtors' lease rejection motion, filed concurrently herewith.

In parallel with the store closings, with the assistance of certain advisors—specifically A&G—the Debtors commenced rent deferral negotiations with approximately 900 landlords. These deferral negotiations focused on April and May rent for the period of the COVID-19 closures. These efforts remain ongoing as of the Petition Date. Approximately 470 landlords have agreed to rent deferrals as of the Petition Date.

Pursuant to the *Debtors' Omnibus Motion Seeking Entry of an Order Authorizing (I) the Rejection of Certain Unexpired Leases and (II) Abandonment of Certain Personal Property, if any, Each Effective Nunc Pro Tunc to the Petition Date* [Docket No. 14] and the *Debtors' Amended Motion Seeking Entry of an Order (I) Authorizing and Approving Procedures to Reject, Assume, or Assume and Assign Executory Contracts and Unexpired Leases and (II) Granting Related Relief* [Docket No. 169], the Debtors intend to quickly wind-down their unprofitable, domestic stores. In conjunction such wind-downs, the Debtors also intend to commence a broad-based program with A&G focused on reducing rent and achieving additional rent abatements for their go-forward fleet of stores.

4. Refining the Product Assortment.

The fourth component of the Debtors' turnaround initiative has been focused on adjusting its merchandise to better meet changing customer preferences. Based upon detailed analysis which was undertaken in 2018-2019, the Debtors commenced their merchandise assortment shift in late 2019. Given the continuing trend in casualization of workplace and special occasion attire, the Debtors have accelerated and plan to continue to accelerate the evolution of their assortments to a mix that better reflects the way men dress for moments that matter. The merchandise initiatives also include rationalizing core assortments and integrating more innovative products, for example 4-way stretch dress shirts.

5. Enhancing the Customer Experience.

The customer focus continues with the core initiatives around selection, convenience, service and value. Store personnel focus on pulling together the right look so the customer can find his preferred fit, style, and look his best at moments that matter.

Further, the Debtors will continue to offer their “Perfect Fit” loyalty program to the Men’s Wearhouse, Men’s Wearhouse and Tux, and Moores customers, the “Bank Account” loyalty program for Jos. A. Bank customers, and the K&G loyalty program. Under the Perfect Fit and Bank Account loyalty programs, customers receive points for purchases. Points are generally equivalent to dollars spent on a one-for-one basis. Upon reaching 500 points, customers are issued a \$50 rewards certificate that they may use to make purchases at stores or online. All customers who register for these loyalty programs are eligible to participate and earn points for purchases. Under the K&G loyalty program, customers receive (a) a twenty percent discount after the first purchase, (b) a fifteen percent discount after the second purchase, and (c) a \$10 discount off of purchases of \$75 or more after three or more purchases. The Debtors believe these loyalty programs facilitate their ability to cultivate long-term relationships with customers.

6. Growing the Debtors’ E-commerce Offering.

The sixth component of the turnaround initiative seeks to improve the pre-existing e-commerce platform in key customer-facing areas. The Debtors believe that e-commerce augments the brick-and-mortar model and solidifies the seamless customer experience. The Debtors’ online presence can be made even more effective with simple initiatives, such as improved site merchandising and layout, personalization and clear product badging.

The Debtors continue to invest in initiatives that support their omni-channel strategies. The Debtors have implemented ‘virtualized inventory’ that enables customers to order items online when not available at the store. They also ship online purchases from stores to further enhance customer’s online shopping experience and reduce delivery times. In 2019, they focused on growing e-commerce sales through a combination of traffic gains, feature enhancements, and elevated merchandising, and the Debtors saw accelerating growth throughout the year as a result. They plan to build on that success in 2020 with continued focus on improving the customer experience, elevating the assortment, and leveraging marketing to drive more visitors to the websites. The Debtors have the potential to significantly increase their online penetration, which is well below the general apparel industry.

7. Response to the COVID-19 Pandemic.

In response to the COVID-19 pandemic, the Debtors took other measures to increase liquidity by eliminating or deferring most discretionary spending. For example, the Debtors significantly reduced inventory purchases, capital expenditures, advertising spend, and store and other general and administrative costs.

In response to the government’s restrictions on business activities, the Debtors also closed all of their retail store locations and temporarily furloughed approximately 97% of the employees and temporary staff and instituted salary reductions in both the United States and Canada. However, the Debtors brought back certain furloughed employees to make 50,000 masks for healthcare workers fighting COVID-19 and will continue to look for additional opportunities to help frontline healthcare workers and bring its employees back to work. As of the date of this filing the Debtors have re-opened substantially all their stores and are gradually recalling furloughed employees as circumstances permit.

Furthermore, in light of the store closures, the Debtors have taken certain actions with respect to existing leases, including engaging with landlords to discuss rent reductions and deferrals of April and May rent. On March 16, 2020, the Debtors drew down \$260 million under the ABL Facility. After assessing the remaining availability under the ABL Facility and determining that additional borrowings were prudent to maximize cash on hand, on March 19, 2020 and on March 31, 2020, respectively, the Debtors borrowed an additional \$25 million under the ABL Facility. These borrowings under the ABL Facility are proactive measures in order to increase the Debtors’ cash position and preserve financial flexibility in light of current uncertainty in the global markets resulting from COVID-19.

B. Restructuring Support Agreement and DIP Financing, and Exit Facilities.

1. Restructuring Support Agreement.

The Restructuring Support Agreement contemplates a comprehensive reorganization that will result in a substantial deleveraging of the Debtors' balance sheet through the reduction in the Debtors' funded indebtedness by between approximately \$455 million and \$555 million and allow the Debtors to move expeditiously through these chapter 11 cases. Importantly, the Exit ABL Facility (as defined below) contemplated by the Restructuring Support Agreement will provide the Debtors with a committed financing source, ensuring the Debtors have adequate liquidity to support go-forward operations following emergence.

Pursuant to the Restructuring Support Agreement, the Plan is intended to minimize any potential adverse effects to the Debtors' businesses, customers, and trade partners as a result of the restructuring, and will position the Debtors for a timely emergence from bankruptcy.

2. DIP Financing and Use of Cash Collateral.

The Debtors' negotiations with their funded debtholders and third parties, which ultimately culminated in the DIP ABL Facility and access to cash collateral, were guided by two key considerations. *First*, speed is key. Given the potential business disruption and costs associated with a chapter 11 filing, it is crucial that the Debtors emerge from chapter 11 as quickly as possible. *Second*, the new DIP ABL Facility is critical to making good on the Debtors' long-standing positive relationships with its vendors and enable it to dedicate the resources necessary to match its product mix with customer demand. Liquidity is also essential as the Debtors continue to recover from the COVID-19 disruptions.

In connection with a chapter 11 filing, the Debtors, with the assistance of PJT, initiated a process for identifying sources of capital on the best available terms. Specifically, with the assistance of PJT, the Debtors began soliciting indications of interest in July 2020 from potential debtor-in-possession lenders (including specialty lenders and those that routinely provide debtor in possession financing) to gauge their interest in providing debtor in possession financing (a "DIP Financing").

In total, 28 parties were contacted and 15 non-disclosure agreements were executed. Fourteen parties subject to NDAs were granted access to a virtual data room containing detailed information regarding the Debtors and received access to non-public information. As a result of these efforts, seven potential lenders engaged in negotiations with the Debtors, and two potential lenders requested further diligence materials that were promptly provided and /or held diligence calls with the Debtors and their advisors and discussed the terms of potential DIP financing. The Debtors ultimately received one indication of interest from a party outside of the Debtors' existing capital structure for a DIP facility. Such indication of interest did not provide better economic terms to the Debtors compared to the DIP ABL Facility. In addition, PJT discussed potential DIP financing with certain holders of the Unsecured Notes and no party was willing to provide financing to the Debtors on a junior lien or an unsecured or administrative priority basis. As a result, leading up to the Petition Date, it became clear to the Debtors that their best path to financing their chapter 11 cases was through a financing from the ABL Lenders.

As set forth in greater detail in the *Declaration of Jamie H. Baird in Support of the Debtors' Emergency Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Authorizing the Debtors to Obtain Exit Financing, (IV) Granting Liens and Providing Superpriority Administrative Expense Status, (V) Granting Adequate Protection to the Prepetition ABL Secured Parties, (VI) Modifying the Automatic Stay, (VII) Scheduling a Final Hearing, and (VIII) Granting Related Relief* [Docket No. 40], and the *Declaration of Holly Etlin in Support of the Debtors' Emergency Motion Seeking Entry of Interim and Final*

Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Authorizing the Debtors to Obtain Exit Financing, (IV) Granting Liens and Providing Superpriority Administrative Expense Status, (V) Granting Adequate Protection to the Prepetition ABL Secured Parties, (VI) Modifying the Automatic Stay, (VII) Scheduling a Final Hearing, and (VIII) Granting Related Relief [Docket No. 26], (collectively, the “DIP Declarations”), these efforts culminated in the DIP ABL Facility. The DIP ABL Facility, together with the Cash Collateral (including the Restricted Cash, as defined below), is funding the working capital needs and the chapter 11 process.

The DIP ABL Facility contemplates postpetition financing in the form of a \$500 million senior secured ABL revolving credit facility provided by the ABL Lenders, as well as a \$150 million sublimit for the issuance of letters of credit. Because the ABL Facility is being refinanced in full, the DIP ABL Facility does not effectuate any priming of the ABL Lenders’ liens on their collateral under the ABL Facility. Therefore, the Debtors avoid the need to engage in a priming fight at the outset of these chapter 11 cases. Moreover, the DIP Agreement provides for the conversion of the DIP ABL Facility to an Exit ABL Facility upon emergence from chapter 11, subject to the Debtors meeting certain conditions. This conversion provides the Debtors with a clear path to emergence, setting the stage for a successful restructuring and minimizing costs associated with potential business disruption if no clear path to emergence existed. The conversion would also avoid additional costs that would be incurred on account of an exit financing marketing process and other costs that would otherwise be due if the Debtors separately sought exit financing at a later date.

In connection with entry into such DIP ABL Facility, the Prepetition Secured Parties have also consented to the immediate access by the Debtors to their Cash Collateral upon entry of the Interim Order, which will be used to pay down outstanding obligations under the DIP ABL Facility and increase availabilities thereunder. In particular, the Prepetition Term Loan Secured Parties have granted the Debtors access to the cash consideration earned from the sale of the Joseph Abboud trademarks (the “Restricted Cash”), of which approximately \$90 million remained as of the Petition Date. The Restricted Cash will become available for use by the Debtors to fund these cases and pay down the outstanding obligations under the DIP ABL Facility, on an agreed schedule set forth in the DIP/Cash Collateral Order upon the satisfaction by the Debtors of certain case milestones. Absent the Term Loan Lenders’ consent to the Debtors’ use of thereof, the Restricted Cash would otherwise remain deposited in a blocked account limited to certain capital expenditures and purchase of rental products.

3. Committed Exit Term Loan Facility and Exit ABL Facility.

As part of the negotiations regarding the Restructuring Support Agreement, the Debtors and their advisors engaged in good faith, arm’s length negotiations with the same group of creditors that executed the Restructuring Support Agreement, which resulted in (i) an Exit Term Loan Facility with the Ad Hoc Group in the aggregate principal amount of between \$325 million and \$425 million, with the final amount to be determined by the Super-Majority Consenting Term Loan Lenders and the Debtors within 60 days following the Petition Date, which is necessary to ensure the successful restructuring of the Debtors, especially since the long term implications of COVID-19 are still unknown and (ii) an Exit ABL Facility with the Exit ABL Facility Lenders with aggregate total commitments of \$430 million, each of which shall be on terms reasonably acceptable to the Debtors, the ABL Agent, and the Required Consenting Term Loan Lenders, and to be entered into on the Effective Date on the terms and conditions set forth in the Exit ABL Facility Documents and the Restructuring Support Agreement.

VIII. MATERIAL DEVELOPMENTS AND ANTICIPATED EVENTS OF THE CHAPTER 11 CASES

A. Expected Timetable of the Chapter 11 Cases.

The Restructuring Support Agreement contains certain milestones in relation to the Chapter 11 Cases that apply unless extended or waived in writing. The Debtors intend to move as quickly to comply with the remaining milestones, including:

- confirmation of a chapter 11 plan by November 15, 2020; and
- emergence from chapter 11 by November 30, 2020.

Should the Debtors' projected timelines prove accurate, and consistent with certain milestones set forth in the Restructuring Support Agreement, the Debtors could emerge from chapter 11 within 120 days of the Petition Date (which is November 30, 2020) and still maintain access to the DIP ABL Facility. **No assurances can be made, however, that the Court will enter various orders on the timetable anticipated by the Debtors or that certain conditions precedent to the Effective Date will have occurred by the outside date under the Restructuring Support Agreement.**

B. Corporate Structure upon Emergence.

Except as otherwise provided in the Plan or the Description of Transaction Steps, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and by-laws (or other formation documents) are amended under the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state, provincial, or federal law).

C. First/Second Day Relief.

On the Petition Date, along with their voluntary petitions for relief under chapter 11 of the Bankruptcy Code (the "Petitions"), the Debtors filed several motions (the "First Day Motions") requesting various types of relief which were approved by the Court. The relief granted enabled the Debtors to preserve value and efficiently administer the Chapter 11 Cases, including, among other things: (a) an order authorizing the Debtors to obtain postpetition financing and use cash collateral during the Chapter 11 Cases, and granting certain adequate protection to certain secured parties; (b) an order authorizing the Debtors to continue using their existing cash management system, honor certain prepetition obligations related thereto, maintain existing business forms, and continue to perform intercompany transactions; (c) an order authorizing the Debtors to pay certain taxes and fees; (d) an order authorizing the Debtors to pay their obligations under insurance policies entered into prepetition, continue paying brokerage commissions, renew, supplement, modify, or purchase insurance coverage, and continue to pay workers' compensation coverage fees; (e) an order authorizing the Debtors to maintain the surety bond program; (f) an order granting authority to pay employees' wages, salaries, other compensation, and other employees expenses and continue certain employee benefit programs; (g) an order authorizing the Debtors to make payment on account of prepetition claims of certain non-merchandise critical vendors, foreign vendors, lien claimants, and import claimants; (g) an order approving adequate assurance of payment for future utility services, prohibiting utility providers from altering, refusing, or discontinuing utility services, establishing

procedures for determining adequate assurance of payment, authorizing certain fee payments for services performed, and requiring utility providers to return deposits for utility services no longer in use; (h) an order authorizing the Debtors to maintain and administer their existing customer programs and honor certain prepetition obligations related thereto; (i) an order authorizing the Debtors to employ and retain Prime Clerk LLC as claims, noticing, and solicitation agent; (j) an order authorizing the rejection of certain unexpired leases and abandonment of certain personal property, if any, effective *nunc pro tunc* to the Petition Date; and (k) an order authorizing Debtor Moores The Suit People Corp. to act as foreign representative pursuant to 11 U.S.C. § 1505.

On August 27, 2020, the Debtors will hold their second day hearing before the Bankruptcy Court. At the second day hearing, subject to Bankruptcy Court approval, certain of the relief requested under the First Day Motions will be granted on a final basis, including, among other things, authority for the Debtors to continue using their existing cash management system, authority to pay certain non-merchandise critical vendors, foreign vendors, lien claimants, and import claimants, and authority to obtain postpetition financing and use cash collateral.

The First Day Motions, and all orders for relief granted in the Chapter 11 Cases, can be viewed free of charge at <https://cases.primeclerk.com/TailoredBrands/>.

D. Approval of the DIP ABL Facility and Authority to Use Cash Collateral.

Based on the Debtors' need to use cash collateral and for debtor-in-possession financing (and their conclusion that the DIP ABL Facility represents the best terms available), the Debtors filed a motion on the Petition Date seeking authorization to enter into the DIP ABL Facility on an interim and final basis and to use cash collateral on a consensual basis (the "DIP Motion"). On August 3, 2020, the Court approved the DIP Motion on an interim basis [Docket No. 85]. On [●], the Court approved the DIP Motion on a final basis [Docket No. [●]].

E. Other Procedural and Administrative Motions.

The Debtors also filed several other motions subsequent to the Petition Date to further facilitate the smooth and efficient administration of the Chapter 11 Cases and reduce the administrative burdens associated therewith, including:

- Ordinary Course Professionals Motion. On [●], the Debtors filed the *Debtors' Motion Seeking Entry of an Order Authorizing the Retention and Compensation of Certain Professionals Utilized in the Ordinary Course of Business* [Docket No. [●]] (the "OCP Motion"). The OCP Motion sought to establish procedures for the retention and compensation of certain professionals utilized by the Debtors in the ordinary course operation of their businesses. On [●], the Court approved the OCP Motion [Docket No. [●]].
- Interim Compensation Motion. On [●], the Debtors filed the *Debtors' Motion Seeking Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [Docket No. [●]] (the "Interim Compensation Motion"). The Interim Compensation Motion sought to establish procedures for the allowance and payment of compensation and reimbursement of expenses for attorneys and other professionals whose retentions are approved by the Bankruptcy Court pursuant to sections 327 or 1103 of the Bankruptcy Code and who will be required to file applications for allowance of compensation and reimbursement of expenses pursuant to sections 330 and 331 of the Bankruptcy Code. On [●], the Court approved the Interim Compensation Motion [Docket No. [●]].

F. Retention of the Debtors' Professionals.

To assist the Debtors in carrying out their duties as debtors-in-possession and to otherwise represent the Debtors' interests in the Chapter 11 Cases, on [●], the Debtors filed applications requesting that the Court authorize the Debtors to retain and employ the following advisors pursuant to sections 327 and 328 of the Bankruptcy Code: (a) Kirkland as counsel to the Debtors [Docket No. [●]]; (b) Jackson Walker LLP as co-counsel to the Debtors [Docket No. [●]]; (c) PJT, as investment banker to the Debtors [Docket No. [●]]; (d) Alix, as financial advisors [Docket No. [●]]; (e) A&G Realty Partners, LLC as real estate advisors [Docket No. [●]]; (f) Stikeman Elliott LLP as Canadian co-counsel to the Debtors [Docket No. [●]]; (g) Mourant Ozannes as Cayman Islands co-counsel to the Debtors [Docket No. [●]]; and (h) Deloitte as tax advisor [Docket No. [●]].

G. Schedules of Assets and Liabilities and Statements of Financial Affairs.

On the Petition Date, the Debtors filed the *Debtors' Emergency Motion Seeking Entry of an Order Extending Time to File Schedules of Assets and Liabilities, Schedules of Current Income and Expenditures, Schedules of Executory Contracts and Unexpired Leases, and Statements of Financial Affairs* [Docket No. 4] seeking an extension of the time within by which the Debtors must file schedules D, E, and F of the schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases, and statements of financial affairs (collectively, the "Schedules and Statements") by 23 days, and all other Schedules and Statements by 30 days, for a total of 37 and 44 days, respectively, from the Petition Date, to and including September 8, 2020 and September 15, 2020, respectively, which the Court granted on August 3, 2020 [Docket No. 77]. At the request of the U.S. Trustee, the Debtors subsequently agreed to file their Schedules and Statements by September 9, 2020, for a total of 38 days from the Petition Date. The Debtors filed their Schedules on [●], 2020.

H. Establishment of a Claims Bar Date.

As described more fully in Article III.K of this Disclosure Statement, on August 4, 2020, the Bankruptcy Court entered the Bar Date Order setting the Bar Date by which the entities holding Claims against the Debtors that arose (or that are deemed to have arisen) prior to the Petition Date must file proofs of claim (other than, among others, the Holders of ABL Facility Claims and Term Loan Claims). The Bar Date Order establishes October 7, 2020 as the general claims bar date and January 31, 2021 as the governmental claims bar date. Any party required to file a proof of claim under the Bar Date Order that failed to do so before the applicable bar date will be forever barred, estopped, and enjoined from asserting such claim against the Debtors and the Debtors will be forever discharged from any indebtedness or liability relating to such claim. Such party will not be permitted to vote to accept or reject the Plan or receive any recovery under the Plan.

I. Appointment of the Creditors Committee.

On August 11, 2020, the United States Trustee for the Southern District of Texas (the "United States Trustee") filed the *Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 242] notifying parties in interest that the United States Trustee had appointed a statutory committee of unsecured creditors (the "Creditors Committee") in the Chapter 11 Cases. The Creditors Committee is currently composed of the following members: (i) The Bank of NY Mellon Trust Company, N.A.; (ii) Cristian Zuniga; (iii) AT&T Services, Inc.; (iv) Brookfield Properties Retail, Inc.; (v) Icon International, Inc.; (vi) Productos Textiles S.A.; and (vii) Peerless Clothing International. The Creditors Committee has retained Pachulski Stang Ziehl & Jones LLP as its legal counsel and M-III Partners, LLC as its financial advisor.

J. Litigation Matters.

In the ordinary course of business, the Debtors are parties to certain lawsuits, legal proceedings, collection proceedings, and claims arising out of their business operations. The Debtors cannot predict with certainty the outcome of these lawsuits, legal proceedings, and claims.

With certain exceptions, the filing of the Chapter 11 Cases operates as a stay with respect to commencement or continuation of litigation against the Debtors that was or could have been commenced before the commencement of the Chapter 11 Cases. In addition, the Debtors' liability with respect to litigation stayed by the commencement of the Chapter 11 Cases generally is subject to discharge, settlement, and release upon confirmation of a plan under chapter 11, with certain exceptions. Therefore, certain litigation Claims against the Debtors may be subject to discharge in connection with the Chapter 11 Cases.

K. Treatment of Executory Contracts and Unexpired Leases.

1. Assumption and Rejection of Executory Contracts and Unexpired Leases.

On the Effective Date, except as otherwise provided in the Plan, each Executory Contract and Unexpired Lease (including those set forth as assumed in the Schedules of Assumed and Rejected Contracts) shall be deemed assumed as of the Effective Date by the applicable Debtor pursuant to sections 365 and 1123 of the Bankruptcy Code, unless such Executory Contract or Unexpired Lease: (1) was previously assumed, assumed and assigned, or rejected by the Debtors (which assumption, assumption and assignment, or rejection shall have been with the consent of the Required Consenting Term Loan Lenders); (2) previously expired or terminated pursuant to its own terms; (3) is identified as rejected on the Schedules of Assumed and Rejected Contracts; or (4) is the subject of a motion to reject that is pending on the Effective Date. On the Effective Date, except as otherwise provided herein, each Executory Contract and Unexpired Lease that is identified as rejected on the Schedules of Assumed and Rejected Contracts shall be deemed rejected as of the Effective Date by the applicable Debtor pursuant to sections 365 and 1123 of the Bankruptcy Code.

Entry of the Confirmation Order by the Bankruptcy Court shall, subject to and upon the occurrence of the Effective Date, constitute a Final Order approving the assumptions, assumptions and assignments, and rejections, as applicable, of the Executory Contracts and Unexpired Leases as set forth in the Plan, and the Schedules of Assumed and Rejected Contracts, as applicable, pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Any motions to assume, assume and assign, or reject Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order. Unless otherwise specified in the Plan Supplement, the Schedules of Assumed and Rejected Contracts, or an applicable Bankruptcy Court order, assumptions, assumptions and assignments, or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party prior to the Confirmation Date, shall revert in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may be modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law. Notwithstanding anything to the contrary in the Plan, the Debtors or the Reorganized Debtors, as applicable, with the consent of the Required Consenting Term Loan Lenders, shall have the right to alter, amend, modify, or supplement the Schedules of Assumed and Rejected Contracts identified in Article V.A of the Plan and in the Plan Supplement at any time through and including 45 days after the Effective Date; *provided, however*, that after the date of the Confirmation Hearing, the Debtors may not subsequently reject any Unexpired Lease previously designated as assumed or assumed and assigned on the Schedules of Assumed and Rejected Contracts absent the consent of the applicable lessor.

To the extent that any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any “change of control” provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party or parties to such Executory Contract or Unexpired Lease to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

2. Indemnification Obligation.

Notwithstanding anything herein to the contrary, the obligations of the Debtors pursuant to their certificates of incorporation, bylaws, or other agreements to indemnify the current and former officers, directors, agents, and/or employees with respect to all present and future actions, suits, and proceedings against the Debtors, or such directors, officers, agents, and/or employees, based upon any act or omission relating to the Debtors, will not be discharged or impaired by consummation of the Restructuring Transactions. All such obligations will be assumed by the Debtors on the Effective Date, and all such obligations will continue as obligations of the Reorganized Debtors.

The Debtors shall not terminate or otherwise reduce the coverage under any directors’ and officers’ insurance policies (including the “tail policy”) in effect prior to the Effective Date, and any directors and officers of the Debtors who served in such capacity at any time before or after the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and/or officers remain in such positions after the Effective Date. Notwithstanding anything herein to the contrary, the Debtors shall retain the ability to supplement such directors’ and officers’ insurance policies as the Debtors deem necessary, including purchasing any tail coverage.

3. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Claims and Noticing Agent and served on the Debtors or Reorganized Debtors, as applicable, no later than thirty (30) days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates, or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, and be subject to the permanent injunction set forth in Article VIII.F of the Plan, including any Claims against any Debtor listed on the Schedules as unliquidated, contingent, or disputed.** All Allowed Claims arising from the rejection by any Debtor of any Executory Contract or Unexpired Lease shall be treated as a General Unsecured Claim in accordance with Article III.B and Article III.C of the Plan.

4. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

The Debtors or the Reorganized Debtors, as applicable, shall pay Cures, if any, on the Effective Date or as soon as reasonably practicable thereafter. Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract or Unexpired Lease, all requests for payment of Cures that differ from the amounts paid or proposed to be paid by the Debtors or the Reorganized Debtors to a counterparty must be Filed with the Bankruptcy Court on or before thirty (30) days after the Effective Date. Any such request

that is not timely filed shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Reorganized Debtor, without the need for any objection by the Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court. Any Cure shall be deemed fully satisfied, released, and discharged upon payment by the Debtors or the Reorganized Debtors of the Cure; *provided* that nothing herein shall prevent the Reorganized Debtors from paying any Cure despite the failure of the relevant counterparty to File such request for payment of such Cure. The Reorganized Debtors also may settle any Cure without any further notice to or action, order, or approval of the Bankruptcy Court. In addition, any objection to the assumption of an Executory Contract or Unexpired Lease under the Plan must be Filed with the Bankruptcy Court on or before 30 days after the Effective Date. Any such objection will be scheduled to be heard by the Bankruptcy Court at the Debtors' or Reorganized Debtors', as applicable, first scheduled omnibus hearing for which such objection is timely filed. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption of any Executory Contract or Unexpired Lease will be deemed to have consented to such assumption.

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure amount in Cash on the Effective Date, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the Cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption; *provided that* the Reorganized Debtors may settle any such dispute without any further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity; *provided, further, that* notwithstanding anything to the contrary herein, prior to the entry of a Final Order resolving any such dispute and approving the assumption of any such Executory Contract or Unexpired Lease, the Reorganized Debtors shall have the right to reject any such Executory Contract or Unexpired Lease that is subject to dispute, whether by amending the Schedules of Assumed and Rejected Contracts in accordance with Article V.A of the Plan or otherwise.

At least fourteen (14) days prior to the first day of the Confirmation Hearing, the Debtors shall provide for notices of proposed assumption or assumption and assignment and proposed Cure amounts to be sent to applicable third parties, which notices will include procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or assumption and assignment or related Cure amount must be Filed, served, and actually received by the Debtors no later than seven days prior to the first day of the Confirmation Hearing. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption or Cure amount will be deemed to have assented to such assumption or assumption and assignment and cure amount.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise and full payment of any applicable Cure pursuant to Article V.D of the Plan shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. **Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to the Confirmation Order, and for which any Cure has been fully paid pursuant to Article V.D of the Plan,**

shall be deemed disallowed and expunged as of the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court.

L. Surety Bonds.

On the Effective Date, all of the Debtors' obligations and commitments to any surety providers as set forth in the *Final Order Authorizing the Debtors to Maintain the Surety Bond Program* [Docket No. [●]] shall be deemed reaffirmed by the Reorganized Debtors, including as applicable: (i) surety payment and indemnity agreements, setting forth the sureties' rights against the Debtors, and the Debtors' obligations to pay and indemnify the sureties from any loss, cost, or expense that the sureties may incur, in each case, on account of the issuance of any surety bonds on behalf of the Debtors; (ii) surety collateral agreements governing collateral, if any, in connection with the Debtors' surety bonds; and/or (iii) ordinary course premium payments to any surety for the Debtors' surety bonds.

IX. PROJECTED FINANCIAL INFORMATION

A projected consolidated income statement is attached hereto as **Exhibit C**.

Creditors and other interested parties should see the below "Risk Factors" for a discussion of certain factors that may affect the future financial performance of the Reorganized Debtors.

X. RISK FACTORS

Holders of Claims and Interests should read and consider carefully the risk factors set forth below before voting to accept or reject the Plan. Although there are many risk factors discussed below, these factors should not be regarded as constituting the only risks present in connection with the Debtors' business or the Plan and its implementation.

A. Bankruptcy Law Considerations.

The occurrence or non-occurrence of any or all of the following contingencies, and any others, could affect distributions available to Holders of Allowed Claims and Interests under the Plan but will not necessarily affect the validity of the vote of the Impaired Classes to accept or reject the Plan or necessarily require a re-solicitation of the votes of Holders of Claims and Interests in such Impaired Classes.

1. Parties in Interest May Object to the Plan's Classification of Claims and Interests.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of the Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created Classes of Claims and Interests each encompassing Claims or Interests, as applicable, that are substantially similar to the other Claims or Interests, as applicable, in each such Class. Nevertheless, there can be no assurance that the Court will reach the same conclusion.

2. The Conditions Precedent to the Effective Date of the Plan May Not Occur.

As more fully set forth in Article IX of the Plan, the Effective Date is subject to a number of conditions precedent. If such conditions precedent are not met or waived, the Effective Date will not take place.

3. The Debtors May Fail to Satisfy Vote Requirements.

If votes are received in number and amount sufficient to enable the Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, Confirmation of the Plan. In the event sufficient votes are not received, the Debtors may seek to confirm an alternative chapter 11 plan of reorganization, subject to the terms of the Restructuring Support Agreement. There can be no assurance that the terms of any such alternative chapter 11 plan of reorganization would be similar or as favorable to the Holders of Allowed Claims and Interests as those proposed in the Plan.

4. The Debtors May Not Be Able to Secure Confirmation of the Plan.

Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation of a chapter 11 plan, and requires, among other things, a finding by the Court that: (a) such plan “does not unfairly discriminate” and is “fair and equitable” with respect to any non-accepting classes; (b) confirmation of such plan is not likely to be followed by a liquidation or a need for further financial reorganization unless such liquidation or reorganization is contemplated by the plan; and (c) the value of distributions to non-accepting holders of claims and equity interests within a particular class under such plan will not be less than the value of distributions such holders would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code.

Even though certain creditors have agreed pursuant to the Restructuring Support Agreement to support the Plan, there can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Court will confirm the Plan. A non-accepting Holder of an Allowed Claim or Interest might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Court determines that this Disclosure Statement, the balloting procedures, and voting results are appropriate, the Court could still decline to confirm the Plan if it finds that any of the statutory requirements for Confirmation are not met. If a chapter 11 plan of reorganization is not confirmed by the Court, it is unclear whether the Debtors will be able to reorganize their business and what, if anything, Holders of Allowed Claims and Interests against them would ultimately receive on account of such Allowed Claims and Interests.

The effectiveness of the Plan is also subject to certain conditions as described in Article IX of the Plan. If the Plan is not confirmed, it is unclear what distributions, if any, Holders of Allowed Claims and Interests will receive on account of such Allowed Claims and Interests.

The Debtors, subject to the terms and conditions of the Plan and the Restructuring Support Agreement, reserve the right to modify the terms and conditions of the Plan as necessary for Confirmation. Any such modifications could result in less favorable treatment of any non-accepting Class, as well as any Class junior to such non-accepting Class, than the treatment currently provided in the Plan. Such a less favorable treatment could include a distribution of property with a lesser value than currently provided in the Plan or no distribution whatsoever under the Plan.

5. Nonconsensual Confirmation.

In the event that any impaired class of claims or interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm a plan at the proponents’ request if at least one impaired class (as defined under section 1124 of the Bankruptcy Code) has accepted the plan (with such acceptance being determined without including the vote of any “insider” in such class), and, as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan “does not discriminate unfairly” and is “fair and equitable” with respect to the dissenting impaired class(es). The Debtors believe that the Plan satisfies these requirements, and the Debtors may request such nonconsensual Confirmation in

accordance with subsection 1129(b) of the Bankruptcy Code. Nevertheless, there can be no assurance that the Court will reach this conclusion. In addition, the pursuit of nonconsensual Confirmation or Consummation of the Plan may result in, among other things, increased expenses relating to professional compensation.

6. Continued Risk Upon Confirmation.

Even if a chapter 11 plan of reorganization is consummated, the Debtors will continue to face a number of risks, including certain risks that are beyond their control, such as further deterioration or other changes in economic conditions, changes in the industry, potential revaluing of their assets due to chapter 11 proceedings, changes in consumer demand for, and acceptance of, their products, and increasing expenses. Some of these concerns and effects typically become more acute when a case under the Bankruptcy Code continues for a protracted period without indication of how or when the case may be completed. As a result of these risks and others, there is no guarantee that a chapter 11 plan of reorganization reflecting the Plan will achieve the Debtors' stated goals.

In addition, at the outset of the Chapter 11 Cases, the Bankruptcy Code will give the Debtors the exclusive right to propose the Plan and will prohibit creditors and others from proposing a plan. The Debtors will have retained the exclusive right to propose the Plan upon filing their petitions for chapter 11 relief. If the Court terminates that right, however, or the exclusivity period expires, the Debtors' ability to achieve confirmation of the Plan and achieve the Debtors' stated goals may be adversely affected.

Furthermore, even if the Debtors' debts are reduced and/or discharged through the Plan, the Debtors may need to raise additional funds through public or private debt or equity financing or other various means to fund the Debtors' business after the completion of the proceedings related to the Chapter 11 Cases. Additional financing, if required, may not be available on commercially reasonable terms, if at all.

7. The Chapter 11 Cases May Be Converted to Cases Under Chapter 7 of the Bankruptcy Code.

If the Court finds that it would be in the best interest of creditors and/or the debtor in a chapter 11 case, the Court may convert a chapter 11 bankruptcy case to a case under chapter 7 of the Bankruptcy Code. In such event, a chapter 7 trustee would be appointed or elected to liquidate the debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in significantly smaller distributions being made to creditors than those provided for in a chapter 11 plan because of (a) the likelihood that the assets would have to be sold or otherwise disposed of in a disorderly fashion over a short period of time rather than reorganizing or selling in a controlled manner affecting the business as a going concern, (b) additional administrative expenses involved in the appointment of a chapter 7 trustee, and (c) additional expenses and Claims, some of which would be entitled to priority, that would be generated during the liquidation, and including Claims resulting from the rejection of Unexpired Leases and other Executory Contracts in connection with cessation of operations.

8. The Debtors May Object to the Amount or Classification of a Claim.

Except as otherwise provided in the Plan, the Debtors reserve the right to object to the amount or classification of any Claim or Interest under the Plan, subject to the terms of the Restructuring Support Agreement. The estimates set forth in this Disclosure Statement cannot be relied upon by any Holder of a Claim or Interest where such Claim or Interest is subject to an objection. Any Holder of a Claim or Interest that is subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

9. Risk of Non-Occurrence of the Effective Date.

Although the Debtors believe that the Effective Date may occur quickly after the Confirmation Date, there can be no assurance as to such timing or as to whether the Effective Date will, in fact, occur.

10. Contingencies Could Affect Votes of Impaired Classes to Accept or Reject the Plan.

The distributions available to Holders of Allowed Claims and Interests under the Plan can be affected by a variety of contingencies, including, without limitation, whether the Court orders certain Allowed Claims or Interests to be subordinated to other Allowed Claims or Interests. The occurrence of any and all such contingencies, which could affect distributions available to Holders of Allowed Claims and Interests under the Plan, will not affect the validity of the vote taken by the Impaired Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

The estimated Claims, Interests, and creditor recoveries that will be forth in this Disclosure Statement are based on various assumptions, and the actual Allowed amounts of Claims and Interests may significantly differ from the estimates. Should one or more of the underlying assumptions ultimately prove to be incorrect, the actual Allowed amounts of Claims or Interests may vary from the estimated Claims and Interests contained in this Disclosure Statement. Moreover, the Debtors cannot determine with any certainty at this time, the number or amount of Claims that will ultimately be Allowed. Such differences may materially and adversely affect, among other things, the percentage recoveries to Holders of Allowed Claims and Interests under the Plan.

11. Releases, Injunctions, and Exculpations Provisions May Not Be Approved.

Article VIII of the Plan provides for certain releases, injunctions, and exculpations, including a release of liens and third-party releases that may otherwise be asserted against the Debtors, Reorganized Debtors, or Released Parties, as applicable. The releases, injunctions, and exculpations (including, for the avoidance of doubt, the definitions of Released Parties, Releasing Parties, and Exculpated Parties) provided in the Plan are subject to the approval of the parties in interest and may not be approved. If the releases are not approved, certain parties may not be considered Released Parties, Releasing Parties, or Exculpated Parties, and certain Released Parties may withdraw their support for the Plan.

B. Risks Related to Recoveries under the Plan.

1. The Debtors May Not Be Able to Achieve Their Financial Projections.

The Financial Projections attached hereto as Exhibit C represent the Debtors' management team's best estimate of the Debtors' future financial performance, which is necessarily based on certain assumptions regarding the anticipated future performance of the Reorganized Debtors' operations, as well as the United States and world economies in general and the retail industry, which has been particularly affected by the recent COVID-19 outbreak and actions taken in response thereto. While the Debtors believe that the Financial Projections attached hereto as Exhibit C are reasonable, there can be no assurance that they will be realized. If the Debtors do not achieve their projected financial results, (a) the value of the New Equity may be negatively affected, and the recoveries by Holders of Term Loan Claims that receive New Equity may be negatively affected, (b) the Debtors may lack sufficient liquidity to continue operating as planned after the Effective Date and (c) the Debtors may be unable to service their debt obligations as they come due. Moreover, the financial condition and results of operations of the Reorganized Debtors from and after the Effective Date may not be comparable to the financial condition or results of operations reflected in the Debtors' historical financial statements.

2. The Debtors May Be Controlled by Significant Holders.

If the Plan contemplating the Restructuring is confirmed and consummated, Holders of Term Loan Claims will own approximately 100 percent of the New Equity (subject to dilution for the Management Incentive Plan and any other securities issued after the Effective Date not pursuant to the Plan). If any Term Loan Lender acquires a significant portion of the New Equity or the holders of a significant portion of the New Equity were to act as a group, such Holders would be in a position to control the outcome of actions requiring shareholder approval.

3. The New Equity Is Subject to Dilution.

The ownership percentage represented by the New Equity distributed on the Effective Date under the Plan will be subject to dilution by the Management Incentive Plan and any other securities that may be issued post-emergence, including any securities issued in connection with the conversion of any other options, warrants, convertible securities, or exercisable securities.

4. Reorganized Tailored Brand's New Equity May Not Be Publicly Traded.

There can be no assurance that an active market for the New Equity will develop, nor can any assurance be given as to the prices at which such stock might be traded. The New Equity to be issued under the Plan will not be listed on or traded on any nationally recognized market or exchange. Further, the New Equity to be issued under the Plan has not been registered under the Securities Act, any state securities laws or the laws of any other jurisdiction. Absent such registration, the New Equity may be offered or sold only in transactions that are not subject to, or that are exempt from, the registration requirements of the Securities Act and other applicable securities laws. As explained in more detail in Article XIII of this Disclosure Statement, most recipients of New Equity will be able to resell such securities without registration pursuant to the exemption from registration provided by section 1145 of the Bankruptcy Code, subject to any restrictions set forth in the certificate of incorporation and bylaws of Reorganized Tailored Brands.

5. The U.S. Federal Income Tax Consequences of the Plan are Complex.

The U.S. federal income tax consequences of the Plan are complex and will depend on, among other things, whether the Restructuring Transactions are consummated as a Taxable Transaction or a Recapitalization Transaction (as each is defined below), potentially uncertain technical issues, and certain issues that cannot be known until after the Effective Date occurs. Accordingly, Holders of claims should carefully review the section entitled "Certain U.S Federal Income Tax Consequences of the Plan" in Article XIV of this Disclosure Statement. Each Holder of Claims should also consult its own tax advisor regarding the U.S. federal, state, local, and foreign tax consequences of the consummation of the Plan to such Holder.

C. Risks Related to the Debtors' and the Reorganized Debtors' Business.

1. The Debtors and the Reorganized Debtors May Not Be Able to Generate Sufficient Cash to Service All of Their Indebtedness.

The Debtors' and the Reorganized Debtors' ability to make scheduled payments on, or refinance their debt obligations, including the DIP ABL Facility and the Exit Term Loan Facility, depends on the Debtors' and the Reorganized Debtors' financial condition and operating performance, which are subject to prevailing economic, industry, and competitive conditions and to certain financial, business, legislative, regulatory, and other factors beyond their control (including the factors discussed in Article X.C of this Disclosure Statement). For example, if the Debtors are mandated to close re-opened stores to contain the spread of COVID-19, cash flows may significantly be limited. The Debtors and the Reorganized Debtors

may be unable to maintain a level of cash flow from operating activities sufficient to permit them to pay the principal and interest on their indebtedness, including the DIP ABL Facility and the Exit Facilities.

2. The Debtors Will Be Subject to the Risks and Uncertainties Associated with the Chapter 11 Cases.

For the duration of the Chapter 11 Cases, the Debtors' ability to operate, develop, and execute a business plan, and continue as a going concern, will be subject to the risks and uncertainties associated with bankruptcy. These risks include the following: (a) ability to develop, confirm, and consummate the restructuring transactions specified in the Plan or an alternative restructuring transaction; (b) ability to obtain court approval with respect to motions filed in the Chapter 11 Cases from time to time; (c) ability to maintain relationships with brand partners, service providers, customers, employees, and other third parties; (d) ability to maintain contracts that are critical to the Debtors' operations; (e) ability of third parties to seek and obtain court approval to terminate contracts and other agreements with the Debtors; (f) ability of third parties to seek and obtain court approval to terminate or shorten the exclusivity period for the Debtors to propose and confirm a chapter 11 plan, to appoint a chapter 11 trustee, or to convert the Chapter 11 Cases to chapter 7 proceedings; and (g) the actions and decisions of the Debtors' creditors and other third parties who have interests in the Chapter 11 Cases that may be inconsistent with the Debtors' plans.

These risks and uncertainties could affect the Debtors' business and operations in various ways. For example, negative events associated with the Chapter 11 Cases could adversely affect the Debtors' relationships with brand partners, service providers, customers, employees, and other third parties, which in turn could adversely affect the Debtors' operations and financial condition. In addition, the Debtors will need the prior approval of the Court for transactions outside the ordinary course of business, which may limit the Debtors' ability to respond timely to certain events or take advantage of certain opportunities. Because of the risks and uncertainties associated with the Chapter 11 Cases, the Debtors cannot accurately predict or quantify the ultimate impact of events that occur during the Chapter 11 Cases that may be inconsistent with the Debtors' plans.

3. Recent Global Economic Trends, especially in Response to the COVID-19 Outbreak Could Adversely Affect the Debtors' Business, Results of Operations and Financial Condition, Primarily Through Disruption of the Debtors' Retail Stores.

Recent global economic conditions, including disruption of financial markets, could adversely affect the Debtors' business, results of operations and financial condition, primarily through disrupting their customers' businesses. Higher rates of unemployment and lower levels of business activity generally adversely affect the level of demand for certain of the Debtors' products and services. In addition, continuation or worsening of general market conditions in the U.S. economy or other national economies important to the Debtors' business may adversely affect the Debtors' customers' level of spending, ability to obtain financing for purchases and ability to make timely payments to the Debtors for their products and services, which could require the Debtors to increase the Debtors' allowance for doubtful accounts, negatively impact their days sales outstanding and adversely affect their results of operations.

The recent outbreak of COVID-19 has significantly disrupted financial markets. This outbreak and the actions taken by federal, state and local governments in response to the outbreak have significantly affected virtually all facets of the U.S. and global economies. Restrictions on and public concern regarding travel and public interaction have materially curtailed retail and hospitality activity. The COVID-19 outbreak resulted in the temporary closure of all of the Debtors' retail stores, almost all of which have since opened. The Debtors' ability to maintain its reputation is critical to the Debtors' brands. The Debtors' reputation could be jeopardized if they fail to maintain high standards for merchandise quality and integrity and customer service. Damage to the Debtors' reputation or loss of consumer confidence in their brands

may have a material impact on the Debtors' results of operations. A substantial majority of the Debtors' merchandise is manufactured in numerous locations, primarily in Asia. The timely delivery of merchandise to the Debtors' by their brand partners could be adversely affected by supply chain disruptions and travel restrictions which could, in turn, negatively impact the Debtors' ability to meet customers' demand. The COVID-19 outbreak will continue to adversely impact the Debtors' business in a number of ways, including supply chain disruptions, temporary or permanent store closures, reduced traffic to the Debtors' stores when they reopen, cancellations of large gatherings such as proms and weddings, and disruptions to the Debtors' employees working at the Debtors' stores, distribution centers, and offices.

Global financial markets have experienced significant volatility and losses as a result of the recent COVID-19 outbreak. Any resulting economic downturn could negatively impact customer demand and spending in the impacted regions and cause an oversupply of goods that could result in meaningful margin pressure. In response to anticipated liquidity pressures stemming from a potential downturn, many companies are exploring liquidity options, including drawing on revolving debt facilities. On March 16, 2020, the Debtors opted to draw down \$260.0 million of additional borrowings under their ABL Facility. After assessing the remaining availability under the ABL Facility and determining that additional borrowings were prudent to maximize cash on hand, on March 19, 2020 and on March 31, 2020, respectively, the Debtors borrowed an additional \$25 million under the ABL Facility. These borrowings under the ABL Facility were proactive measures in order to increase the Debtors' cash position and preserve financial flexibility in light of current uncertainty in the global markets resulting from COVID-19.

The Debtors are closely monitoring developments in connection with this outbreak. Restrictions on travel, quarantines and other measures imposed in response to the COVID-19 outbreak, as well as ongoing concern regarding the virus' potential impact, have had and will likely continue to have a negative effect on economies and financial markets, including supply chain shortages and other business disruptions. The Debtors expect the outbreak will materially affect results in the current and potentially future operating periods; however, the duration and extent of potential supply chain, demand and other disruptions is highly uncertain and will depend on future developments with respect to the spread and severity of the virus. For example, whether there is a "second wave" or additional periods of increases in the number of COVID-19 cases in future periods may impact areas in which the Debtors' operate. A future outbreak in the Debtors' stores, distribution center, or corporate headquarters could result in temporary closure of these facilities. Inadequate response by the Debtors, perceived or otherwise, could impact the Debtors' results of operations, their reputation, and/or their ability to retain and motivate their current employees. An extended period of further economic deterioration could exacerbate the other risks described herein.

Additional effects of the recent conditions in the global economy include higher rates of unemployment, consumer hesitancy, and limited availability of credit, each of which may constrict the Debtors' business operations. These have had an effect on the Debtors' revenue growth and incoming payments, and the impact may continue. If these or other conditions limit the Debtors' ability to grow revenue or cause the Debtors' revenue to decline and the Debtors cannot reduce costs on a timely basis or at all, the Debtors' operating results may be materially and adversely affected.

4. Operating in Bankruptcy for a Long Period of Time May Harm the Debtors' Business.

The Debtors' future results will be dependent upon the successful confirmation and implementation of a plan of reorganization. A long period of operations under Court protection could have a material adverse effect on the Debtors' business, financial condition, results of operations, and liquidity. So long as the proceedings related to the Chapter 11 Cases continue, senior management will be required to spend a significant amount of time and effort dealing with the reorganization instead of focusing exclusively on business operations. A prolonged period of operating under Court protection also may make it more difficult to retain management and other key personnel necessary to the success and growth of the Debtors'

businesses. In addition, the longer the proceedings related to the Chapter 11 Cases continue, the more likely it is that customers and brand partners will lose confidence in the Debtors' ability to reorganize their business successfully and will seek to establish alternative commercial relationships.

So long as the proceedings related to the Chapter 11 Cases continue, the Debtors will be required to incur substantial costs for professional fees and other expenses associated with the administration of the Chapter 11 Cases.

Furthermore, the Debtors cannot predict the ultimate amount of all settlement terms for the liabilities that will be subject to a plan of reorganization. Even after a plan of reorganization is approved and implemented, the Debtors' operating results may be adversely affected by the possible reluctance of prospective lenders and other counterparties to do business with a company that recently emerged from bankruptcy protection and operates in the luxury retail industry which has been dramatically affected by the recent COVID-19 outbreak.

5. Financial Results May Be Volatile and May Not Reflect Historical Trends.

During the Chapter 11 Cases, the Debtors expect that their financial results will continue to be volatile as asset impairments, asset dispositions, restructuring activities and expenses, contract terminations and rejections, and claims assessments significantly impact the Debtors' consolidated financial statements. Moreover, there have been mandates from federal, state and local authorities requiring forced closures of non-essential retailers in response to the recent COVID-19 outbreak. The duration of such closures and the extent of the outbreak's effects on the Debtors' business is highly uncertain and will depend on future developments with respect to the spread and severity of COVID-19. As a result, the Debtors' historical financial performance likely will not be indicative of their financial performance after the Petition Date.

In addition, if the Debtors emerge from chapter 11, the amounts reported in subsequent consolidated financial statements may materially change relative to historical consolidated financial statements, including as a result of revisions to the Debtors' operating plans pursuant to a plan of reorganization. The Debtors also may be required to adopt fresh start accounting, in which case their assets and liabilities will be recorded at fair value as of the fresh start reporting date, which may differ materially from the recorded values of assets and liabilities on the Debtors' consolidated balance sheets. The Debtors' financial results after the application of fresh start accounting also may be different from historical trends.

6. The Reorganized Debtors May Be Adversely Affected by Potential Litigation, Including Litigation Arising Out of the Chapter 11 Cases.

In the future, the Reorganized Debtors may become party to litigation. Any claims against the Debtors, whether meritorious or not, could be time-consuming, result in costly litigation, damage the Debtors' reputation, require significant amounts of management time and divert significant resources. If any of these legal proceedings were to be determined adversely to the Debtors, or the Debtors were to enter into a settlement arrangement, the Debtors could be exposed to monetary damages or limits on the Debtors' ability to operate their business, which could have an adverse effect on the Debtors' business, financial condition and results of operations. It is also possible that certain parties will commence litigation with respect to the treatment of their Claims or Interests under the Plan. It is not possible to predict the potential litigation that the Reorganized Debtors may become party to, nor the final resolution of such litigation. The impact of any such litigation on the Reorganized Debtors' businesses and financial stability, however, could be material.

7. The Loss of Key Personnel Could Adversely Affect the Debtors' Operations.

The Debtors' operations are dependent on a relatively small group of key management personnel, including the Debtors' executive officers. The Debtors' recent liquidity issues and the Chapter 11 Cases have created distractions and uncertainty for key management personnel and employees. Because competition for experienced personnel in the retail industry can be significant, the Debtors may be unable to find acceptable replacements with comparable skills and experience and the loss of such key management personnel could adversely affect the Debtors' ability to operate their business. In addition, a loss of key personnel or material erosion of employee morale at the corporate and/or field levels could have a material adverse effect on the Debtors' ability to meet customer and counterparty expectations, thereby adversely affecting the Debtors' businesses and the results of operations.

XI. SOLICITATION AND VOTING PROCEDURES

This Disclosure Statement, which is accompanied by a Ballot or Ballots to be used for voting on the Plan, is being distributed to the Holders of Claims and Interests in those Classes that are entitled to vote to accept or reject the Plan. The procedures and instructions for voting and related deadlines are set forth in the exhibits annexed to the Disclosure Statement Order.

The Disclosure Statement Order is incorporated herein by reference and should be read in conjunction with this Disclosure Statement and in formulating a decision to vote to accept or reject the Plan.

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY.

PLEASE REFER TO THE DISCLOSURE STATEMENT ORDER ATTACHED HERETO FOR A MORE COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

A. Holders of Claims and Interests Entitled to Vote on the Plan.

Under the provisions of the Bankruptcy Code, not all holders of claims against or interests in a debtor are entitled to vote on a chapter 11 plan. The table in Article III.C of this Disclosure Statement provides a summary of the status and voting rights of each Class (and, therefore, of each Holder within such Class absent an objection to the Holder's Claim or Interest) under the Plan.

As shown in the table, the Debtors are soliciting votes to accept or reject the Plan only from Holders of Claims in Classes 4, 5(a), 5(b), and 5(c) (collectively, the "Voting Classes"). Holders of Claims in the Voting Classes are Impaired under the Plan and may, in certain circumstances, receive a distribution under the Plan. Accordingly, Holders of Claims and Interests in the Voting Classes have the right to vote to accept or reject the Plan.

The Debtors are *not* soliciting votes from Holders of Claims and Interests in Classes 1, 2, 3, 6, 7, 8, and 9. Additionally, the Disclosure Statement Order provides that certain Holders of Claims and Interests in the Voting Classes, such as those Holders whose Claims and Interests have been disallowed or are subject to a pending objection, are not entitled to vote to accept or reject the Plan.

B. Voting Record Date.

The Voting Record Date is [●], 2020. The Voting Record Date is the date on which it will be determined which Holders of Claims and Interests in the Voting Classes are entitled to vote to accept or reject the Plan and whether Claims and Interests have been properly assigned or transferred under

Bankruptcy Rule 3001(e) such that an assignee or transferee, as applicable, can vote to accept or reject the Plan as the Holder of a Claim or Interest.

C. Voting on the Plan.

The Voting Deadline is [●], 2020, at 4:00 p.m., prevailing Central Time. The Voting Deadline for any counterparty to an Unexpired Lease which is identified as rejected on a Schedules of Assumed and Rejected Contracts filed later than one Business Day prior to the Voting Deadline shall be extended to the date of the Confirmation Hearing. In order to be counted as votes to accept or reject the Plan, all Ballots must be properly executed, completed, and delivered (either by using the return envelope provided, by first class mail, overnight courier, or personal delivery) so that the Ballots are **actually received** by the Notice and Claims Agent on or before the Voting Deadline at the following address:

DELIVERY OF BALLOTS

**TAILORED BRANDS, INC. BALLOTS PROCESSING
C/O PRIME CLERK LLC
850 3RD AVENUE, SUITE 412
BROOKLYN, NEW YORK 11232**

OR

ONLINE PORTAL AT [https://\[●\]/](https://[●]/)

**PLEASE SELECT JUST ONE OPTION TO SUBMIT YOUR VOTE:
EITHER RETURN A PROPERLY EXECUTED PAPER BALLOT WITH YOUR VOTE**

OR

**VOTE ELECTRONICALLY THROUGH THE CUSTOMIZED,
ONLINE BALLOTING PORTAL ON THE DEBTORS' CASE WEBSITE
MAINTAINED BY PRIME CLERK LLC ("E-BALLOT")**

Holders of claims or interests who cast a ballot via e-ballot should NOT also submit a paper ballot.

E-BALLOT SHALL BE THE EXCLUSIVE MEANS OF VOTING ELECTRONICALLY. PRIME CLERK LLC SHALL NOT ACCEPT VOTES SUBMITTED VIA E-MAIL, FACSIMILE, OR ANY ELECTRONIC METHODS OTHER THAN E-BALLOT; PROVIDED THAT PRIME CLERK LLC SHALL ACCEPT MASTER BALLOTS FROM NOMINEES SUBMITTED VIA E-MAIL TO PRIME CLERK LLC.

IF YOU HAVE ANY QUESTIONS ABOUT THE SOLICITATION OR VOTING PROCESS, PLEASE CONTACT THE PRIME CLERK LLC TOLL FREE AT (877) 461-5690 (TOLL FREE) OR (347) 817-4089 (INTERNATIONAL). ANY BALLOT RECEIVED AFTER THE VOTING DEADLINE OR OTHERWISE NOT IN COMPLIANCE WITH THE DISCLOSURE STATEMENT ORDER WILL NOT BE COUNTED EXCEPT AS

OTHERWISE PROVIDED FOR IN THE SOLICITATION PROCEDURES OR IN THE SOLE AND ABSOLUTE DISCRETION OF THE DEBTORS.

D. Ballots Not Counted.

No ballot will be counted toward Confirmation if, among other things: (i) it is illegible or contains insufficient information to permit the identification of the Holder of the Claim; (ii) it was transmitted by facsimile or other electronic means (other than the E-Ballot Portal); (iii) it was cast by an entity that is not entitled to vote on the Plan; (iv) it was cast for a Claim listed in the Debtors' schedules as contingent, unliquidated or disputed for which the applicable Claims Bar Date has passed and no proof of claim was timely filed; (v) it was cast for a Claim that is subject to an objection pending as of the Voting Record Date (unless temporarily allowed in accordance with the Disclosure Statement Order and the solicitation procedures); (vi) it was sent to the Debtors, the Debtors' agents/representatives (other than the Notice and Claims Agent), an administrative agent (except as otherwise permitted by the Disclosure Statement Order), or the Debtors' financial or legal advisors instead of the Notice and Claims Agent; (vii) it lacks an original signature, with the understanding that the voting party's electronic signature through e-ballot will be deemed an original signature; or (viii) it is not clearly marked to either accept or reject the Plan or it is marked both to accept and reject the Plan. **Please refer to the Disclosure Statement Order for additional requirements with respect to voting to accept or reject the Plan.**

XII. CONFIRMATION OF THE PLAN

A. Confirmation Hearing.

The Court has scheduled the Confirmation Hearing for [●], 2020 at [●] [a/p].m. (prevailing Central Time). The Confirmation Hearing may be adjourned from time to time without further notice.

Objections to Confirmation of the Plan must be filed and served on the Debtors, and certain other parties, by no later than [●], 2020, at 4:00 p.m. (prevailing Central Time) in accordance with the notice of the Confirmation Hearing that accompanies this Disclosure Statement and the Disclosure Statement Order attached hereto as **Exhibit B** and incorporated herein by reference.

The Debtors will publish the notice of the Confirmation Hearing, which will contain the deadline for objections to the Plan and the date and time of the Confirmation Hearing, in New York Times (national edition) and Dallas Morning News, to provide notification to those persons who may not receive notice by mail. The Debtors may also publish the notice of the Confirmation Hearing in such trade or other publications as the Debtors may choose.

B. Requirements for Confirmation of the Plan.

Among the requirements for Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code are: (1) the Plan is accepted by all Impaired Classes of Claims or Interests, or if rejected by an Impaired Class, the Plan "does not discriminate unfairly" and is "fair and equitable" as to the rejecting Impaired Class; (2) the Plan is feasible; and (3) the Plan is in the "best interests" of holders of Claims and Interests.

At the Confirmation Hearing, the Court will determine whether the Plan satisfies all of the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that: (1) the Plan satisfies, or will satisfy, all of the necessary statutory requirements of chapter 11; (2) the Debtors have complied, or will have complied, with all of the necessary requirements of chapter 11; and (3) the Plan has been proposed in good faith.

C. Best Interests of Creditors/Liquidation Analysis.

Often called the “best interests” test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each impaired class, that each holder of a claim or an equity interest in such impaired class either (1) has accepted the plan or (2) will receive or retain under the plan property of a value that is not less than the amount that the non-accepting holder would receive or retain if the debtors liquidated under chapter 7.

Attached hereto as **Exhibit E** and incorporated herein by reference is a liquidation analysis (the “Liquidation Analysis”) prepared by the Debtors with the assistance of the Debtors’ advisors. As reflected in the Liquidation Analysis, the Debtors believe that liquidation of the Debtors’ businesses under chapter 7 of the Bankruptcy Code would result in substantial diminution in the value to be realized by Holders of Claims and Interests as compared to distributions contemplated under the Plan. Consequently, the Debtors and their management believe that Confirmation of the Plan will provide a substantially greater return to Holders of Claims and Interests than would a liquidation under chapter 7 of the Bankruptcy Code.

If the Plan is not confirmed, and the Debtors fail to propose and confirm an alternative plan of reorganization, the Debtors’ businesses may be liquidated pursuant to the provisions of a chapter 11 liquidating plan. In liquidations under chapter 11, the Debtors’ assets could be sold in an orderly fashion over a more extended period of time than in a liquidation under chapter 7. Thus, a chapter 11 liquidation may result in larger recoveries than a chapter 7 liquidation, but the delay in distributions could result in lower present values received and higher administrative costs. Any distribution to Holders of Claims and Interests under a chapter 11 liquidation plan would most likely be substantially delayed. Most importantly, the Debtors believe that any distributions to creditors in a chapter 11 liquidation scenario would fail to capture the significant going concern value of their businesses. Accordingly, the Debtors believe that a chapter 11 liquidation would not result in distributions as favorable as those under the Plan.

D. Feasibility.

Section 1129(a)(11) of the Bankruptcy Code requires that confirmation of a plan of reorganization is not likely to be followed by the liquidation, or the need for further financial reorganization of the debtor, or any successor to the debtor (unless such liquidation or reorganization is proposed in such plan of reorganization).

To determine whether the Plan meets this feasibility requirement, the Debtors have analyzed their ability to meet their respective obligations under the Plan. As part of this analysis, the Debtors have prepared their Financial Projections. Creditors and other interested parties should review Article X of this Disclosure Statement entitled “Risk Factors” for a discussion of certain factors that may affect the future financial performance of the Reorganized Debtors.

The Financial Projections are attached hereto as **Exhibit C** and incorporated herein by reference. Based upon the Financial Projections, the Debtors believe the Plan will meet the feasibility requirements of the Bankruptcy Code.

E. Acceptance by Impaired Classes.

The Bankruptcy Code requires, as a condition to confirmation, except as described in the following section, that each class of claims or equity interests impaired under a plan, accept the plan. A class that is

not “impaired” under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such a class is not required.²⁴

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in a dollar amount and more than one-half in a number of allowed claims in that class, counting only those claims that have *actually* voted to accept or to reject the plan. Thus, a class of claims will have voted to accept the plan only if two-thirds in amount and a majority in number actually cast their ballots in favor of acceptance.

Section 1126(d) of the Bankruptcy Code provides that a class of impaired interests has accepted a plan if the holders of at least two-third’s in amount of the allowed interests of such class have voted to accept the plan.

Pursuant to Article III of the Plan, if a Class contains Claims or Interests eligible to vote and no holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

F. No Unfair Discrimination.

The “unfair discrimination” test applies to classes of claims or interests that are of equal priority and are receiving different treatment under a plan. The test does not require that the treatment be the same or equivalent, but that treatment be “fair.” In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims or interests of equal rank (*e.g.*, classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly. A plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

G. Fair and Equitable Test.

The “fair and equitable” test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100 percent of the amount of the allowed claims in the class. As to the dissenting class, the test sets different standards depending upon the type of claims or equity interests in the class. The Debtors submit that if the Debtors were to “cramdown” the Plan pursuant to section 1129(b) of the Bankruptcy Code, the Plan is structured so that it would not “discriminate unfairly” and would satisfy the “fair and equitable” requirement. With respect to the unfair discrimination requirement, all Classes under the Plan are provided treatment that is substantially equivalent to the treatment that is provided to other Classes that have equal rank. With respect to the fair and equitable requirement, no Class under the Plan will receive more than 100 percent of the amount of Allowed Claims in that Class. The Debtors believe that the Plan and the treatment of all Classes of Claims or Interests under the Plan satisfy the foregoing requirements for nonconsensual Confirmation of the Plan.

²⁴ A class of claims is “impaired” within the meaning of section 1124 of the Bankruptcy Code unless the plan (a) leaves unaltered the legal, equitable and contractual rights to which the claim or equity interest entitles the Holder of such claim or equity interest or (b) cures any default, reinstates the original terms of such obligation, compensates the Holder for certain damages or losses, as applicable, and does not otherwise alter the legal, equitable, or contractual rights to which such claim or equity interest entitles the Holder of such claim or equity interest.

H. Valuation of the Debtors.

In conjunction with formulating the Plan and satisfying their obligations under section 1129 of the Bankruptcy Code, the Debtors determined that it was necessary to estimate the post-Confirmation going concern value of the Debtors. Accordingly, the Debtors, with the assistance of their advisors, produced the valuation analysis that is set forth in **Exhibit D** attached hereto and incorporated herein by reference (the “Valuation Analysis”). As set forth in the Valuation Analysis, the Debtors’ going-concern value recoveries to creditors under the Plan are substantially higher than the recoveries such creditors would receive in a hypothetical liquidation of the Debtors’ enterprise under chapter 7 of the Bankruptcy Code, as illustrated in the Liquidation Analysis. Accordingly, the Valuation Analysis further supports the Debtors’ conclusion that the treatment of Classes under the Plan is fair and equitable and otherwise satisfies the Bankruptcy Code’s requirements for confirmation.

XIII. CERTAIN SECURITIES LAW MATTERS

A. Plan Securities.

The Plan provides for Reorganized Tailored Brands to distribute, among other things, the New Equity, to certain Holders of Allowed Claims. The Debtors believe that the New Equity will be “securities,” as defined in Section 2(a)(1) of the Securities Act, Section 101 of the Bankruptcy Code, and all applicable state securities laws.

B. Issuance and Resale of Securities Under the Plan.

1. Exemptions from Registration Requirements of the Securities Act and Applicable State Securities Laws.

Section 1145(a)(1) of the Bankruptcy Code exempts the offer or sale of securities under a plan of reorganization from registration under Section 5 of the Securities Act and state laws if three principal requirements are satisfied: (a) the securities must be issued “under a plan” of reorganization by the debtor or its successor under a plan or by an affiliate participating in a joint plan of reorganization with the debtor; (b) the recipients of the securities must hold a claim against, an interest in, or a claim for administrative expenses in the case concerning the debtor; and (c) the securities must be issued in exchange for the recipient’s claim against or interest in the debtor, or “principally” in such exchange and “partly” for cash or property. In reliance upon these exemptions, the Debtors believe that the offer, issuance and distribution under the Plan of the New Equity to the Holders of Allowed Claims entitled to receive the New Equity under Article III of the Plan and the participants in the Management Incentive Plan, if any (collectively, the “New Equity Holders”), following the filing of the Chapter 11 Cases may be made without registration under the Securities Act or any applicable state securities laws.

To the extent that the offer, issuance and distribution of the New Equity to the New Equity Holders following the filing of the Chapter 11 Cases is covered by section 1145 of the Bankruptcy Code, subject to compliance with the New Organizational Documents, such New Equity may be resold without registration under the Securities Act or other federal securities laws, unless such holder is an “underwriter” (as discussed below) with respect to such securities, as that term is defined in section 1145(b)(1) of the Bankruptcy Code. In addition, such New Equity governed by section 1145 of the Bankruptcy Code generally may be able to be resold without registration under applicable state securities laws pursuant to various exemptions provided by the applicable states; however, the availability of such exemptions cannot be known unless applicable individual state securities laws are examined.

Recipients of the New Equity are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Bankruptcy Code, the Securities Act and any applicable state securities laws.

2. Resale of Certain New Equity; Definition of Underwriter.

Section 1145(b)(1) of the Bankruptcy Code defines an “underwriter” as one who, except with respect to “ordinary trading transactions” of an entity that is not an “issuer”: (a) purchases a claim against, interest in, or claim for an administrative expense in the case concerning, the debtor, if such purchase is with a view to distribution of any security received or to be received in exchange for such claim or interest; (b) offers to sell securities offered or sold under a plan for the Holders of such securities; (c) offers to buy securities offered or sold under a plan from the Holders of such securities, if such offer to buy is (i) with a view to distribution of such securities and (ii) under an agreement made in connection with the plan, with the consummation of the plan, or with the offer or sale of securities under the plan; or (d) is an issuer of the securities within the meaning of section 2(a)(11) of the Securities Act. In addition, a person who receives a fee in exchange for purchasing an issuer’s securities could also be considered an underwriter within the meaning of section 2(a)(11) of the Securities Act.

The definition of an “issuer” for purposes of whether a person is an underwriter under section 1145(b)(1)(D) of the Bankruptcy Code, by reference to section 2(a)(11) of the Securities Act, includes as “statutory underwriters” all persons who, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with, an issuer of securities. The reference to “issuer,” as used in the definition of “underwriter” contained in section 2(a)(11) of the Securities Act, is intended to cover “Controlling Persons” of the issuer of the securities. “Control,” as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise. Accordingly, an officer or director of a reorganized debtor or its successor under a plan of reorganization may be deemed to be a “Controlling Person” of the debtor or successor, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor’s or its successor’s voting securities. In addition, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns ten percent (10%) or more of a class of securities of a reorganized debtor may be presumed to be a “Controlling Person” and, therefore, an underwriter.

Resales of the New Equity issued to the New Equity Holders by Entities deemed to be “underwriters” (which definition includes “Controlling Persons”) are not exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Under certain circumstances, holders of such New Equity who are deemed to be “underwriters” may be entitled to resell their New Equity pursuant to the limited safe harbor resale provisions of Rule 144 of the Securities Act. Generally, Rule 144 of the Securities Act would permit the public sale of securities received by such person if the required holding period has been met and if current information regarding the issuer is publicly available and volume limitations, manner of sale requirements and certain other conditions are met.

Whether any particular person would be deemed to be an “underwriter” (including whether the person is a “Controlling Person”) with respect to such New Equity would depend upon various facts and circumstances applicable to that person. Accordingly, the Debtors express no view as to whether any person would be deemed an “underwriter” with respect to the New Equity issued to the New Equity Holders, and, in turn, whether any person may freely resell such New Equity. The Debtors recommend that potential recipients of New Equity consult their own counsel concerning their ability to freely trade such securities under applicable federal securities law and state securities laws.

XIV. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

- A. Introduction.** The following discussion is a summary of certain U.S. federal income tax consequences of the consummation of the Plan to the Debtors, Reorganized Debtors, and to certain Holders. The following summary does not address the U.S. federal income tax consequences to Holders not entitled to vote to accept or reject the Plan. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (“IRC”), the U.S. Treasury Regulations promulgated thereunder (the “Treasury Regulations”), judicial authorities, published administrative positions of the U.S. Internal Revenue Service (the “IRS”), and other applicable authorities (collectively, “Applicable Tax Law”), all as in effect on the date of this Disclosure Statement and all of which are subject to change or differing interpretations, possibly with retroactive effect. Changes in these rules or new interpretations of the rules with retroactive effect could significantly affect the U.S. federal income tax consequences described herein. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. No opinion of counsel has been obtained and the Debtors have not requested, and do not intend to seek, a ruling or determination from the IRS as to any of the tax consequences of the Plan discussed below. The discussion below is not binding upon the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to certain Holders in light of their individual circumstances. This discussion also does not address tax issues with respect to such Holders that are subject to special treatment under the U.S. federal income tax laws (including, for example, accrual-method U.S. Holders (as defined below) that prepare an “applicable financial statement” (as defined in Section 451 of the IRC), banks, mutual funds, governmental authorities or agencies, pass-through entities, beneficial owners of pass-through entities, subchapter S corporations, dealers and traders in securities, insurance companies, financial institutions, tax-exempt organizations, controlled foreign corporations, passive foreign investment companies, U.S. Holders (as defined below) whose functional currency is not the U.S. dollar, U.S. expatriates, broker-dealers, small business investment companies, Persons who are related to the Debtors within the meaning of the IRC, Persons liable for alternative minimum tax, Persons using a mark-to-market method of accounting, Holders who are themselves in bankruptcy, real estate investment companies and regulated investment companies and those holding, or who will hold, consideration received pursuant to the Plan as part of a hedge, straddle, conversion, or other integrated transaction). No aspect of state, local, non-income, or non-U.S. taxation is addressed. Furthermore, this summary assumes that a Holder holds only Claims or Interests in a single Class and holds such Claims or Interests only as “capital assets” (within the meaning of section 1221 of the IRC). This summary also assumes that the various debt and other arrangements to which the Debtors and Reorganized Debtors are or will be a party will be respected for U.S. federal income tax purposes in accordance with their form, and, to the extent relevant, that the Claims constitute interests in the Debtors “solely as a creditor” for purposes of section 897 of the IRC. This summary does not discuss differences in tax consequences to Holders that act or receive consideration in a capacity other than any other Holder of a Claim or Interest of the same Class or Classes, and the tax consequences for such Holders may differ materially from that described below. The U.S. federal income tax consequences of the implementation of the Plan to the Debtors, Reorganized Debtors, and Holders of Claims and Interests described below also may vary depending on the nature of any Restructuring Transactions that the Debtors and/or Reorganized Debtors engage in. This summary does not address the U.S. federal income tax consequences to Holders (a) whose Claims are Unimpaired or otherwise entitled to payment in full under the Plan, or (b) that are deemed to reject the Plan.

For purposes of this discussion, a “U.S. Holder” is a Holder of a Claim or Interest (including a beneficial owner of such Claim or Interest) that for U.S. federal income tax purposes is: (1) an individual who is a citizen or resident of the United States; (2) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (4) a trust (a) if a court within the United States is able to exercise primary jurisdiction over the trust’s administration and one or more United States persons (within the meaning of section 7701(a)(30) of the IRC) has authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury Regulations to be treated as a United States person (within the meaning of section 7701(a)(30) of the IRC). For purposes of this discussion, a “Non-U.S. Holder” is any Holder that is neither a U.S. Holder nor a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a Holder, the tax treatment of a partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner) and the activities of the partner (or other beneficial owner) and the entity. Partnerships (or other pass-through entities) and partners (or other beneficial owners) of partnerships (or other pass-through entities) that are Holders are urged to consult their own respective tax advisors regarding the U.S. federal income tax consequences of the Plan.

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER. ALL HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE U.S. FEDERAL, STATE, LOCAL, AND NON-U.S. TAX CONSEQUENCES OF THE PLAN.

B. Certain U.S. Federal Income Tax Consequences of the Plan to the Debtors and Reorganized Debtors.

1. Characterization of the Restructuring Transactions.

The tax consequences of the implementation of the Plan to the Debtors will differ depending on whether the Restructuring Transactions are structured as a taxable sale of the assets and/or stock of any Debtor or subsidiary thereof (a “Taxable Transaction”) or as a recapitalization of the Debtors (a “Recapitalization Transaction”). It has not yet been determined how the Restructuring Transactions will be structured under Applicable Tax Law. Such decision will depend on, among other things, whether assets being sold (or deemed to be sold) pursuant to any Taxable Transaction have an aggregate fair market value in excess of their aggregate tax basis (*i.e.*, a “built-in gain”) or an aggregate fair market value less than their aggregate tax basis (*i.e.*, a “built-in loss”), the amount of the expected reduction in the aggregate tax basis of such assets by excluded cancellation of indebtedness income (“COD Income”), whether sufficient tax attributes are available to offset any such built-in gain, future tax benefits associated with a step-up (if any) in the tax basis of the assets sold pursuant to a Taxable Transaction, and the amount and character of any losses with respect to the stock of any applicable Debtor or subsidiary thereof, in each case for U.S. federal, state, and local income tax purposes.

If the transactions undertaken pursuant to the Plan are structured in whole or in part as a Taxable Transaction involving the transfer (or deemed transfer) of the Debtors’ assets, the Debtors generally would realize gain or loss in an amount equal to the difference between the value of the consideration received by the Debtors (which generally should equal the fair market value of the assets transferred (or deemed to be transferred) by the Debtors) and the Debtors’ tax basis in such assets. Realized gains, if any, may be offset

by current-year losses and deductions, which may include interest deductions that may be (or become) available under section 163(j) of the IRC, and net operating losses (“NOLs”) from prior years; *provided* that any such gain that is ordinary in nature may not be offset by capital losses. Any taxable gain remaining after such offsets would result in a cash tax obligation. If the Reorganized Debtors purchase (or are deemed to purchase) assets or stock of any Debtor pursuant to a Taxable Transaction, such Reorganized Debtor will take a fair market value basis in the transferred assets or stock. However, if a Taxable Transaction involves a purchase of stock, the Debtor whose stock is transferred will retain its basis in its assets, unless the Debtors and/or Reorganized Debtors timely make certain elections provided for under the IRC to treat such stock purchase as the purchase of the Debtors’ assets.

Subject to the discussion below regarding the potential reduction or elimination of NOLs, NOLs arising before 2018 may be carried forward for up to 20 years and used to offset 100 percent of future taxable income in a given year, and NOLs arising in taxable years starting with 2018 may be carried forward indefinitely and used to offset 80 percent of taxable income in a given year thereby, in each case, reducing the Debtors’ future aggregate tax obligations.

2. Cancellation of Debt and Reduction of Tax Attributes.

In general, absent an exception, a taxpayer will realize and recognize cancellation of indebtedness income (“COD Income”) upon satisfaction of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the “adjusted issue price” (within the meaning of the Treasury Regulations) of the indebtedness satisfied, over (b) the sum of (i) the issue price of any new debt instruments of the taxpayer issued, (ii) the fair market value of other non-cash consideration (including stock of the taxpayer or a party related to the taxpayer), and (iii) the amount of cash, in each case, given in satisfaction of such indebtedness at the time of the exchange.

A taxpayer will not, however, be required to include COD Income in gross income pursuant to section 108 of the IRC if the taxpayer is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a taxpayer must reduce its NOLs and certain other tax attributes (collectively, “Tax Attributes”) and aggregate tax basis in assets (including the stock of subsidiaries) by the amount of COD Income that it excluded from gross income pursuant to section 108 of the IRC. Such reduction in Tax Attributes and aggregate tax basis occurs only after the tax for the year of the debt discharge has been determined. In general, Tax Attributes and aggregate tax basis will be reduced in the following order: (a) NOLs and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets, which includes the stock of subsidiaries (but not below the amount of liabilities to which the debtor remains subject immediately after the discharge); (f) passive activity loss and credit carryovers; and (g) foreign tax credits carryovers. Alternatively, a debtor with COD Income may elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the IRC. Interest expense deductions allowable under section 163(j) of the Code (and carryforwards of any such deductions) (“163(j) Deductions”) are not subject to reduction under these rules. Any excess COD Income over the amount of available items described in clauses (a) through (g), above, will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact. Where the taxpayer joins in the filing of a consolidated U.S. federal income tax return, applicable Treasury Regulations require, in certain circumstances, that certain tax attributes of other members of the group also be reduced.

The Debtors are expected to realize COD Income in connection with the Restructuring Transactions, with an attendant reduction in Tax Attributes (but in the case of tax basis where no election is made to reduce the basis of depreciable assets as described above, only to the extent such tax basis exceeds the amount of the Debtors’ liabilities, as determined for these purposes, immediately after the Effective Date). The exact amount of any COD Income that will be realized by the Debtors will not be

determinable until the consummation of the Plan because the amount of COD Income will depend, in part, on the issue price of new debt instruments and the value of non-cash consideration (including the New Equity), neither of which can be determined until after the Plan is consummated. As a result, the total amount of attribute reduction as a result of the Plan cannot be determined until after the Effective Date. Depending on the amount of COD Income, if the Restructuring Transactions are structured as a Recapitalization Transaction, some of the Reorganized Debtors' tax basis in their assets may be reduced by COD Income that is not absorbed by the NOLs and other tax attributes.

3. Limitation on NOLs, 163(j) Deductions, and Other Tax Attributes.

After giving effect to the reduction in Tax Attributes and aggregate tax basis pursuant to excluded COD Income, the ability of Reorganized Debtors to use any remaining Tax Attributes post-emergence may be subject to certain limitations under sections 382 and 383 of the IRC as a result of an "ownership change" of the Reorganized Debtors by reason of the transactions consummated pursuant to the Plan.

Under sections 382 and 383 of the IRC, if the Debtors undergo an "ownership change" as defined under section 382 of the IRC, the amount of any remaining NOL carryforwards, tax credit carryforwards, 163(j) Deductions, and possibly certain other attributes (potentially including losses and deductions that have accrued economically but are unrecognized as of the date of the ownership change and cost recovery deductions) of the Debtors allocable to periods prior to the Effective Date (collectively, "Pre-Change Losses") that may be utilized to offset future taxable income generally are subject to an annual limitation. For this purpose, if a corporation (or consolidated group) has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of "built-in" income and deductions), then generally built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original net unrealized built-in loss) will be treated as Pre-Change Losses and similarly will be subject to the annual limitation. In general, a corporation's (or consolidated group's) net unrealized built-in loss will be deemed to be zero unless it is greater than the lesser of (a) \$10,000,000 or (b) 15 percent of the fair market value of its assets (with certain adjustments) before the ownership change. While proposed Treasury Regulations could significantly modify the calculation and treatment of net unrealized built-in gains and losses, those regulations are not expected to apply to the Reorganized Debtors, and the remainder of this discussion assumes they will not apply.²⁵

The rules of section 382 of the IRC are complicated, but an ownership change is expected to occur as a result of the Restructuring Transactions. If such an ownership change occurs, the ability of Reorganized Debtors to use the Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the IRC applies.

²⁵ The IRS issued proposed regulations in September 2019, that would revoke IRS Notice 2003-65 and make substantial changes to the way limitations under section 382 of the IRC are calculated. The changes would decrease the limitation set forth in section 382 of the IRC in most cases and potentially cause entities that would have had a net unrealized built-in gain under Notice 2003-65 to instead have a net unrealized built-in loss, which would result in additional limitations on the ability to deduct Pre-Change Losses. Additionally, the IRS issued further proposed regulations in January 2020, that would provide certain transition relief for the application of any finalized regulation. Under such transition relief, any finalized regulations would apply only to ownership changes occurring 31 days after the regulations are finalized and certain specified and identifiable transactions would be subject to a "grandfathering" rule that allows for application of the prior IRS Notice 2003-65 rules. Additionally, the "grandfathering" rule would also apply as long as a company files its chapter 11 case on or before the day that is 31 days following the issuance of final regulations, even where the applicable ownership change occurs more than 31 days after finalization of the regulations. Because the Debtors have already filed their chapter 11 cases, any such finalized regulations would not be applicable and, accordingly, the remainder of this discussion assumes that IRS Notice 2003-65 will apply to the Reorganized Debtors.

(a) General Section 382 Annual Limitation.

In general, the amount of the annual limitation to which a corporation that undergoes an “ownership change” would be subject is equal to the product of (a) the fair market value of the stock of the corporation (or parent of the consolidated group) immediately before the “ownership change” (with certain adjustments), and (b) the “long-term tax-exempt rate” (which is the highest of the adjusted federal long-term rates in effect for any month in the 3-calendar-month period ending with the calendar month in which the ownership change occurs, currently 0.89 percent for August 2020). Under certain circumstances, the annual limitation may be increased to the extent that the corporation (or parent of the consolidated group) has an overall built-in gain in its assets at the time of the ownership change. If the corporation or consolidated group has such “net unrealized built-in gain” at the time of an ownership change (taking into account most assets and items of “built-in” income, gain, loss, and deduction), any built-in gains recognized (or, according to the currently effective IRS Notice 2003-65, treated as recognized) during the following five year period (up to the amount of the original net unrealized built-in gain) generally will increase the annual limitation in the year of such recognition, such that the loss corporation or consolidated group would be permitted to use its Pre-Change Losses against such built-in gain income in addition to its otherwise applicable annual limitation. Section 383 of the IRC applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year. If the corporation or consolidated group does not continue its historic business or use a significant portion of its historic assets in a new business for at least two years after the ownership change, the annual limitation resulting from the ownership change is reduced to zero, thereby precluding any utilization of the corporation’s Pre-Change Losses (absent any increases due to recognized built-in gains). As discussed below, however, special rules may apply in the case of a corporation that experiences an ownership change as the result of a bankruptcy proceeding.

(b) Special Bankruptcy Exceptions.

Special rules may apply in the case of a corporation that experiences an “ownership change” as a result of a bankruptcy proceeding. An exception to the foregoing annual limitation rules generally applies when so-called “qualified creditors” of a debtor corporation in chapter 11 receive, in respect of their Claims, at least 50 percent of the vote and value of the stock of the debtor corporation (or a controlling corporation if also in chapter 11) as reorganized pursuant to a confirmed chapter 11 plan (the “382(1)(5) Exception”). If the requirements of the 382(1)(5) Exception are satisfied, a debtor’s Pre-Change Losses would not be limited on an annual basis, but, instead, NOL carryforwards would be reduced by the amount of any interest deductions claimed by the debtor during the three taxable years preceding the effective date of the plan of reorganization and during the part of the taxable year prior to and including the effective date of the plan of reorganization in respect of all debt converted into stock pursuant to the reorganization. If the 382(1)(5) Exception applies and Reorganized Debtors undergo another “ownership change” within two years after the Effective Date, then Reorganized Debtors’ Pre-Change Losses thereafter would be effectively eliminated in their entirety.

Where the 382(1)(5) Exception is not applicable to a corporation in bankruptcy (either because the debtor corporation does not qualify for it or the debtor corporation otherwise elects not to utilize the 382(1)(5) Exception), another exception will generally apply (the “382(1)(6) Exception”). Under the 382(1)(6) Exception, the annual limitation will be calculated by reference to the lesser of (a) the value of the debtor corporation’s new stock (with certain adjustments) immediately after the ownership change or (b) the value of such debtor corporation’s assets (determined without regard to liabilities) immediately before the ownership change. This differs from the ordinary rule that requires the fair market value of a debtor corporation that undergoes an “ownership change” to be determined before the events giving rise to the change. The 382(1)(6) Exception also differs from the 382(1)(5) Exception in that, under it, a debtor corporation is not required to reduce its NOL carryforwards by the amount of interest deductions claimed

within the prior three-year period (and during the part of the taxable year prior to and including the effective date of the plan of reorganization), and a debtor corporation may undergo a change of ownership within two years without automatically triggering the elimination of its Pre-Change Losses. The resulting limitation would be determined under the regular rules for ownership changes.

The Debtors have not determined whether the 382(l)(5) Exception will be available or, if it is available, whether Reorganized Debtors will elect out of its application.

C. Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders of Allowed Claims Entitled to Vote.

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan. U.S. Holders are urged to consult their own tax advisors regarding the tax consequences of the Restructuring Transactions.

The U.S. federal income tax consequences to certain U.S. Holders of Claims will depend, in part, on whether, for U.S. federal income tax purposes, (a) the Claim surrendered constitutes a “security;” and (b) the consideration received constitutes stock or a “security” of the same entity against which the Claim is asserted (or, an entity that is a “party to a reorganization” with such entity).

Neither the IRC nor the Treasury Regulations promulgated thereunder define the term “security.” Whether a debt instrument constitutes a “security” is determined based on all relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that the instrument is a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, the convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued.

Due to the inherently factual nature of the determination, if relevant based on the form of the Restructuring Transactions, U.S. Holders are urged to consult their own tax advisors regarding the status of their Claims or the consideration received under the Plan as “securities” for U.S. federal income tax purposes.

1. Consequences to Holders of Class 4 Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed Term Loan Claim shall receive its Pro Rata share of (a) the New Equity and (b) the Exit Term Loan Facility.

The entity issuing the New Equity under the Plan is not the same entity as the Debtor against which the Allowed Term Loan Claims are asserted (or an entity that is a “party to a reorganization” with such Debtor). Accordingly, if (a) the Restructuring Transactions are structured as a Recapitalization Transaction, (b) the Class 4 Claims constitute “securities,” and (c) the Exit Term Loan Facility constitutes a “security,” then a U.S. Holder of such a Claim is expected to be treated as receiving its distribution under the Plan in a transaction treated as a “recapitalization” for U.S. federal income tax purposes, with the receipt of the New Equity treated as “boot” in such recapitalization. Subject to the rules regarding accrued but untaxed interest (as discussed below), a U.S. Holder of such Claim should not recognize loss, but should recognize

gain to the extent of the lesser of (a) the fair market value of the “boot” received, and (b) (i) the sum of (1) the fair market value of the New Equity received and (2) the issue price of the Exit Term Loan Facility received, minus (ii) the U.S. Holder’s adjusted tax basis in its Allowed Term Loan Claim. In general, a U.S. Holder would obtain an initial tax basis in its share of the Exit Term Loan Facility received in the exchange equal to its adjusted tax basis in its existing Claim surrendered (excluding any amounts attributable to accrued but untaxed interest on the applicable existing Claim), increased by the amount of any gain recognized pursuant to such exchange and decreased by the fair market value of the “boot” received. Subject to the rules regarding accrued but untaxed interest, a U.S. Holder’s holding period for its interest in the Exit Term Loan Facility received should include the holding period for the Claim exchanged therefor. A U.S. Holder’s initial basis in the New Equity would equal its fair market value, and such U.S. Holder’s holding period with respect to the New Equity would begin the day after the Effective Date. The tax basis of any non-Cash consideration treated as received in satisfaction of accrued but untaxed interest should equal the amount of such accrued but untaxed interest, and the holding period for such non-Cash consideration should begin on the day following the receipt of such property.

If (a) the Restructuring Transactions are structured as a Taxable Transaction, (b) the Class 4 Claims do not constitute “securities,” or (c) the Exit Term Loan Facility does not constitute a “security,” then each U.S. Holder of a Class 4 Claim will be treated as receiving its distribution under the Plan in a taxable exchange under section 1001 of the IRC. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the U.S. Holder should recognize gain or loss in an amount equal to the difference, if any, between (a) the sum of (i) the issue price of the Exit Term Loan Facility debt and (ii) the fair market value of the New Equity received in the exchange and (b) the U.S. Holder’s adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. The holding period for the New Equity and Exit Term Loan Facility debt received in the exchange should begin on the day following the date the U.S. Holder receives the New Equity and Exit Term Loan Facility debt. Subject to the rules regarding accrued but untaxed interest, a U.S. Holder should obtain a tax basis in such New Equity equal to its fair market value and a tax basis in such Exit Term Loan Facility debt equal its issue price, in each case, as of the date such consideration is distributed to the U.S. Holder.

U.S. Holders should consult their own tax advisers regarding the treatment of the Restructuring Transactions for U.S. federal income tax purposes.

2. Consequences to Holders of Class 5(a), 5(b), and 5(c) Claims.

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3. Accrued Interest.

To the extent that any amount received by a U.S. Holder of a Claim under the Plan is attributable to accrued interest or original issue discount (“OID”) during its holding period on the debt instruments constituting the surrendered Claim, the receipt of such amount should be taxable to the U.S. Holder as ordinary interest income (to the extent not already taken into income by the U.S. Holder). Conversely, a U.S. Holder of a Claim may be able to recognize a deductible loss to the extent that any accrued interest on the debt instruments constituting such Claim was previously included in the U.S. Holder’s gross income but was not paid in full by the Debtors. Such loss may be ordinary, but the tax law is unclear on this point.

If the fair market value of the consideration received by a U.S. Holder is not sufficient to fully satisfy all principal and interest on Claims, the extent to which such consideration will be attributable to accrued interest is unclear. Under the Plan, the aggregate consideration to be distributed to Claims in each Class will be allocated first to the principal amount of Claims, with any excess allocated to unpaid interest that accrued on these Claims, if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, and certain case law generally indicates that a final payment on a distressed debt instrument that is insufficient to repay outstanding principal and interest will be allocated to principal, rather than interest. Certain Treasury Regulations treat payments as allocated first to any accrued but untaxed interest. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Plan. U.S. Holders of Claims should consult their own tax advisors regarding the proper allocation of the consideration received by them under the Plan.

4. Market Discount.

In the case of a U.S. Holder that acquired its Claim with market discount, any gain recognized on the sale or exchange of such Claim generally will be treated as ordinary income to the extent of the market discount treated as accruing during such U.S. Holder's holding period for such Claim. Any such market discount is generally the excess of the "revised issue price" of such Claim over such U.S. Holder's initial tax basis in such Claim upon acquisition, if such excess equals or exceeds a statutory *de minimis* amount. Such market discount is generally treated as accruing during such U.S. Holder's holding period for such Claim on a straight-line basis or, at the election of such U.S. Holder, on a constant yield basis, unless such U.S. Holder has previously elected to include such market discount in income as it accrues. For this purpose, the "revised issue price" of a Claim generally equals its issue price, increased by the amount of OID that has accrued over the term of the Claim. To the extent that Claims that were acquired with market discount are exchanged in a tax-free transaction for other property, any market discount that accrued on the Claims (i.e., up to the time of the exchange) but was not recognized by the U.S. Holder is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption, or other disposition of the property is treated as ordinary income to the extent of the accrued, but not recognized, market discount with respect to the exchanged debt instrument. U.S. Holders who acquired their Claims other than at original issuance should consult their own tax advisors regarding the possible application of the market discount rules to the Restructuring Transactions.

5. U.S. Federal Income Tax Consequences to U.S. Holders of Owning and Disposing of New Equity.

(a) Dividends on New Equity.

Any distributions made on account of the New Equity will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Reorganized Debtors as determined under U.S. federal income tax principles. "Qualified dividend income" received by an individual U.S. Holder is subject to preferential tax rates. To the extent that a U.S. Holder receives distributions that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the U.S. Holder's basis in its shares of the New Equity. Any such distributions in excess of the U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain.

Subject to applicable limitations, distributions treated as dividends paid to U.S. Holders that are corporations generally will be eligible for the dividends-received deduction so long as there are sufficient earnings and profits. However, the dividends-received deduction is only available if certain holding period requirements are satisfied. The length of time that a shareholder has held its stock is reduced for any period

during which the shareholder's risk of loss with respect to the stock is diminished by reason of the existence of certain options, contracts to sell, short sales, or similar transactions. In addition, to the extent that a corporation incurs indebtedness that is directly attributable to an investment in the stock on which the dividend is paid, all or a portion of the dividends-received deduction may be disallowed.

(b) Sale, Redemption, or Repurchase of New Equity.

Unless a non-recognition provision applies, and subject to the market discount rules discussed above, U.S. Holders generally will recognize capital gain or loss upon the sale, redemption, or other taxable disposition of the New Equity. Such capital gain will be long-term capital gain if at the time of the sale, exchange, retirement, or other taxable disposition, the U.S. Holder has held the New Equity for more than one year, taking into account the holding period rules described above. Long-term capital gains of an individual taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations.

6. U.S. Federal Income Tax Consequences to U.S. Holders of Ownership and Disposition of the Exit Term Loan Facility.

The following discussion assumes that the "contingent payment debt instrument" rules do not apply to the Exit Term Loan Facility. U.S. Holders should consult their own tax advisors regarding the application of these rules.

(a) Payments of Qualified Stated Interest.

Payments or accruals on the Exit Term Loan Facility, to the extent constituting "qualified stated interest" (as defined below), may be includible in the U.S. Holder's gross income as ordinary interest income and taxable at the time that such payments are accrued or are received in accordance with such U.S. Holder's regular method of accounting for U.S. federal income tax purposes.²⁶ The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually during the entire term of the Exit Term Loan Facility, at a single fixed rate of interest, or, subject to certain conditions, based on one or more interest indices.

(b) Original Issue Discount.

A debt instrument may be treated as issued with OID for U.S. federal income tax purposes if its issue price is less than its stated redemption price at maturity by more than a *de minimis* amount.²⁷ A debt instrument's stated redemption price at maturity includes all principal and interest payable over the term of the debt instrument, other than "qualified stated interest."

For purposes of determining whether there is OID, the *de minimis* amount is generally equal to ¼ of 1 percent of the principal amount of the applicable debt instrument multiplied by the number of complete years to maturity from the original issue date, or if the debt instrument provides for payments other than payments of qualified stated interest before maturity, multiplied by the weighted average maturity of the debt instrument (as determined under applicable Treasury Regulations). If the Exit Term Loan Facility is treated as issued with OID, a U.S. Holder generally (i) will be required to include the OID in gross income

²⁶ Application of the rules concerning qualified stated interest will depend on the terms of the Exit Term Loan Facility, which have not yet been determined.

²⁷ Application of the rules concerning OID will depend on the terms of the Exit Term Loan Facility, which have not yet been determined.

as ordinary interest income as it accrues on a constant yield to maturity basis over the term of the Exit Term Loan Facility, in advance of the receipt of the cash attributable to such OID and regardless of the U.S. Holder's method of accounting for U.S. federal income tax purposes, but (ii) will not be required to recognize additional income upon the receipt of any cash payment on the Exit Term Loan Facility that is attributable to previously accrued OID that has been included in its income. If the amount of OID on the Exit Term Loan Facility is *de minimis*, rather than being characterized as interest, any payment attributable to the *de minimis* OID generally will be treated as gain from the sale of the Exit Term Loan Facility, and a pro rata amount of such *de minimis* OID must be included in income as principal payments are received on the Exit Term Loan Facility.

Where, as here, U.S. Holders that receive debt instruments also receive other property (e.g., the New Equity) in exchange for their Claims, the "investment unit" rules may apply to the determination of the "issue price" for any such debt instrument received in exchange for their Claims. In general, if all of the components (other than cash) of the "investment unit" are publicly traded, then the issue price of the investment unit, as a whole, is determined as the aggregate of the fair market value of each of the components of the investment unit; the issue price of the investment unit is then allocated to each of the investment unit's components on the basis of each component's fair market value; and that allocation determines the issue price of the debt components of the investment unit.

In the event that none of the components of the investment unit are publicly traded, but the Claim being exchanged is publicly traded, then the trading price of the Claim being exchanged will determine the issue price of the investment unit, with the same allocation process described above ultimately determining the issue price of any debt component of the investment unit.

In the event that some, but not all, of the property composing the investment unit is publicly traded, then the application of the investment unit rules is unclear. If the Claims being exchanged for the investment unit are publicly traded prior to the exchange, the trading value of such Claims may set the issue price for the investment unit, consistent with the rules described above. Alternatively, if the new debt instrument is publicly traded, the trading price of the new debt instrument may control the issue price of the new debt instrument, without regard to the potential application of the investment unit rules.

An issuer's allocation of the issue price of an investment unit generally is binding on all U.S. Holders of the investment unit unless a U.S. Holder explicitly discloses a different allocation on a timely filed income tax return for the taxable year that includes the acquisition date of the investment unit.

(c) Acquisition Premium or Amortizable Bond Premium on Exit Term Loan Facility

If a U.S. Holder's initial tax basis in the Exit Term Loan Facility is greater than the issue price of such debt but less than the stated principal amount of such debt, such Exit Term Loan Facility will have an "acquisition premium." Under the acquisition premium rules, the amount of original issue discount that must be included in gross income with respect to the applicable Exit Term Loan Facility for any taxable year will be reduced by the portion of the acquisition premium properly allocable to that year. Alternatively, if a U.S. Holder's initial tax basis in Exit Term Loan Facility exceeds its stated principal amount, the U.S. Holder will be considered to have acquired the Exit Term Loan Facility with "amortizable bond premium" and will not be required to include any original issue discount in income. A U.S. Holder may generally elect to amortize the bond premium over the remaining term of the Exit Term Loan Facility on a constant yield method as an offset to stated interest when includible in income under such Holder's regular accounting method. If a U.S. Holder elects to amortize bond premium, such Holder must reduce its tax basis in the Exit Term Loan Facility by the amount of the premium used to offset stated interest. If a U.S. Holder does not elect to amortize the bond premium, that premium will decrease the gain or increase the

loss otherwise recognized on disposition of the Exit Term Loan Facility. If a U.S. Holder's initial tax basis in the Exit Term Loan Facility is less than the issue price of such debt, see the "market discount" discussion above.

(d) Sale, Taxable Exchange or other Taxable Disposition.

Upon the disposition of the Exit Term Loan Facility by sale, exchange, retirement, redemption or other taxable disposition, a U.S. Holder will generally recognize gain or loss equal to the difference, if any, between (a) the amount realized on the disposition (other than amounts attributable to accrued but untaxed interest, which will be taxed as ordinary interest income to the extent not previously so taxed) and (b) the U.S. Holder's adjusted tax basis in the Exit Term Loan Facility. The calculation of a U.S. Holder's adjusted tax basis in the Exit Term Loan Facility is discussed above. A U.S. Holder's adjusted tax basis will generally be increased by any accrued OID previously included in such U.S. Holder's gross income and decreased by any payments on the Exit Term Loan Facility other than qualified stated interest. A U.S. Holder's gain or loss will generally constitute capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the Exit Term Loan Facility for longer than one year. Non-corporate taxpayers are generally subject to a reduced federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations.

7. Limitations on Use of Capital Losses.

A U.S. Holder who recognizes capital losses will be subject to limits on their use of capital losses. For a non-corporate U.S. Holder, capital losses may be used to offset any capital gains (without regard to holding periods) plus ordinary income to the extent of the lesser of (a) \$3,000 (\$1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. A non-corporate U.S. Holder may carry over unused capital losses and apply them to capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, losses from the sale or exchange of capital assets may only be used to offset capital gains. A corporate U.S. Holder who has more capital losses than can be used in a tax year may be allowed to carry over the excess capital losses for use in succeeding tax years. Corporate U.S. Holders may only carry over unused capital losses for the five years following the capital loss year, but are allowed to carry back unused capital losses to the three years preceding the capital loss year.

8. Medicare Tax.

Certain U.S. Holders that are individuals, estates, or trusts are required to pay an additional 3.8 percent tax on, among other things, interest, dividends and gains from the sale or other disposition of capital assets. U.S. Holders that are individuals, estates, or trusts should consult their own tax advisors regarding the effect, if any, of this tax provision on their ownership and disposition of any consideration to be received under the Plan.

D. Certain U.S. Federal Income Tax Consequences of the Plan to Non-U.S. Holders of Allowed Claims.

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan and includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders. This discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal, state, local, non-U.S., and non-income tax consequences of the consummation of the Plan and the Restructuring Transactions to such

Non-U.S. Holder and the ownership and disposition of the New Equity and Exit Term Loan Facility, as applicable.

1. Gain Recognition.

Gain, if any, recognized by a Non-U.S. Holder on the exchange of its Claim generally will not be subject to U.S. federal income taxation unless (a) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the Restructuring Transactions occur and certain other conditions are met or (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain realized on the exchange if such gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States in the same manner as a U.S. Holder (except that the Medicare tax would generally not apply). In order to claim an exemption from withholding tax, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or such successor form as the IRS designates). In addition, if such a Non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30 percent (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. U.S. Federal Income Tax Consequences to Non-U.S. Holders of Owning and Disposing of New Equity.

(a) Dividends on New Equity.

Any distributions made with respect to New Equity (other than certain distributions of stock of Reorganized Tailored Brands) will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Reorganized Tailored Brands, as determined under U.S. federal income tax principles (and thereafter (i) first as a non-taxable return of capital that reduces the Non-U.S. Holder's basis in the New Equity, which generally will be subject to withholding under FIRPTA (as defined below) at a rate of 15 percent,²⁸ and then, (ii) generally, as gain from the sale or exchange of such stock treated as described below). Except as described below, dividends paid with respect to New Equity held by a Non-U.S. Holder that are not effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (or, if an income tax treaty applies, are not attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) will be subject to U.S. federal withholding tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under a tax treaty by filing IRS Form W-8BEN or W-8BEN-E, as applicable (or such successor form as the IRS designates), upon which the Non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to New Equity held

²⁸ Although, as discussed below, there is a publicly traded exception under FIRPTA which generally treats stock of a USRPHC that is "regularly traded" on an established securities market and held by less than 5-percent holders as not subject to FIRPTA, whether and when the New Equity will be considered regularly traded on an established securities market will depend, in part, on whether a market develops in such equity, which cannot currently be determined.

by a Non-U.S. Holder that are effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty).

(b) Sale, Redemption, or Repurchase of New Equity.

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a cash redemption) of New Equity unless:

- such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition or who is subject to special rules applicable to former citizens and residents of the United States;
- such gain is effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); or
- the issuer of such New Equity is or has been during a specified testing period a "U.S. real property holding corporation" (a "USRPHC") under the FIRPTA rules (as defined and discussed below).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of New Equity. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain in the same manner as a U.S. Holder, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty). With respect to the third exception, the FIRPTA rules are discussed in greater detail below.

3. U.S. Federal Income Tax Consequences to Non-U.S. Holders of Payments of Interest (Including Amounts Paid to Such Non-U.S. Holders under the Plan) and of Owning and Disposing of the Exit Term Loan Facility.

The following discussion assumes that the "contingent payment debt instrument" rules do not apply to the Exit Term Loan Facility. Non-U.S. Holders should consult their own tax advisors regarding the application of these rules.

(a) Payments of Interest (Including OID and Interest Attributable to Accrued but Untaxed Interest, Including Amounts Paid to Non-U.S. Holders under the Plan).

Subject to the discussion of backup withholding and FATCA, interest income (which, for purposes of this discussion of Non-U.S. Holders, includes OID and accrued but untaxed interest, including in each case any such amounts paid to a Non-U.S. Holder under the Plan) of a Non-U.S. Holder that is not

effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder will qualify for the so-called “portfolio interest exemption” and, therefore, will not be subject to U.S. federal income tax or withholding, provided that:

- the Non-U.S. Holder does not own, actually or constructively, 10 percent or more of the total combined voting power in the Debtor obligor on a Claim (in the case of consideration received in respect of accrued but untaxed interest) or in Reorganized Tailored Brands (in the case of interest payments with respect to the Exit Term Loan Facility) within the meaning of Section 871(h)(3) of the IRC and Treasury Regulations thereunder;
- the Non-U.S. Holder is not a controlled foreign corporation related to Reorganized Tailored Brands, actually or constructively through the ownership rules under Section 864(d)(4) of the IRC;
- the Non-U.S. Holder is not a bank that is receiving the interest on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and
- the beneficial owner gives Reorganized Tailored Brands or Reorganized Tailored Brands’s paying agent or other withholding agent an appropriate IRS Form W-8 (or suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed establishing its status as a non-U.S. person.

If all of these conditions are not met, interest on the Exit Term Loan Facility paid to a Non-U.S. Holder or interest paid to a Non-U.S. Holder pursuant to the Plan that is not effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder will generally be subject to U.S. federal income tax and withholding at a 30 percent rate, unless an applicable income tax treaty reduces or eliminates such withholding and the Non-U.S. Holder claims the benefit of that treaty by providing an appropriate IRS Form W-8 (or a suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed.

If interest on the Exit Term Loan Facility or interest paid to a Non-U.S. Holder pursuant to the Plan is effectively connected with a trade or business in the United States (“ECI”) carried on by the Non-U.S. Holder, the Non-U.S. Holder will be required to pay U.S. federal income tax on that interest on a net income basis generally in the same manner as a U.S. Holder (and the 30 percent withholding tax described above will not apply, provided the appropriate statement (generally a properly executed IRS Form W-8 ECI or suitable substitute or successor form or such other form as the IRS may prescribe) is provided to Reorganized Tailored Brands or Reorganized Tailored Brands’s paying agent or other withholding agent) unless an applicable income tax treaty provides otherwise. If a Non-U.S. Holder is eligible for the benefits of any income tax treaty between the United States and its country of residence, any interest income that is ECI will be subject to U.S. federal income tax in the manner specified by the treaty if the Non-U.S. Holder claims the benefit of the treaty by providing an appropriate IRS Form W-8 (or a suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed. In addition, a corporate Non-U.S. Holder may, under certain circumstances, be subject to an additional “branch profits tax” at a 30 percent rate, or, if applicable, a lower treaty rate, on its effectively connected earnings and profits attributable to such interest (subject to adjustments).

The certifications described above must be provided to the applicable withholding agent prior to the payment of interest and, as applicable, must be updated periodically. Non-U.S. Holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld

by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

(b) Sale, Taxable Exchange, or Other Disposition of the Exit Term Loan Facility.

A Non-U.S. Holder will generally not be subject to U.S. federal income tax on any gain realized on a sale, exchange, retirement, redemption or other taxable disposition of the Exit Term Loan Facility (other than any amount representing accrued but untaxed interest on the loan) unless:

- the gain is ECI (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment that such Non-U.S. Holder maintains in the United States); or
- in the case of a Non-U.S. Holder who is a nonresident alien individual, such Non-U.S. Holder is present in the United States for 183 or more days in the taxable year of disposition and certain other requirements are met.

If a Non-U.S. Holder falls under the first of these exceptions, unless an applicable income tax treaty provides otherwise, the Non-U.S. Holder will generally be taxed on the net gain derived from the disposition of the Exit Term Loan Facility under the graduated U.S. federal income tax rates that are applicable to U.S. Holders and, if the Non-U.S. Holder is a foreign corporation, it may also be subject to the branch profits tax described above. If an individual Non-U.S. Holder falls under the second of these exceptions, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (unless a lower treaty rate applies) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceeds such Non-U.S. Holder's capital losses allocable to sources within the United States for the taxable year of the disposition.

4. FIRPTA.

Under the Foreign Investment in Real Property Tax Act ("FIRPTA"), gain on the disposition of certain investments in U.S. real property is subject to U.S. federal income tax in the hands of Non-U.S. Holders and treated as ECI that is subject to U.S. federal net income tax even if a Non-U.S. Holder is not otherwise engaged in a U.S. trade or business.

With respect to New Equity, rules with respect to USRPHCs may apply. In general, a corporation is a USRPHC if the fair market value of the corporation's U.S. real property interests (as defined in the IRC and applicable Treasury Regulations) equals or exceeds 50 percent of the aggregate fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business (applying certain look-through rules to evaluate the assets of subsidiaries) at any time within the shorter of the 5-year period ending on the effective time of the applicable disposition or the period of time the Non-U.S. Holder held an interest in such corporation. Taxable gain from the disposition of an interest in a USRPHC (generally equal to the difference between the amount realized and such Non-U.S. Holder's adjusted tax basis in such interest) will constitute ECI. Further, the buyer of the New Equity may be required to withhold a tax equal to 15 percent of the amount realized on the sale. The amount of any such withholding would be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the Non-U.S. Holder properly and timely files a tax return with the IRS.

Under the FIRPTA rules, if the stock of a USRPHC is regularly traded on an established securities market, a person that holds 5 percent or less of such stock (after taking into account certain attribution rules)

will not be subject to substantive FIRPTA taxation or FIRPTA withholding upon a disposition of its shares, and FIRPTA withholding upon dispositions will generally be inapplicable other than in the case of certain distributions and redemptions by the issuer. Whether and when the New Equity will be considered regularly traded on an established securities market will depend, in part, on whether a market develops in such equity, and cannot currently be determined.

The FIRPTA rules will also not apply if, at the time of a disposition, the corporation does not directly or indirectly hold any United States real property interests (“USRPIs”) and it had directly or indirectly disposed of all of the USRPIs it directly or indirectly owned in one or more fully taxable transactions.

5. FATCA.

Under legislation commonly referred to as the Foreign Account Tax Compliance Act (“FATCA”), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding at a rate of 30 percent on the receipt of “withholdable payments.” For this purpose, “withholdable payments” are generally U.S. source payments of fixed or determinable, annual or periodical income, and, subject to the paragraph immediately below, also include gross proceeds from the sale of any property of a type which can produce U.S. source interest or dividends. FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding.

FATCA withholding rules were previously scheduled to take effect on January 1, 2019, that would have applied to payments of gross proceeds from the sale or other disposition of property of a type that can produce U.S. source interest or dividends. However, such withholding has effectively been suspended under proposed Treasury Regulations that may be relied on until final regulations become effective. Nonetheless, there can be no assurance that a similar rule will not go into effect in the future. Each Non-U.S. Holder should consult its own tax advisor regarding the possible impact of FATCA withholding rules on such Non-U.S. Holder.

BOTH U.S. HOLDERS AND NON-U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE POSSIBLE IMPACT OF THESE RULES ON SUCH HOLDERS’ EXCHANGE OF ANY OF ITS CLAIMS PURSUANT TO THE PLAN AND ON ITS OWNERSHIP OF NEW COMMON STOCK.

E. Information Reporting and Back-Up Withholding.

The Debtors and applicable withholding agents will withhold all amounts required by law to be withheld from payments of interest and dividends, whether in connection with distributions under the Plan or in connection with payments made on account of consideration received pursuant to the Plan, and will comply with all applicable information reporting requirements. The IRS may make the information returns reporting such interest and dividends and withholding available to the tax authorities in the country in which a Non-U.S. Holder is resident. In general, information reporting requirements may apply to distributions or payments under the Plan. Additionally, under the backup withholding rules, a Holder may be subject to backup withholding (currently at a rate of 24 percent) with respect to distributions or payments made pursuant to the Plan unless that Holder: (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates that fact; or (b) timely provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the Holder is not subject to backup withholding (generally in the form of a properly executed IRS Form W-9 for a U.S. Holder, and, for a Non-U.S. Holder, in the form of a properly executed applicable IRS Form W-8 (or otherwise establishes such Non-U.S. Holder’s eligibility for an exemption).

Backup withholding is not an additional tax but is, instead, an advance payment that may be refunded to the extent it results in an overpayment of tax; *provided* that the required information is timely provided to the IRS.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders subject to the Plan are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.

THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL OR NON-U.S. TAX LAWS, AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

Exhibit A

Plan of Reorganization

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

In re:)	Chapter 11
)	
TAILORED BRANDS, INC., <i>et al.</i> , ¹)	Case No. 20-33900 (MI)
)	
Debtors.)	(Jointly Administered)
)	

**DEBTORS' JOINT PLAN OF
REORGANIZATION PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

THIS PLAN IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT. THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCE OR REJECTION MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE INFORMATION IN THE PLAN IS SUBJECT TO CHANGE. THIS PLAN IS NOT AN OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY ANY SECURITIES.

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¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <http://cases.primeclerk.com/TailoredBrands>. The location of the Debtors' service address in these chapter 11 cases is: 6100 Stevenson Boulevard, Fremont, California 94538.

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INTRODUCTION

The Debtors propose this Plan for the resolution of the outstanding Claims against and Interests in the Debtors pursuant to chapter 11 of the Bankruptcy Code. Capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in Article I.A of this Plan. Although proposed jointly for administrative purposes, the Plan constitutes a separate Plan for each Debtor for the resolution of outstanding Claims and Interests pursuant to the Bankruptcy Code. Holders of Claims against or Interests in the Debtors may refer to the Disclosure Statement for a discussion of the Debtors' history, businesses, assets, results of operations, historical financial information, and projections of future operations, as well as a summary and description of this Plan, the Restructuring Transactions, and certain related matters. The Debtors are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code.

ALL HOLDERS OF CLAIMS AGAINST OR INTERESTS IN THE DEBTORS, TO THE EXTENT APPLICABLE, ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

ARTICLE I. DEFINED TERMS, RULES OF INTERPRETATION, COMPUTATION OF TIME, AND GOVERNING LAW

A. *Defined Terms.*

As used in this Plan, capitalized terms have the meanings set forth below.

1. “*ABL Agent*” means JPMorgan Chase Bank, N.A., solely in its capacity as administrative and collateral agent under the ABL Credit Agreement.

2. “*ABL Credit Agreement*” means that certain Credit Agreement, dated as of June 18, 2014, by and among The Men’s Wearhouse, Inc., as borrower, each of the guarantors party thereto, the ABL Agent, and the ABL Lenders, as amended, restated, amended and restated, supplemented or otherwise modified, or replaced from time to time.

3. “*ABL Documents*” means the ABL Credit Agreement and any other agreements and documents executed in connection therewith or related thereto.

4. “*ABL Facility Claim*” means any Claim arising under, derived from, secured by, based on, or related to the ABL Loans and the guarantees in respect thereof under the ABL Credit Agreement or any other ABL Document.

5. “*ABL Lenders*” means those banks, financial institutions, and other lenders party to the ABL Credit Agreement from time to time.

6. “*ABL Loans*” means those certain loans issued under and on the terms set forth in the ABL Credit Agreement.

7. “*Ad Hoc Group*” means the Consenting Term Loan Lenders that are members of an ad hoc group represented by Gibson Dunn.

8. “*Administrative Claim*” means a Claim for costs and expenses of administration of the Estates under sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred on or after the Petition Date of preserving the Estates and operating the businesses of the Debtors; (b) Allowed Professional Fee Claims in the Chapter 11 Cases; and (c) all fees and charges assessed against the Estates under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911-1930.

9. “*Administrative Claims Bar Date*” means the deadline for filing requests for payment of Administrative Claims, which shall be 45 days after the Effective Date.

10. “*Affiliate*” has the meaning set forth in section 101(2) of the Bankruptcy Code.
11. “*Agents*” means any administrative agent, collateral agent, or similar Entity under any of the ABL Credit Agreement, the Term Loan Credit Agreement, and the DIP Credit Agreement including any successors thereto.
12. “*Allowed*” means, with respect to any Claim, except as otherwise provided herein: (a) a Claim that is evidenced by a Proof of Claim Filed by the Claims Bar Date or a request for payment of an Administrative Claim Filed by the Administrative Claim Bar Date, as applicable (or for which Claim under the Plan, the Bankruptcy Code, or pursuant to a Final Order, a Proof of Claim or request for payment of Administrative Claim is not or shall not be required to be Filed); (b) a Claim that is listed in the Schedules as not contingent, not unliquidated, and not disputed, and for which no Proof of Claim, as applicable, has been timely Filed; or (c) a Claim allowed pursuant to the Plan or a Final Order of the Bankruptcy Court; *provided* that, with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that with respect to such Claim no objection to the allowance thereof is interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or such an objection is so interposed and the Claim has been Allowed by a Final Order. Any Claim that has been or is hereafter listed in the Schedules as contingent, unliquidated, or disputed, and for which no Proof of Claim is or has been timely Filed, or that is not or has not been Allowed by a Final Order, is not considered Allowed and shall be expunged without further action by the Debtors and without further notice to any party or action, approval, or order of the Bankruptcy Court. Notwithstanding anything to the contrary herein, no Claim of any Entity subject to section 502(d) of the Bankruptcy Code shall be deemed Allowed unless and until such Entity pays in full the amount that it owes the applicable Debtor or Reorganized Debtor, as applicable. For the avoidance of doubt, a Proof of Claim Filed after the Claims Bar Date or a request for payment of an Administrative Claim Filed after the Administrative Claim Bar Date, as applicable, shall not be Allowed for any purposes whatsoever absent entry of a Final Order allowing such late-filed Claim. “Allow” and “Allowing” shall have correlative meanings.
13. “*Avoidance Actions*” means any and all avoidance, recovery, subordination, or other claims, actions, or remedies which any of the Debtors, the debtors in possession, the Estates, or other appropriate parties in interest have asserted or may assert under sections 502, 510, 542, 544, 545, or 547 through 553 of the Bankruptcy Code or under similar or related state or federal statutes and common law.
14. “*Bankruptcy Code*” means title 11 of the United States Code, 11 U.S.C. §§ 101–1532.
15. “*Bankruptcy Court*” means the United States Bankruptcy Court for the Southern District of Texas.
16. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure promulgated under section 2075 of the Judicial Code and the general, local, and chambers rules of the Bankruptcy Court.
17. “*Business Day*” means any day, other than a Saturday, Sunday, or “legal holiday” (as defined in Bankruptcy Rule 9006(a)).
18. “*Cash*” means cash and cash equivalents, including bank deposits, checks, and other similar items in legal tender of the United States of America.
19. “*Causes of Action*” means any action, claim, cause of action, controversy, demand, right, action, lien, indemnity, interest, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, and license of any kind or character whatsoever, whether known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law (whether local, state, or federal U.S. or non-U.S. law) or in equity, or pursuant to any other theory of local, state, or federal U.S. or non-U.S. law. For the avoidance of doubt, “Cause of Action” includes: (a) any right of setoff, counterclaim, or recoupment and any Claim for breach of contract or for breach of duties imposed by law or in equity; (b) any Claim based on or relating to, or in any manner arising from, in whole or in part, tort, breach of contract, breach of fiduciary duty, fraudulent transfer or fraudulent conveyance or voidable transaction law, violation of local, state, or federal or non-U.S. law or breach of any duty imposed by law or in equity, including securities laws, negligence, and gross negligence; (c) any Claim pursuant to Section 362 or chapter 5 of the Bankruptcy

Code or similar local, state, or federal U.S. or non-U.S. law; (d) any Claim or defense including fraud, mistake, duress, and usury, and any other defenses set forth in section 558 of title 11 of the United States Code; (e) any state or foreign law pertaining to actual or constructive fraudulent transfer, fraudulent conveyance, or voidable transactions; and (f) any “lender liability” or equitable subordination claims or defenses.

20. “*Chapter 11 Cases*” means (a) when used with reference to a particular Debtor, the case pending for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court and (b) when used with reference to all the Debtors, the procedurally consolidated chapter 11 cases pending for the Debtors in the Bankruptcy Court.

21. “*Claim*” means any claim, as defined in section 101(5) of the Bankruptcy Code, against any of the Debtors.

22. “*Claims and Noticing Agent*” means Prime Clerk LLC, the claims, noticing, and solicitation agent retained by the Debtors in the Chapter 11 Cases by Bankruptcy Court order.

23. “*Claims Bar Date*” means the date established by the Bankruptcy Court by which Proofs of Claim must be Filed with respect to such Claims, other than Administrative Claims, Claims held by Governmental Units, holders of ABL Facility Claims and Term Loan Claims, or other Claims or Interests for which the Bankruptcy Court entered an order excluding the holders of such Claims or Interests from the requirement of Filing Proofs of Claim.

24. “*Claims Register*” means the official register of Claims and Interests in the Debtors maintained by the Claims and Noticing Agent.

25. “*Class*” means a class of Claims or Interests as set forth in Article III hereof pursuant to section 1122(a) of the Bankruptcy Code.

26. “*CM/ECF*” means the Bankruptcy Court’s Case Management and Electronic Case Filing system.

27. “*Confirmation*” means the Bankruptcy Court’s entry of the Confirmation Order on the docket of the Chapter 11 Cases.

28. “*Confirmation Date*” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

29. “*Confirmation Hearing*” means the hearing held by the Bankruptcy Court on confirmation of the Plan, pursuant to Bankruptcy Rule 3020(b)(2) and sections 1128 and 1129 of the Bankruptcy Code, as such hearing may be continued from time to time.

30. “*Confirmation Order*” means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

31. “*Consenting Term Loan Lender Fees and Expenses*” has the meaning ascribed to such term in the Restructuring Support Agreement.

32. “*Consenting Term Loan Lenders*” means the Holders of Term Loan Claims that are or become party to the Restructuring Support Agreement.

33. “*Consummation*” means the occurrence of the Effective Date.

34. “*Creditors Committee*” means the Official Committee of Unsecured Creditors in these chapter 11 cases.

35. “*Cure*” means a Claim (unless waived or modified by the applicable counterparty) based upon a Debtor’s defaults under an Executory Contract or an Unexpired Lease assumed by such Debtor under section 365 of

the Bankruptcy Code, other than a default that is not required to be cured pursuant to section 365(b)(2) of the Bankruptcy Code.

36. “*Debtors*” means, collectively, each of the following: Tailored Brands, JA Apparel Corp., Jos A. Bank Clothiers, Inc., Joseph Abboud Manufacturing Corp., K&G Men’s Company Inc., Moores Retail Group Corp., MWDC Holding Inc., Nashawena Mills Corp., Renwick Technologies, Inc., Tailored Brands Gift Card Co LLC, Tailored Brands Purchasing LLC, Tailored Brands Worldwide Purchasing Co., Tailored Shared Services, LLC, TB UK Holding Limited, The Joseph A. Bank Mfg. Co., Inc., The Men’s Wearhouse, Inc., and TMW Merchants LLC.

37. “*Debtor Release*” means the release set forth in Article VIII.C of this Plan.

38. “*Definitive Documentation*” means the definitive documents and agreements governing the Restructuring Transactions (including any related orders, agreements, instruments, schedules, or exhibits) that are contemplated by and referenced in the Plan (as amended, modified, or supplemented from time to time), including the following: (a) the Plan (and all exhibits, ballots, solicitation procedures, and other documents and instruments related thereto); (b) the Definitive Documents (as defined in the Restructuring Support Agreement); (c) the Confirmation Order; (d) the order of the Bankruptcy Court approving the Disclosure Statement and the other Solicitation Materials; (e) the Plan Supplement; (f) the DIP/Cash Collateral Orders, the DIP Credit Agreement, and the other DIP documents, and related documentation; (g) the Exit ABL Facility Documents; (h) the Exit Term Loan Facility Documents; (i) the New Organizational Documents; and (i) all other material documents necessary or customarily required to consummate the Restructuring Transactions.

39. “*Description of Transaction Steps*” means the description of the steps to be carried out to effectuate the Restructuring Transactions in accordance with the Plan and as set forth in the Plan Supplement.

40. “*DIP ABL Facility*” means that certain debtor-in-possession credit facility created under the DIP Credit Agreement, which includes, pursuant to the Interim DIP/Cash Collateral Order, a roll-up of all obligations under the ABL Credit Agreement.

41. “*DIP ABL Facility Claim*” means any and all Claims held by any of the DIP Lenders or the DIP Agent arising under, derived from, or based upon the DIP Credit Agreement, any other agreement, instrument or document executed at any time in connection therewith, including, without limitation, all Obligations under (and as defined in) the DIP Credit Agreement Documents or the DIP/Cash Collateral Order.

42. “*DIP ABL Priority Collateral*” shall have the meaning ascribed to such term in the DIP Credit Agreement.

43. “*DIP Agent*” means JPMorgan Chase Bank, N.A., as administrative and collateral agent under the DIP Credit Agreement.

44. “*DIP Credit Agreement*” means that certain Senior Secured Super-Priority Debtor-In-Possession Credit Agreement, dated as of August 4, 2020, by and among the Debtors, the DIP Agent, and the DIP Lenders, as the same may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof, in each case consistent with the consent rights under the Restructuring Support Agreement and the DIP Credit Agreement, as applicable.

45. “*DIP Credit Agreement Documents*” means the DIP Credit Agreement and all other agreements, documents, instruments, and amendments related thereto, including the DIP/Cash Collateral Orders and any guaranty agreements, pledge and collateral agreements, UCC financing statements or other perfection documents, intercreditor agreements, subordination agreements, fee letters, commitment letters, and other security agreements.

46. “*DIP Credit Party*” means, individually or collectively, the DIP Agent and/or the DIP Lenders.

47. “*DIP Lenders*” means the banks, financial institutions, and other lenders under the DIP Credit Agreement.

48. “*DIP/Cash Collateral Order*” means, collectively, the Interim DIP/Cash Collateral Order and the Final DIP/Cash Collateral Order, which shall be in form and substance acceptable to the Debtors, the DIP Lenders, and the Required Consenting Term Loan Lenders.

49. “*Disbursing Agent*” means, as applicable, the Reorganized Debtors or any Entity the Reorganized Debtors select to make or to facilitate distributions in accordance with the Plan, which Entity may include the Claims and Noticing Agent.

50. “*Disclosure Statement*” means the *Disclosure Statement Relating to the Debtors’ Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, including all exhibits and schedules thereto, which shall be in accordance with the Restructuring Support Agreement and the Definitive Documentation, in form and substance acceptable to the Debtors, the DIP Agent, and the Required Consenting Term Loan Lenders.

51. “*Disclosure Statement Order*” means an order of the Bankruptcy Court approving the Disclosure Statement, the Solicitation Materials, and the solicitation of the Plan, which shall be in accordance with the Restructuring Support Agreement and the Definitive Documentation, in form and substance acceptable to the Debtors, the DIP Agent, and the Required Consenting Term Loan Lenders.

52. “*Disputed*” means, as to a Claim or an Interest, a Claim or an Interest: (a) that is not Allowed; (b) that is not disallowed under the Plan, the Bankruptcy Code, or a Final Order, as applicable; and (c) with respect to which a party in interest has Filed a Proof of Claim or otherwise made a written request to a Debtor for payment, without any further notice to or action, order, or approval of the Bankruptcy Court.

53. “*Distribution Record Date*” means, other than with respect to publicly held securities, the record date for purposes of making distributions under the Plan on account of Allowed Claims, which date shall be the first day of the Confirmation Hearing.

54. “*DTC*” means the Depository Trust Company.

55. “*Effective Date*” means the date that is the first Business Day after the Confirmation Date on which (a) no stay of the Confirmation Order is in effect and (b) all conditions precedent to the occurrence of the Effective Date set forth in Article IX.A of the Plan have been satisfied or waived in accordance with Article IX.B of the Plan. Any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable thereafter.

56. “*Employment Obligations*” means any existing obligations to employees to be assumed, reinstated, or honored, as applicable, in accordance with Article IV.N of the Plan.

57. “*Entity*” means any entity, as defined in section 101(15) of the Bankruptcy Code.

58. “*Equity Security*” means any equity security, as defined in section 101(16) of the Bankruptcy Code.

59. “*ERISA*” means Title IV of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. §§ 1301-1461.

60. “*Estate*” means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code.

61. “*Exculpated Parties*” means, collectively, and in each case in its capacity as such: (a) the Debtors and the Reorganized Debtors; (b) any official committees appointed in the Chapter 11 Cases and each of their respective members; (c) each Consenting Term Loan Lender; (d) each member of the Ad Hoc Group; (e) the Term Loan Agent, and (f) with respect to each of the foregoing entities, each such Entity’s current and former predecessors, successors, Affiliates (regardless of whether such interests are held directly or indirectly), subsidiaries, direct and indirect equity holders, funds, portfolio companies, management companies, consultants, financial advisors, and attorneys (each in their capacity as such).

62. “*Executory Contract*” means a contract to which one or more of the Debtors are a party and that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

63. “*Existing Equity Interests*” means any Equity Security, including all issued, unissued, authorized, or outstanding shares of capital stock and any other common stock, preferred stock, limited liability company interests, and any other equity, ownership, or profit interests of Tailored Brands, including all options, warrants, rights, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable, or exchangeable securities, or other agreements, arrangements, or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in Tailored Brands, whether or not arising under or in connection with any employment agreement and whether or not certificated, transferable, preferred, common, voting, or denominated “stock” or a similar security.

64. “*Exit ABL Facility*” means either (a) a new asset-based exit financing facility with aggregate total commitments of \$430 million, which shall be on terms reasonably acceptable to the Debtors, the ABL Agent, and the Required Consenting Term Loan Lenders, and to be entered into on the Effective Date on the terms and conditions set forth in the Exit ABL Facility Documents and the Restructuring Support Agreement or (b) such other asset-based exit financing facility with terms reasonably acceptable to the Debtors, the ABL Agent, and the Required Consenting Term Loan Lenders to be entered into on the Effective Date.

65. “*Exit ABL Facility Agent*” means [●], as administrative and collateral agent under the Exit ABL Facility Credit Agreement.

66. “*Exit ABL Facility Credit Agreement*” means the credit agreement governing the Exit ABL Facility, which shall be on terms reasonably acceptable to the Debtors, the DIP Agent, and the Required Consenting Term Loan Lenders and which shall become effective on the Effective Date.

67. “*Exit ABL Facility Documents*” means the agreements memorializing the Exit ABL Facility, including the Exit ABL Facility Credit Agreement and any amendments, modifications, supplements thereto, and together with any related notes, certificates, agreements, intercreditor agreements, security agreements, mortgages, deeds of trust, documents, and instruments (including any amendments, restatements, supplements, or modifications of any of the foregoing) related to or executed in connection with the Exit ABL Facility.

68. “*Exit ABL Facility Lenders*” means those lenders party to the Exit ABL Facility Credit Agreement.

69. “*Exit Facilities*” means the Exit ABL Facility and the Exit Term Loan Facility.

70. “*Exit Term Loan Facility*” means a new senior secured, first lien term loan facility in the aggregate principal amount of between \$325 million and \$425 million, with the final amount to be determined by the Super-Majority Consenting Term Loan Lenders and the Debtors within 60 days following the Petition Date and set forth herein, and to be entered into on the Effective Date on the terms and conditions set forth in the Exit Term Loan Facility Documents, which shall be on terms reasonably acceptable to the Debtors and the Required Consenting Term Loan Lenders.

71. “*Exit Term Loan Facility Agent*” means [●], as administrative and collateral agent under the Exit Term Loan Facility Credit Agreement.

72. “*Exit Term Loan Facility Credit Agreement*” means the credit agreement governing the Exit Term Loan Facility, which shall (i) be on the terms set forth in the Exit Term Loan Facility Term Sheet and otherwise in accordance with the Restructuring Support Agreement, on terms acceptable to the Super-Majority Consenting Term Loan Lenders and (ii) become effective on the Effective Date.

73. “*Exit Term Loan Facility Documents*” means the agreements memorializing the Exit Term Loan Facility, including the Exit Term Loan Facility Credit Agreement and any amendments, modifications, supplements thereto, and together with any related notes, certificates, agreements, intercreditor agreements, security agreements,

mortgages, deeds of trust, documents, and instruments (including any amendments, restatements, supplements, or modifications of any of the foregoing) related to or executed in connection with the Exit Term Loan Facility.

74. “*Exit Term Loan Facility Lenders*” means those lenders party to the Exit Term Loan Facility Credit Agreement.

75. “*Exit Term Loan Facility Term Sheet*” means the Exit Term Loan Facility Term Sheet attached as Exhibit 2(a) to Exhibit A of the Restructuring Support Agreement.

76. “*Federal Judgment Rate*” means the federal judgment rate in effect as of the Petition Date.

77. “*File*” means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases. “*Filed*” and “*Filing*” shall have correlative meanings.

78. “*Final DIP/Cash Collateral Order*” means the *Final Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Secured Parties, (V) Modifying the Automatic Stay, and (VI) Granting Related Relief* [Docket No. [●]], which shall be in form and substance acceptable to the Debtors, the DIP Lenders, and the Required Consenting Term Loan Lenders.

79. “*Final Order*” means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter that has not been reversed, stayed, modified, or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice.

80. “*General Unsecured Claim*” means any Claim other than a DIP ABL Facility Claim, Administrative Claim, Priority Tax Claim, Other Secured Claim, Other Priority Claim, Term Loan Claim, ABL Facility Claim, Swap Claim, Intercompany Claim, or Section 510(b) Claim.

81. “*Gibson Dunn*” means Gibson, Dunn & Crutcher LLP, counsel to the Ad Hoc Group.

82. “*Governing Body*” means the board of directors, board of managers, manager, general partner, investment committee, special committee, or such similar governing body of any of the Debtors or the Reorganized Debtors, as applicable.

83. “*Governmental Unit*” means any governmental unit, as defined in section 101(27) of the Bankruptcy Code.

84. “*GUC Convenience Claim*” means any General Unsecured Claim in an Allowed amount greater than \$0.01 but less than or equal to \$[●]; *provided* that holders of Other General Unsecured Claims and/or Ongoing Trade Claims may elect to have such Claims reduced to \$[●] and treated as a GUC Convenience Claim for purposes of the Plan; *provided, further*, that the aggregate amount paid to all Holders of Allowed GUC Convenience Claims shall not exceed \$[●].

85. “*Holder*” means an Entity holding a Claim or Interest.

86. “*Houlihan*” means Houlihan Lokey Capital, Inc., financial advisor to the Ad Hoc Group.

87. “*Impaired*” means “impaired” within the meaning of section 1124 of the Bankruptcy Code.

88. “*Indemnification Provisions*” means each of the Debtors’ indemnification provisions currently in place, whether in the Debtors’ bylaws, certificates of incorporation, other formation documents, board resolutions, or

contracts for the current and former directors, officers, managers, employees, attorneys, other professionals, and agents of the Debtors and such current and former directors', officers', and managers' respective Affiliates.

89. “*Insurance Policies*” means all insurance policies that have been issued at any time that provide coverage, benefits, or proceeds to any of the Debtors (or their predecessors) and all agreements, documents, or instruments relating thereto.

90. “*Insurer*” means any company or other Entity that issued an Insurance Policy, any third party administrator of or for any Insurance Policy or self-insured claims, and any respective predecessors, successors, and/or affiliates of any of the foregoing.

91. “*Intercompany Claims*” means any Claim against a Debtor that is held by another Debtor or a direct or indirect subsidiary of a Debtor.

92. “*Intercompany Interests*” means an Interest in a Debtor held by another Debtor and, for the avoidance of doubt, excludes the Existing Equity Interests.

93. “*Interest*” means, collectively, (a) any Equity Security, or any other equity or ownership interest (including any such interest in a partnership, limited liability company, or other Entity), in any Debtor, (b) any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Debtor, and (c) any and all Claims that are otherwise determined by the Bankruptcy Court to be an equity interest, including any Claim or debt that is recharacterized as an equity interest or subject to subordination as an equity interest pursuant to section 510(b) of the Bankruptcy Code.

94. “*Interim DIP/Cash Collateral Order*” means the *Interim Order (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection to the Prepetition Secured Parties, (V) Modifying the Automatic Stay, (VI) Scheduling A Final Hearing, and (VII) Granting Related Relief* [Docket No. 85], which was in form and substance acceptable to the Debtors, the DIP Lenders, and the Required Consenting Term Loan Lenders.

95. “*Internal Revenue Code*” means the Internal Revenue Code of 1986, as amended.

96. “*Judicial Code*” means title 28 of the United States Code, 28 U.S.C. §§ 1–4001.

97. “*Lien*” means a lien as defined in section 101(37) of the Bankruptcy Code.

98. “*Management Incentive Plan*” means that certain management incentive plan of Reorganized Tailored, which management incentive plan (including any and all awards to be granted thereunder) shall reserve for officers and directors of Reorganized Tailored up to 10% of New Equity on a fully diluted basis with structure and grants to be determined by the New Board.

99. “*New Board*” means the board of directors or the board of managers of Reorganized Tailored (or such other body that will become the ultimate governing authority for Reorganized Tailored); *provided* that the process for selecting the New Board and all governance related matters for Reorganized Tailored shall be in form and substance acceptable to the Required Consenting Term Loan Lenders (in consultation with the Debtors).

100. “*New Equity*” means the common equity interests in Reorganized Tailored to be (consistent with the Description of Transaction Steps) authorized, issued, or reserved on the Effective Date pursuant to the Plan, which shall be governed by the Shareholder Agreement and the other New Equity Documentation.

101. “*New Equity Documentation*” means any and all documentation required to implement, issue, and distribute the New Equity including the Shareholder Agreement.

102. “*New Equity Holders*” means Holders of Claims entitled to receive New Equity under Article III of the Plan and the participants in the Management Incentive Plan.

103. “*New Organizational Documents*” means the documents providing for corporate governance of the Reorganized Debtors, including charters, bylaws, operating agreements, or other organizational or formation documents or shareholders’ agreements, as applicable, consistent with the Restructuring Support Agreement and section 1123(a)(6) of the Bankruptcy Code, as applicable and, in each case, in form and substance acceptable to the Required Consenting Term Loan Lenders (in consultation with the Debtors). Substantially final forms of the New Organizational Documents shall be Filed as part of the Plan Supplement prior to the date upon which the Bankruptcy Court enters an order confirming the Plan.

104. “*Ongoing Trade Claims*” means any General Unsecured Claim held by a party that, prior to the Effective Date, has executed a trade agreement with the Debtors that expressly designates such party as a holder of an Ongoing Trade Claim and that provides for continuity of goods and/or services to be provided to the Reorganized Debtors for a period of at least [] days following the Effective Date on terms no less favorable to the Reorganized Debtors than those in place for the year prior to the Petition Date, except as otherwise agreed to by the Debtors and the Super-Majority Consenting Term Loan Lenders; *provided*, that the written consent of the Super-Majority consenting Term Loan Lenders (email shall suffice) shall be required in order to designate any Claim in an amount greater than \$[] as an Ongoing Trade Claim.

105. “*Other General Unsecured Claims*” means any General Unsecured Claim other than an Ongoing Trade Claim or GUC Convenience Claim, receiving such treatment as agreed upon by the Debtors and the Super-Majority Consenting Term Loan Lenders.

106. “*Other Priority Claims*” means any Claim, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

107. “*Other Secured Claims*” means any Secured Claim against the Debtors other than an ABL Facility Claim, Term Loan Claim, or a DIP ABL Facility Claim, including any Secured Tax Claim or any Claim arising under, derived from, or based upon any letter of credit issued in favor of one or more Debtors, the reimbursement obligation for which is either secured by a Lien on collateral or is subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

108. “*Paid in Full*” means, respectively, the indefeasible repayment in full in cash of all obligations (including principal, interest, fees, expenses, indemnities, other than contingent indemnification obligations for which no claim has been asserted) under the applicable credit facility, the cash collateralization of all treasury and cash management obligations, hedging obligations, and bank product obligations, and the cancellation, replacement, backing, or cash collateralization of letters of credit, in each case, in accordance with the terms of the applicable credit facility. No facility shall be deemed to have been Paid in Full until such time as, with respect to the applicable facility, (a) the commitments to lend thereunder have been terminated, (b) with respect to the Challenge Deadline (i) the Challenge Deadline (as defined in paragraph [•] of the Final DIP/Cash Collateral Order, as applicable) shall have occurred without the timely and proper commencement of a Challenge or (ii) if a Challenge is timely and properly asserted prior to the Challenge Deadline, upon the final, non-appealable disposition of such Challenge; and (c) with respect to the Prepetition ABL Obligations (as defined in the Final DIP/Cash Collateral Order), the ABL Agent or the DIP ABL Agent, as applicable, has received (i) a countersigned payoff letter in form and substance satisfactory to such Agent and (ii) releases in form and substance satisfactory to such Agent, each in its sole discretion.

109. “*Person*” has the meaning set forth in section 101(41) of the Bankruptcy Code.

110. “*PBGC*” means the Pension Benefit Guaranty Corporation.

111. “*Pension Plan*” means The Joseph A. Bank Mfg. Co., Inc. Defined Benefit Pension Plan.

112. “*Petition Date*” means the date on which the Debtors commenced the Chapter 11 Cases.

113. “*Plan*” means this *Debtors’ Joint Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code*, including the Plan Supplement, which is incorporated herein by reference, each of which may be amended, modified, or supplemented from time to time prior to entry of the Confirmation Order, and shall be in accordance with the terms of the Restructuring Support Agreement and the Definitive Documentation, in form and substance acceptable to the Required Consenting Term Loan Lenders.

114. “*Plan Distribution*” means a payment or distribution to Holders of Allowed Claims, Allowed Interests, or other eligible Entities under and in accordance with the Plan.

115. “*Plan Supplement*” means the compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan (in each case, as may be altered, amended, modified, or supplemented from time to time in accordance with the terms hereof and in accordance with the Bankruptcy Code and Bankruptcy Rules) to be Filed by the Debtors, to the extent reasonably practicable, no later than fourteen (14) days before the Confirmation Hearing or such later date as may be approved by the Bankruptcy Court on notice to parties in interest and which shall be in form and substance acceptable to the Required Consenting Term Loan Lenders (and, with respect to the Exit Term Loan Credit Agreement, the Super-Majority Consenting Term Loan Lenders, and, with respect to the Exit ABL Facility Documents, the DIP Agent), including the following: (a) the New Organizational Documents; (b) the identity and members of the New Board and any executive management for the Reorganized Debtors; (c) the Schedule of Retained Causes of Action; (d) the Exit ABL Facility Documents; (e) the Exit Term Loan Facility Documents; (f) the Description of Transaction Steps; (g) the Schedules of Assumed and Rejected Contracts; (h) the key terms of the Management Incentive Plan; and (i) any additional documents Filed with the Bankruptcy Court prior to the Effective Date as amendments to the Plan Supplement.

116. “*Prepetition Secured Parties*” shall have the meaning ascribed to such term in the DIP/Cash Collateral Order.

117. “*Priority Tax Claim*” means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

118. “*Pro Rata*” means the proportion that an Allowed Claim or an Allowed Interest in a particular Class bears to the aggregate amount of Allowed Claims or Allowed Interests in that Class.

119. “*Professional*” means an Entity: (a) employed pursuant to a Bankruptcy Court order in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered prior to or on the Confirmation Date, pursuant to sections 327, 328, 329, 330, 331, and 363 of the Bankruptcy Code; or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

120. “*Professional Fee Amount*” means the aggregate amount of Professional Fee Claims and other unpaid fees and expenses of Professionals estimate they have incurred or will incur in rendering services to the Debtors as set forth in Article II.B of the Plan.

121. “*Professional Fee Claim*” means a Claim by a Professional seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred through and including the Confirmation Date under sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code.

122. “*Professional Fee Escrow Account*” means an interest-bearing account funded by the Debtors with Cash on the Effective Date in an amount equal to the Professional Fee Amount.

123. “*Proof of Claim*” means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases by the Claims Bar Date or the Administrative Claims Bar Date, as applicable.

124. “*Reinstate*” means reinstate, reinstated, or reinstatement with respect to Claims and Interests, that the Claim or Interest shall be rendered Unimpaired in accordance with section 1124 of the Bankruptcy Code. “Reinstated” and “Reinstatement” shall have correlative meanings.

125. “*Released Party*” means collectively, and in each case in its capacity as such: (a) the Debtors and the Reorganized Debtors; (b) the Term Loan Lenders; (c) the Term Loan Agent, (d) the ABL Lenders; (e) the ABL Agent; (f) the DIP ABL Lenders; (g) the DIP ABL Agent; (h) the Exit ABL Facility Agent; (i) the Exit ABL Facility Lenders; (j) the Exit Term Loan Facility Agent; (k) the Exit Term Loan Facility Lenders; (l) with respect to each of the foregoing entities, each such Entity’s current and former predecessors, successors, Affiliates (regardless of whether such interests are held directly or indirectly), subsidiaries, direct and indirect equity holders, funds, portfolio companies, management companies; and (m) with respect to each of the foregoing Entities in clauses (a) through (l), each of their respective current and former directors, officers, members, employees, partners, managers, independent contractors, agents, representatives, principals, professionals, consultants, financial advisors, attorneys, accountants, investment bankers, and other professional advisors (with respect to clause (l), each solely in their capacity as such); provided, however, that any Holder of a Claim or Interest in a voting Class that objects to the Plan and votes to reject the Plan (and thereby opts out of the releases) shall not be a “Released Party.”

126. “*Releasing Party*” means each of, and in each case in its capacity as such: (a) the Debtors and the Reorganized Debtors; (b) the Term Loan Lenders; (c) the Term Loan Agent, (d) the ABL Lenders; (e) the ABL Agent; (f) the DIP ABL Lenders; (g) the DIP ABL Agent; (h) the Exit ABL Facility Agent; (i) the Exit ABL Facility Lenders; (j) the Exit Term Loan Facility Agent; (k) the Exit Term Loan Facility Lenders; (l) with respect to each of the foregoing entities, each such Entity’s current and former predecessors, successors, Affiliates (regardless of whether such interests are held directly or indirectly), subsidiaries, direct and indirect equity holders, funds, portfolio companies, management companies; and (m) with respect to each of the foregoing Entities in clauses (a) through (l), each of their respective current and former directors, officers, members, employees, partners, managers, independent contractors, agents, representatives, principals, professionals, consultants, financial advisors, attorneys, accountants, investment bankers, and other professional advisors (with respect to clause (l), each solely in their capacity as such); and (m) all Holders of Claims and Interests not described in the foregoing clauses (a) through (l); *provided, however*, that any Holder of a Claim or Interest that (1) votes to reject the Plan or (2) objects to the releases in the Plan, shall not be a “Releasing Party” for purposes of the Plan.

127. “*Reorganized Debtors*” means, collectively, a Debtor, or any successor or assign thereto, by merger, consolidation, or otherwise, on and after the Effective Date. For purposes of this Plan, Reorganized Tailored shall be a Reorganized Debtor.

128. “*Reorganized Tailored*” means either: (a) Tailored Brands, as reorganized pursuant to and under the Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the Effective Date; or (b) to the extent agreed upon by the Debtors and the Required Consenting Term Loan Lenders (such consent not to be unreasonably withheld, conditioned, or delayed), a new corporation or limited liability company that may be formed to, among other things, directly or indirectly acquire substantially all of the assets and/or stock of the Debtors and issue the New Equity to be distributed pursuant to the Plan.

129. “*Required Consenting Term Loan Lenders*” means, as of the relevant date, one or more Consenting Term Loan Lenders that individually or collectively hold more than 50% of the aggregate outstanding principal amount of Term Loans that are held by all Consenting Term Loan Lenders.

130. “*Restructuring Expenses*” means the reasonable and documented fees and expenses accrued since the inception of their respective engagements related to the implementation of the Restructuring Transactions and not previously paid by, or on behalf of, the Debtors of: (a) (i) Gibson Dunn & Crutcher LLP, as counsel to the Ad Hoc Group, (ii) any local counsel to the Ad Hoc Group, and (iii) Houlihan & Lokey, as financial advisor to Gibson Dunn & Crutcher LLP in connection with its representation of the Ad Hoc Group; and (b) any consultants or other professionals retained by the Ad Hoc Group in connection with the Debtors or the Restructuring Transactions with the consent of the Debtors (not to be unreasonably withheld), in each case, in accordance with the engagement letters of such consultant or professional signed by the Debtors, including, without limitation, any success, back end, or restructuring fees contemplated therein (which such fees are deemed reasonable hereunder), and in each case, without further order of, or application to, the Bankruptcy Court by such consultant or professionals.

131. “*Restructuring Support Agreement*” means that certain Restructuring Support Agreement, dated as of August 2, 2020, by and among the Debtors and the other parties thereto, as may be amended, modified, or

supplemented from time to time, in accordance with its terms. In the event the Restructuring Support Agreement is terminated, any reference herein to the Restructuring Support Agreement shall mean the Restructuring Support Agreement as in effect immediately prior to such termination and any reference to any party to the Restructuring Support Agreement shall mean the parties to the Restructuring Support Agreement immediately prior to such termination.

132. “*Restructuring Transactions*” means the transactions described in Article IV.B of the Plan.

133. “*Schedule of Retained Causes of Action*” means the schedule of certain Causes of Action of the Debtors that are not released, waived, or transferred pursuant to the Plan, as the same may be amended, modified, or supplemented from time to time by the Debtors with the reasonable consent of the Required Consenting Term Loan Lenders.

134. “*Schedules*” means, collectively, the schedules of assets and liabilities, Schedule of Retained Causes of Action, and statement of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code, the official bankruptcy forms, and the Bankruptcy Rules, as they may be amended, modified, or supplemented from time to time.

135. “*Schedules of Assumed and Rejected Contracts*” means the schedules of certain Executory Contracts and Unexpired Leases to be assumed, assumed and assigned, or rejected by the Debtors pursuant to the Plan, as the same may be amended, modified, or supplemented from time to time by the Debtors with the consent of the Required Consenting Term Loan Lenders.

136. “*Secured Claim*” means a Claim: (a) secured by a valid, perfected and enforceable Lien on collateral to the extent of the value of such collateral, as determined in accordance with section 506(a) of the Bankruptcy Code or (b) subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

137. “*Secured Tax Claim*” means any Secured Claim that, absent its secured status, would be entitled to priority in right of payment under section 507(a)(8) of the Bankruptcy Code (determined irrespective of time limitations), including any related Secured Claim for penalties.

138. “*Securities Act*” means the Securities Act of 1933, as amended, 15 U.S.C. §§ 77a–77aa, or any similar federal, state, or local law, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

139. “*Security*” means any security, as defined in section 2(a)(1) of the Securities Act.

140. “*Shareholder Agreement*” means a shareholder agreement governing the New Equity, in form and substance acceptable to the Required Consenting Term Loan Lenders.

141. “*Solicitation Materials*” means the Disclosure Statement and related documentation to be distributed to holders of Claims entitled to vote on the Plan, which shall be in accordance with the Restructuring Support Agreement and the Definitive Documentation, in form and substance acceptable to the Debtors, the DIP Agent, and the Required Consenting Term Loan Lenders.

142. “*Steering Committee*” means the steering committee of the Ad Hoc Group.

143. “*Super-Majority Consenting Term Loan Lenders*” means, as of the relevant date, one or more Consenting Term Loan Lenders that individually or collectively hold at least two-thirds of the aggregate outstanding principal amount of Term Loans that are held by all Consenting Term Loan Lenders.

144. “*Surviving DIP Obligations*” means (1) all expenses, indemnities, and other obligations under the DIP ABL Agreement that by their terms survive repayment and termination of the commitments thereunder; (2) all reimbursement obligations in respect of letters of credit and letter of credit fees, all bank product obligations, hedging obligations, and cash management obligations and all collateral security provided for the foregoing; and (3) those

obligations for which arrangements have been made in connection with repayment and termination of the commitments under the DIP ABL Facility.

145. “*Swap Claims*” means Claims arising from those swap agreements secured under the ABL Credit Agreement.

146. “*Tailored Brands*” means Tailored Brands, Inc., a company incorporated under the Laws of Texas.

147. “*Term Loan Agent*” means Wilmington Savings Fund Society, FSB, in its capacity as successor administrative agent and collateral agent under the Term Loan Credit Agreement.

148. “*Term Loan Claim*” means any Claim arising under, derived from, secured by, based on, or related to the Term Loans and the guarantees in respect thereof, or any other Claims arising under the Term Loan Credit Agreement or any other Term Loan Document.

149. “*Term Loan Credit Agreement*” means that certain credit agreement, dated as of June 18, 2014, by and among The Men’s Wearhouse, Inc., as borrower, each of the other guarantors party thereto, the Term Loan Agent, and the Term Loan Lenders, as amended, restated, amended and restated, supplemented or otherwise modified, or replaced from time to time.

150. “*Term Loan Documents*” means the Term Loan Credit Agreement and any other agreements and documents executed in connection therewith or related thereto.

151. “*Term Loan Lenders*” means those banks, financial institutions, and other lenders party to the Term Loan Credit Agreement from time to time.

152. “*Term Loan Priority Collateral*” shall have the meaning ascribed to such term in the DIP Credit Agreement.

153. “*Term Loans*” means those certain term loans issued under and on the terms set forth in the Term Loan Credit Agreement.

154. “*Trustee*” means The Bank of New York Mellon Trust Company, N.A. (or any successor thereto), in its capacity as trustee under the Unsecured Notes Indenture.

155. “*Unexpired Lease*” means a lease to which one or more of the Debtors are a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

156. “*Unimpaired*” means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

157. “*Unsecured Noteholders*” means, collectively, the Holders of Unsecured Notes Claims.

158. “*Unsecured Notes*” means those certain 7.00% senior notes, due 2022 issued pursuant to the Unsecured Notes Indenture.

159. “*Unsecured Notes Claim*” means any Claim against the Debtors arising under, derived from, or based upon the Unsecured Notes Indenture and the Unsecured Notes.

160. “*Unsecured Notes Indenture*” means that certain Indenture dated as of June 18, 2014, among The Men’s Wearhouse, Inc. as issuer, the guarantors party thereto, and the Trustee, as amended, restated, supplemented or otherwise modified from time to time.

B. *Rules of Interpretation.*

For purposes of this Plan: (1) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (2) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (3) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit, whether or not Filed, having been Filed or to be Filed shall mean that document, schedule, or exhibit, as it may thereafter be amended, modified, or supplemented in accordance with the Plan or Confirmation Order, as applicable; (4) any reference to an Entity as a Holder of a Claim or Interest includes that Entity's successors and assigns; (5) unless otherwise specified, all references herein to "Articles" are references to Articles hereof or hereto; (6) unless otherwise specified, all references herein to exhibits are references to exhibits in the Plan Supplement; (7) unless otherwise specified, the words "herein," "hereof," and "hereto" refer to the Plan in its entirety rather than to a particular portion of the Plan; (8) subject to the provisions of any contract, certificate of incorporation, by-law, instrument, release, or other agreement or document created or entered into in connection with the Plan, the rights and obligations arising pursuant to the Plan shall be governed by, and construed and enforced in accordance with the applicable federal law, including the Bankruptcy Code and Bankruptcy Rules; (9) unless otherwise specified, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation"; (10) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (11) unless otherwise specified herein, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (12) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; (13) all references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court's CM/ECF system; (14) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; (15) any immaterial effectuating provisions may be interpreted by the Reorganized Debtors in such a manner that is consistent with the overall purpose and intent of the Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity; (16) all references herein to consent, acceptance, or approval may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail; and (17) unless otherwise specified, any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable thereafter.

C. *Computation of Time.*

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

D. *Governing Law.*

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of New York, without giving effect to the principles of conflict of laws (other than section 5-1401 and section 5-1402 of the New York General Obligations Law), shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control), and corporate governance matters; *provided* that corporate governance matters relating to the Debtors or the Reorganized Debtors, as applicable, not incorporated in New York shall be governed by the laws of the state of incorporation or formation of the relevant Debtor or the Reorganized Debtors, as applicable.

E. *Reference to Monetary Figures.*

All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided herein.

F. *Reference to the Debtors or the Reorganized Debtors.*

Except as otherwise specifically provided in this Plan to the contrary, references in this Plan to the Debtors or the Reorganized Debtors shall mean the Debtors and the Reorganized Debtors, as applicable, to the extent the context requires.

G. *Controlling Document.*

In the event of an inconsistency between the Plan, and the Disclosure Statement, the terms of the Plan shall control in all respects. In the event of an inconsistency between the Plan and the Plan Supplement, the terms of the relevant provision in the Plan shall control (unless stated otherwise in such Plan document or in the Confirmation Order). In the event of an inconsistency between the Confirmation Order and the Plan, the Confirmation Order shall control.

H. *Consent Rights.*

Notwithstanding anything herein to the contrary, any and all consent rights of the parties to the Restructuring Support Agreement set forth in the Restructuring Support Agreement with respect to the form and substance of this Plan, all exhibits to the Plan, the Plan Supplement, and the Definitive Documentation, including any amendments, restatements, supplements, or other modifications to such agreements and documents, and any consents, waivers, or other deviations under or from any such documents, shall be incorporated herein by this reference (including to the applicable definitions in section A hereof), shall be fully enforceable as if stated in full herein and shall govern in the case of any conflict between the terms of the Restructuring Support Agreement and the terms herein.

**ARTICLE II.
ADMINISTRATIVE CLAIMS, DIP ABL FACILITY CLAIMS, PRIORITY CLAIMS, AND UNITED STATES TRUSTEE STATUTORY FEES**

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP ABL Facility Claims, Professional Fee Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims and Interests set forth in Article III hereof.

A. *Administrative Claims.*

Each Holder of an Allowed Administrative Claim (other than Holders of Professional Fee Claims and Claims for fees and expenses pursuant to section 1930 of chapter 123 of title 28 of the United States Code), to the extent such Claim has not been paid in full during the Chapter 11 Cases or such Holder has not agreed to less favorable treatment, will receive in full and final satisfaction of its Administrative Claim (a) payment in full in cash of the due and unpaid portion of its Allowed Administrative Claim on the later of (x) the Effective Date (or as soon thereafter as reasonably practicable) or (y) as soon as practicable after the date such Claim becomes due and payable; (b) subject to the reasonable consent of the Debtors and the Required Consenting Term Loan Lenders, such other treatment to render such Administrative Claim unimpaired under section 1124 of the Bankruptcy Code; or (c) subject to the reasonable consent of the Debtors and the Required Consenting Term Loan Lenders, such other treatment as such holder may agree to or as otherwise permitted by section 1129(a)(9) of the Bankruptcy Code.

Except as otherwise provided in this Article II.A of the Plan, and except with respect to Administrative Claims that are DIP ABL Facility Claims, Professional Fee Claims, or Cures, requests for payment of Administrative Claims must be Filed with the Bankruptcy Court and served on the Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such

Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date.

B. *Professional Fee Claims.*

1. Final Fee Applications and Payment of Professional Fee Claims.

All requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than forty-five (45) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Reorganized Debtors shall pay Professional Fee Claims in Cash in the amount the Bankruptcy Court allows, including from the Professional Fee Escrow Account, which the Reorganized Debtors will establish in trust for the Professionals and fund with Cash equal to the Professional Fee Amount on the Effective Date. To the extent the funds held in the Professional Fee Escrow Account are insufficient to satisfy the amount of the Professional Fee Claims owing to the Professionals, such Professionals shall have an allowed Administrative Claim for any such sufficiency, which shall be satisfied in accordance with Article II.A of the Plan.

2. Professional Fee Escrow Account.

On the Effective Date, the Reorganized Debtors shall, without duplication of any account or amount established for the benefit of Professionals pursuant to a DIP/Cash Collateral Order, establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Amount, which shall be funded by the Reorganized Debtors. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals. Such funds shall not be considered property of the Estates of the Debtors or the Reorganized Debtors. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Reorganized Debtors from the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed. When all such Allowed amounts owing to Professionals have been paid in full, any remaining amount in the Professional Fee Escrow Account shall promptly be paid to the Reorganized Debtors without any further action or order of the Bankruptcy Court.

3. Professional Fee Amount.

Professionals shall reasonably estimate their unpaid Professional Fee Claims and other unpaid fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date, and shall deliver such estimate to the Debtors no later than two (2) Business Days before the Effective Date; *provided, however*, that such estimate shall not be considered an admission with respect to the fees and expenses of such Professional or be deemed to limit the amount of the fees and expenses that are the subject of the Professional's final request for payment of Filed Professional Fee Claims. If a Professional does not provide an estimate, the Debtors or Reorganized Debtors may estimate the unpaid and unbilled fees and expenses of such Professional.

4. Post-Confirmation Fees and Expenses.

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by the Debtors. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

C. *DIP ABL Facility Claims.*

Notwithstanding anything to the contrary in the Plan or the Confirmation Order, (i) the Surviving DIP Obligations shall survive the Effective Date and shall not be discharged or released pursuant to the Plan or the Confirmation Order until the obligations under the DIP ABL Facility have been Paid in Full, and (ii) the DIP ABL Facility and the DIP ABL Documents shall continue in full force and effect after the Effective Date with respect to any obligations thereunder governing the Surviving DIP Obligations until the obligations under the DIP ABL Facility have been Paid in Full. After the Effective Date, the Reorganized Debtors shall continue to reimburse the DIP ABL Agent and the DIP ABL Lenders for the reasonable and documented fees and expenses (including reasonable and documented legal fees and expenses) incurred by the DIP ABL Agent and the DIP ABL Lenders after the Effective Date that survive termination or maturity of the DIP ABL Facility in accordance with the terms thereof and/or the Final DIP/Cash Collateral Order until the obligations under the DIP ABL Facility have been Paid in Full. The Reorganized Debtors shall pay all of the amounts that may become payable to the DIP ABL Agent or any of the DIP ABL Lenders under any of the foregoing provisions in accordance with the terms of the DIP ABL Documents. The DIP ABL Documents and all related loan documents shall continue in effect solely for the purpose of preserving the DIP ABL Agent's right to any Surviving DIP Obligations of the Debtors pursuant to and subject to the terms of the DIP ABL Documents and the Final DIP/Cash Collateral Order.

For the avoidance of doubt, upon entry of the Confirmation Order, the DIP ABL Facility Claims shall be deemed to be Allowed for all purposes as fully Secured Claims in an amount equal to (i) the principal amount outstanding under the DIP ABL Facility on such date, (ii) all interest accrued and unpaid thereon to the date of payment, and (iii) any and all accrued and unpaid fees, expenses, and indemnification or other obligations of any kind payable under the DIP Credit Agreement Documents. Such DIP ABL Facility Claims shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity.

Except to the extent that a Holder of an Allowed DIP ABL Facility Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of each Allowed DIP ABL Facility Claim, on the Effective Date, each Holder thereof shall: (i) if those certain conversion conditions set forth in the DIP Credit Agreement remain unsatisfied as of the Effective Date, be Paid in Full on the Effective Date or (ii) if those certain conversion conditions as set forth in the DIP Credit Agreement are fully satisfied as of the Effective Date, receive its pro rata share of and interest in the Exit ABL Facility. Except with respect to the Surviving DIP Obligations and as otherwise expressly provided in the DIP ABL Documents, upon the Allowed DIP ABL Facility Claims being Paid in Full or such other treatment as contemplated by this Article II.C of the Plan, all Liens and security interests granted to secure the Allowed DIP ABL Facility Claims shall be automatically terminated and of no further force and effect without any further notice to or action, order, or approval of the Court or any other Entity. Notwithstanding anything to the contrary herein, including in Article VIII, neither the DIP ABL Facility Claims nor the ABL Facility Claims, shall not be deemed satisfied, settled, released, or discharged until the later of (i) the Effective Date of the Plan and (ii) (a) with respect to the DIP ABL Facility Claims, satisfaction in accordance with this Article II.C or (b) with respect to ABL Facility Claims, satisfaction in accordance with Article III.B.3.

D. *Swap Claims.*

The Swap Claims shall be deemed to be Allowed for all purposes as fully Secured Claims in an amount equal to \$[___]. Such Swap Claims shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity.

Except to the extent that a Holder of an Allowed Swap Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of each Allowed Swap Claim, on the Effective Date, each Holder thereof shall be Paid in Full in Cash in the amount of the Allowed Swap Claim from the proceeds of DIP ABL Priority Collateral and, solely to the extent that there is a deficiency of DIP ABL Priority Collateral, Cash from the proceeds of Term Loan Priority Collateral.

E. *Priority Tax Claims.*

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

F. *United States Trustee Statutory Fees*

The Debtors and the Reorganized Debtors, as applicable, shall pay all United States Trustee quarterly fees under 28 U.S.C. § 1930(a)(6), plus any interest due and payable under 31 U.S.C. § 3717 on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtors' or Reorganized Debtors' business (or such amount agreed to with the United States Trustee or ordered by the Bankruptcy Court), for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

G. *Payment of Restructuring Expenses.*

The Restructuring Expenses incurred, or estimated to be incurred, up to and including the Effective Date, shall be paid in full in Cash on the Effective Date or as reasonably practicable thereafter (to the extent not previously paid during the course of the Chapter 11 Cases) in accordance with, and subject to, the terms set forth herein and in the Restructuring Support Agreement, without any requirement to file a fee application with the Bankruptcy Court, without the need for itemized time detail, or without any requirement for Bankruptcy Court review or approval. All Restructuring Expenses to be paid on the Effective Date shall be estimated prior to and as of the Effective Date and such estimates shall be delivered to the Debtors at least two (2) Business Days before the anticipated Effective Date; *provided, however*, that such estimates shall not be considered an admission or limitation with respect to such Restructuring Expenses. On the Effective Date, final invoices for all Restructuring Expenses incurred prior to and as of the Effective Date shall be submitted to the Debtors. In addition, the Debtors and the Reorganized Debtors (as applicable) shall continue to pay pre- and post-Effective Date, when due and payable in the ordinary course, Restructuring Expenses related to implementation, consummation, and defense of the Plan, whether incurred before, on, or after the Effective Date.

**ARTICLE III.
CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS**

A. *Classification of Claims and Interests.*

This Plan constitutes a separate Plan proposed by each Debtor. Except for the Claims addressed in Article II of the Plan, all Claims and Interests are classified in the Classes set forth below in accordance with section 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or an Interest, or any portion thereof, is classified in a particular Class only to the extent that any portion of such Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of such Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

The classification of Claims against and Interests in the Debtors pursuant to the Plan is as follows:

Class	Claims and Interests	Status	Voting Rights
Class 1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
Class 3	ABL Facility Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)

Class	Claims and Interests	Status	Voting Rights
Class 4	Term Loan Claims	Impaired	Entitled to Vote
Class 5(a)	Ongoing Trade Claims	Impaired	Entitled to Vote
Class 5(b)	Other General Unsecured Claims	Impaired	Entitled to Vote
Class 5(c)	GUC Convenience Claims	Impaired	Entitled to Vote
Class 6	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept / Reject)
Class 7	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept / Reject)
Class 8	Existing Equity Interests	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 9	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)

B. *Treatment of Claims and Interests.*

Each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, settlement, release, and discharge of and in exchange for such Holder's Allowed Claim or Allowed Interest, except to the extent different treatment is agreed to by the Reorganized Debtors, the Super-Majority Consenting Term Loan Lenders, and the Holder of such Allowed Claim or Allowed Interest, as applicable. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the Effective Date or as soon as reasonably practicable thereafter.

1. Class 1 - Other Secured Claims

- (a) *Classification:* Class 1 consists of any Other Secured Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, to the extent such Claim has not already been paid in full during the Chapter 11 Cases, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Other Secured Claim, each Holder thereof shall receive, at the option of the applicable Debtor(s), with the reasonable consent of the Required Consenting Term Loan Lenders, either:
 - (i) payment in full in Cash of the due and unpaid portion of its Allowed Other Secured Claim on the later of (x) the Effective Date (or as soon thereafter as reasonably practicable) or (y) as soon as practicable after the date such Claim becomes due and payable;
 - (ii) the collateral securing its Allowed Other Secured Claim;
 - (iii) Reinstatement of its Allowed Other Secured Claim; or
 - (iv) such other treatment rendering its Allowed Other Secured Claim Unimpaired.
- (c) *Voting:* Class 1 is Unimpaired under the Plan. Holders of Allowed Claims in Class 1 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

2. Class 2 - Other Priority Claims

- (a) *Classification:* Class 2 consists of any Other Priority Claims.
- (b) *Treatment:* Except to the extent that a holder of an Allowed Other Priority Claim agrees to less favorable treatment, to the extent such Claim has not already been paid in full during the Chapter 11 Cases, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Other Priority Claim, each Holder thereof shall receive, either:
 - (i) cash in an amount equal to the due and unpaid portion of such Allowed Other Priority Claim on the later of (i) the Effective Date (or as soon thereafter as reasonably practicable) or (ii) as soon as practicable after the date such Claim becomes due in the ordinary course of business in accordance with the terms and conditions of the particular transaction, contract, or other agreement giving rise to such Allowed Other Priority Claim;
 - (ii) subject to the reasonable consent of the Debtors and the Required Consenting Term Loan Lenders, such other treatment to render such Other Secured Claim unimpaired under section 1124 of the Bankruptcy Code; or
 - (iii) subject to the reasonable consent of the Debtors and Required Consenting Term Loan Lenders, such other treatment as such holder may agree to or otherwise permitted by section 1129(a)(9) of the Bankruptcy Code.
- (c) *Voting:* Class 2 is Unimpaired under the Plan. Holders of Claims in Class 2 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

3. Class 3 - ABL Facility Claims

- (a) *Classification:* Class 3 consists of any ABL Facility Claims.
- (b) *Allowance:* The ABL Facility Claims shall be Allowed in the aggregate face amount of the then outstanding amount under the ABL Credit Agreement, plus any unreimbursed amounts thereunder, and any accrued but unpaid interest on such unreimbursed amounts through the Effective Date, plus any fees, charges, expenses, reimbursement obligations, indemnification obligations, prepayment premiums, and other amounts due under the ABL Credit Agreement.
- (c) *Treatment:* In full and final satisfaction, compromise, settlement, release, and discharge of its Claim (unless the applicable Holder agrees to a less favorable treatment), solely to the extent not already indefeasibly Paid in Full in cash or “rolled up” or converted into DIP Obligations pursuant to the DIP/Cash Collateral Orders before the Effective Date, each Holder of an Allowed ABL Facility Claim shall (i) receive Cash in the full amount of its Allowed ABL Facility Claim and (ii) all issued and undrawn letters of credit shall be replaced or cash collateralized in the amounts specified under the ABL Credit Agreement.
- (d) *Voting:* Class 3 is Unimpaired under the Plan. Holders of Claims in Class 3 are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the

Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

4. Class 4 - Term Loan Claims

- (a) *Classification:* Class 4 consists of all Term Loan Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed Term Loan Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Term Loan Claim, each Holder thereof shall receive its Pro Rata share of and interest in:
 - (i) the Exit Term Loan Facility; and
 - (ii) 100% of the New Equity (subject to dilution by the Management Incentive Plan).
- (c) *Voting:* Class 4 is Impaired under the Plan and Holders of Allowed Claims in Class 4 are entitled to vote to accept or reject the Plan.

5. Class 5(a) - Ongoing Trade Claims

- (a) *Classification:* Class 5(a) consists of any Ongoing Trade Claims.
- (b) *Treatment:* To the extent such Allowed Ongoing Trade Claim has not already been paid in full during the Chapter 11 Cases, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Ongoing Trade Claim, each Holder thereof shall receive [●].²
- (c) *Voting:* Class 5(a) is Impaired under the Plan and Holders of Allowed Claims in Class 5(a) are entitled to vote to accept or reject the Plan.

6. Class 5(b) - Other General Unsecured Claims

- (a) *Classification:* Class 5(b) consists of any Other General Unsecured Claims.
- (b) *Treatment:* To the extent such Allowed Other General Unsecured Claim has not already been paid in full during the Chapter 11 Cases, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed Other General Unsecured Claim, each holder thereof shall receive [●].³
- (c) *Voting:* Class 5(b) is Impaired under the Plan and Holders of Allowed Claims in Class 5(b) are entitled to vote to accept or reject the Plan.

² Treatment of Ongoing Trade Claims to be agreed upon by the Debtors and the Super-Majority Consenting Term Loan Lenders.

³ Treatment of Other General Unsecured Claims to be agreed upon by the Debtors and the Super-Majority Consenting Term Loan Lenders.

7. Class 5(c) - GUC Convenience Claims

- (a) *Classification:* Class 5(c) consists of any GUC Convenience Claims.
- (b) *Treatment:* Except to the extent that a Holder of an Allowed GUC Convenience Claim agrees to less favorable treatment, in full and final satisfaction, settlement, release, and discharge of, and in exchange for each Allowed GUC Convenience Claim, each Holder thereof shall receive [●].⁴
- (c) *Voting:* Class 5(c) is Impaired under the Plan and Holders of Allowed Claims in Class 5(c) are entitled to vote to accept or reject the Plan.

8. Class 6 - Intercompany Claims

- (a) *Classification:* Class 6 consists of all Intercompany Claims.
- (b) *Treatment:* Each Intercompany Claim shall be, at the option of the Debtors and the Required Consenting Term Loan Lenders, setoff, contributed, distributed, compromised, settled, Reinstated, canceled and released without any distribution, or otherwise addressed in a manner determined by the Debtors and the Required Consenting Term Loan Lenders.
- (c) *Voting:* Class 6 is Impaired or Unimpaired under the Plan. Holders of Class 6 Claims are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or 1126(g) of the Bankruptcy Code. Therefore, such Holders are not entitled to vote to accept or reject the Plan.

9. Class 7 - Intercompany Interests

- (a) *Classification:* Class 7 consists of any Intercompany Interests.
- (b) *Treatment:* Each Intercompany Interest shall be, at the option of the Debtors and the Required Consenting Term Loan Lenders, as applicable, contributed, distributed, eliminated via merger or other corporate transaction, Reinstated, canceled and released without any distribution, or otherwise addressed in a manner determined by the Debtors and the Required Consenting Term Loan Lenders.
- (c) *Voting:* Class 7 is Impaired or Unimpaired under the Plan. Holders of Class 7 Interests are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or 1126(g) of the Bankruptcy Code. Therefore, such holders are not entitled to vote to accept or reject the Plan.

⁴ Treatment of GUC Convenience Claims to be agreed upon by the Debtors and the Steering Committee.

10. Class 8 - Existing Equity Interests

- (a) *Classification:* Class 8 consists of any Existing Equity Interests.
- (b) *Treatment:* Each Existing Equity Interest shall be extinguished and cancelled, and will be of no further force or effect. Each Holder of an Existing Equity Interest shall receive no recovery on account of such Existing Equity Interest.
- (c) *Voting:* Class 8 is Impaired. Holders of Class 8 Interests are conclusively deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code. Holders of Class 8 Interests are not entitled to vote to accept or reject the Plan.

11. Class 9 - Section 510(b) Claims

- (a) *Classification:* Class 9 consists of any Section 510(b) Claims.
- (b) *Treatment:* Section 510(b) Claims shall be discharged, cancelled, released, and extinguished without any distribution to holders of such Claims.
- (c) *Voting:* Class 9 is Impaired. Holders (if any) of Allowed Class 9 Claims are conclusively deemed to have rejected the Plan under section 1126(g) of the Bankruptcy Code. Holders (if any) of Allowed Class 9 Claims are not entitled to vote to accept or reject the Plan.

C. *Special Provision Governing Unimpaired Claims.*

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' or the Reorganized Debtors' rights regarding any Unimpaired Claims, including, all rights regarding legal and equitable defenses to, or setoffs or recoupments against, any such Unimpaired Claims.

D. *Elimination of Vacant Classes*

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

E. *Voting Classes, Presumed Acceptance by Non-Voting Classes*

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

F. *Intercompany Interests*

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience, for the ultimate benefit of the Holders of New Equity, and in exchange for the Debtors' and Reorganized Debtors' agreement under the Plan to make certain distributions to the Holders of Allowed Claims.

G. *Confirmation Pursuant to Sections 1129(a)(10) and 1129(b) of the Bankruptcy Code.*

Section 1129(a)(10) of the Bankruptcy Code shall be satisfied for purposes of Confirmation by acceptance of the Plan by one or more of the Classes entitled to vote pursuant to Article III.B of the Plan. The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article X of the Plan to the

extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

H. *Controversy Concerning Impairment.*

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

I. *Subordinated Claims.*

The allowance, classification, and treatment of all Allowed Claims and Allowed Interests and the respective distributions and treatments under the Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, and subject to the Restructuring Support Agreement, the Reorganized Debtors reserve the right to re-classify any Allowed Claim or Allowed Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

**ARTICLE IV.
MEANS FOR IMPLEMENTATION OF THE PLAN**

A. *General Settlement of Claims and Interests.*

As discussed further in the Disclosure Statement and as otherwise provided herein, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of Claims and Interests and controversies resolved pursuant to the Plan. The Plan shall be deemed a motion to approve the good faith compromise and settlement of all such Claims, Interests, and controversies pursuant to Bankruptcy Rule 9019, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable and in the best interests of the Debtors and their Estates. Distributions made to Holders of Allowed Claims and Allowed Interests in any Class are intended to be final.

B. *Restructuring Transactions.*

On or before the Effective Date, the applicable Debtors or the Reorganized Debtors shall enter into any transactions and shall take any actions as may be necessary or appropriate to effectuate the Restructuring Transactions (as agreed, including as set forth in the Description of Transaction Steps, and in accordance with the Restructuring Support Agreement and subject to the applicable consent and approval rights thereunder), including to establish Reorganized Tailored and, if applicable, to transfer assets of the Debtors to Reorganized Tailored or a subsidiary thereof. The applicable Debtors or the Reorganized Debtors will take any actions as may be necessary or advisable to effect a corporate restructuring of the overall corporate structure of the Debtors, to the extent agreed in accordance with the consent rights in the Restructuring Support Agreement and provided herein, in the Description of Transaction Steps, or in the Definitive Documentation, including the issuance of all securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Plan, one or more intercompany mergers, consolidations, amalgamations, arrangements, continuances, restructurings, conversions, dissolutions, transfers, liquidations, or other corporate transactions.

On the Effective Date, all property in each Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in the Reorganized Debtors, free and clear of all Liens, Claims, charges, Causes of Action, or other encumbrances. To the extent provided in the Description of Transaction Steps, each Debtor, other than Reorganized Tailored, may be deemed dissolved in accordance with applicable law, without any further

notice to or action, order, or approval of the Bankruptcy Court or any other Entity. Reorganized Tailored shall be the issuer of New Equity to the applicable Holders of Claims and Interests as set forth herein.

The actions to implement the Restructuring Transactions may include, in each case if and as agreed in accordance with the Restructuring Support Agreement and subject to the applicable consent and approval rights thereunder: (1) the execution and delivery of appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or reorganization containing terms that are consistent with the terms of the Plan and that satisfy the applicable requirements of applicable law and any other terms to which the applicable parties may agree; (2) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, duty, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (3) the rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; (4) the filing of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, or dissolution pursuant to applicable law; (5) all transactions necessary or appropriate to provide for the purchase of substantially all of the assets or Interests of any of the Debtors by one or more Entities to be wholly owned by Reorganized Tailored, which purchase, if applicable, may be structured as a taxable transaction for United States federal income tax purposes; and (6) all other actions that the applicable parties determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law in connection with the Plan, in each case of clauses (1) through (6), consistent with the Description of Transaction Steps.

The Confirmation Order shall and shall be deemed to, pursuant to sections 363 and 1123 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan, including the Restructuring Transactions.

C. *The Reorganized Debtors.*

On the Effective Date, the New Board shall be established, and each Reorganized Debtor shall adopt its New Organizational Documents. The Reorganized Debtors shall be authorized to adopt any other agreements, documents, and instruments and to take any other actions contemplated under the Plan as necessary to consummate the Plan.

D. *Sources of Consideration for Plan Distributions.*

1. Exit ABL Facility

On the Effective Date, the Reorganized Debtors shall enter into the Exit ABL Facility, the terms of which will be set forth in the Exit ABL Facility Documents. Confirmation of the Plan shall be deemed approval of the Exit ABL Facility and the Exit ABL Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, expenses, and other payments provided for therein and authorization of the Reorganized Debtors to enter into and execute the Exit ABL Facility Documents and such other documents as may be required to effectuate the treatment afforded by the Exit ABL Facility.

On the later of (i) the Effective Date and (ii) the satisfaction of the DIP ABL Facility Claims in accordance with Article II.C, all of the Liens and security interests to be granted in accordance with the Exit ABL Facility Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Exit ABL Facility Documents, (c) shall be deemed automatically perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Exit ABL Facility Documents, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the

entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

2. Exit Term Loan Facility.

On the Effective Date, the Reorganized Debtors shall enter into the Exit Term Loan Facility, the terms of which will be set forth in the Exit Term Loan Facility Documents. Confirmation of the Plan shall be deemed approval of the Exit Term Loan Facility and the Exit Term Loan Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the payment of all fees, indemnities, expenses, and other payments provided for therein and authorization of the Reorganized Debtors to enter into and execute the Exit Term Loan Facility Documents and such other documents as may be required to effectuate the treatment afforded by the Exit Term Loan Facility.

On the Effective Date, all of the Liens and security interests to be granted in accordance with the Exit Term Loan Facility Documents (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Exit Term Loan Facility Documents, (c) shall be deemed automatically perfected on the Effective Date, subject only to such Liens and security interests as may be permitted under the Exit Term Loan Facility Documents, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law. The Reorganized Debtors and the persons and entities granted such Liens and security interests shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

3. New Equity.

On the Effective Date, upon cancellation of the Existing Equity Interests, Reorganized Tailored (consistent with the Description of Transaction Steps) shall issue the New Equity directly or indirectly to Holders of Claims to the extent provided in the Plan. The issuance of the New Equity, including New Equity reserved under the Management Incentive Plan, shall be authorized without the need for any further corporate action and without any further action by any party. The terms of the New Equity shall be governed by the Shareholder Agreement and the New Equity Documentation, as applicable.

All of the New Equity issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance referred to in Article VI hereof shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

E. *Corporate Existence.*

Except as otherwise provided in the Plan or the Description of Transaction Steps, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and by-laws (or other formation documents) are amended under the Plan or otherwise, and to the extent such documents are amended, such documents

are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state, provincial, or federal law).

F. *Vesting of Assets in the Reorganized Debtors.*

Except as otherwise provided in the Plan (including, for the avoidance of doubt, the Description of Transaction Steps) or any agreement, instrument, or other document incorporated herein, on the Effective Date, all property in each Debtor's Estate, all Causes of Action, and any property acquired by any of the Debtors pursuant to the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, Causes of Action, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

G. *Cancellation of Existing Agreements and Interests.*

On the later of the Effective Date and the date on which distributions are made pursuant to the Plan (if not made on the Effective Date), except for the purpose of evidencing a right to and allowing Holders of Claims and Interests to receive a distribution under the Plan or to the extent otherwise specifically provided for in the Plan or set forth in the Description of Transaction Steps, (a) all notes, instruments, certificates, and other documents evidencing Claims or Interests, and any other certificate, equity security, share, note, bond, indenture, purchase right, option, warrant, or other instrument or document directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors giving rise to any Claim or Interest (except such agreements, certificates, notes, or other instruments or documents evidencing indebtedness or obligation of or ownership interest in the Debtors that are reinstated or amended and restated pursuant to the Plan), shall be cancelled, and the obligations of the Debtors thereunder or in any way related thereto shall be deemed satisfied in full, cancelled, discharged, and of no force or effect, and the Agents and Trustees shall not have any continuing duties or obligations thereunder and shall be discharged; and (b) the obligations of the Debtors pursuant, relating, or pertaining to any credit document, agreement, indenture, any agreements, certificates of designation, bylaws or certificate, or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indentures, purchase rights, options, or other instruments or documents evidencing or creating any indebtedness or obligation of or ownership interest in the Debtors (except such agreements, certificates, notes, or other instruments evidencing indebtedness or obligation of or ownership interest in the Debtors that are specifically reinstated, amended and reinstated, or entered into pursuant to the Plan) shall be released and discharged; *provided, however*, that the applicable credit document, agreement, or indentures shall continue in effect for the purposes of: (i) allowing the Agents and Trustees to receive distributions from the Debtors and to make further distributions to the applicable Holders of Claims (subject to any applicable charging liens), and allowing such Holders to accept distributions, on account of such Claims; (ii) preserving the Agents' and Trustees' rights to payment of reasonable and documented fees and expenses (to be documented in accordance with the terms of the applicable credit document(s), agreement(s), or indenture(s)), and allowing the maintenance, exercise, and enforcement of any applicable charging lien and priority of payment rights for the payment of reasonable and documented fees and expenses (to be documented in accordance with the terms of the applicable credit document(s), agreement(s), or indenture(s)), including the Agent's or Trustee's charging liens and priority of payment rights pursuant and subject to the terms of the applicable credit document(s), agreement(s), or indenture(s), or any related or ancillary document, instrument, agreement, or principle of law, against any money or property distributed or allocable on account of such Claims, as applicable; (iii) seeking compensation and reimbursement for any reasonable and documented fees and expenses incurred by or on behalf of the Agents and Trustees in connection with the implementation of the Plan; (iv) allowing the Agents and Trustees to enforce their respective rights, claims, and interests against any Entity that is not a Released Party; (v) preserving the right of Agents and Trustees to exculpation and, indemnification from the Debtors or any other Entity pursuant and subject to the terms of the applicable credit document(s), agreement(s), or indenture(s), and permitting each of the Agents and Trustees to maintain, enforce, and exercise its respective charging liens in connection therewith; (vi) maintaining, enforcing, and exercising any right or obligation to compensation, indemnification, exculpation, expense reimbursement, or contribution, or any other claim or entitlement that the Agents and Trustees may have under the applicable credit document(s), agreement(s), or indenture(s), permitting each of the Agents and Trustees to maintain, enforce, and exercise its respective charging liens in connection therewith; (vii) permitting the Agents and Trustees to perform any functions that are necessary to

effectuate the forgoing; and (viii) preserving the Agents' and Trustees' right to appear and be heard in the Chapter 11 Cases or in any other proceeding in the Bankruptcy Court, including but not limited to enforcing any obligations owed to it under the Plan, Confirmation Order, or under the applicable credit document(s), agreement(s), or indenture(s); *provided* that (a) nothing in this Plan shall affect the discharge of Claims pursuant to the Bankruptcy Code, the Confirmation Order, or the Plan and (b) except as otherwise provided in the Plan, the terms and provisions of the Plan shall not modify any existing contract or agreement that would in any way be inconsistent with distributions under the Plan; *provided*, further, that all provisions in credit documents, agreements, or indentures that by their own terms survive the termination, discharge, expiration, or maturity thereof, shall also survive and continue in full force and effect. On the Effective Date, each holder of a certificate or instrument evidencing a Claim that is discharged by the Plan shall be deemed to have surrendered such certificate or instrument in accordance with the applicable indenture(s) or credit agreement that governs the rights of such holder of such Claim. Such surrendered certificate or instrument shall be deemed cancelled as set forth in, and subject to the exceptions set forth in, this Article IV.G.

On and after the Effective Date, the duties and responsibilities of the Agents and Trustees under the respective credit agreement or document or indenture(s), as applicable, shall be discharged and released, except (i) to the extent required to effectuate the Plan including, but not limited to, making distributions under the Plan to the holders of Allowed Claims under their respective credit agreement or document or indenture(s) and (ii) with respect to any rights of the Agents and Trustees to payment of reasonable and documented fees, expenses, and indemnification obligations (to be documented in accordance with the terms of the applicable credit document(s), agreement(s), or indenture(s)) as against any money or property distributable to holders of Claims or Interests pursuant and subject to the terms of the applicable credit document(s), agreement(s), or indenture(s), including any rights to priority of payment and/or to exercise charging liens. After the performance by the Agents and Trustees and their respective representatives and professionals of any obligations and duties required under or related to the Plan or the Confirmation Order, the Agents and Trustees shall be deemed to be forever relieved of and released from any obligations and duties arising thereunder.

H. *Corporate Action.*

Upon the Effective Date, all actions contemplated under the Plan shall be deemed authorized and approved in all respects, including: (1) adoption or assumption, as applicable, of the Employment Obligations; (2) selection of the directors, officers, or managers for the Reorganized Debtors; (3) the distribution of the New Equity; (4) implementation of the Restructuring Transactions; (5) entry into the Exit ABL Facility Documents; (6) entry into the Exit Term Loan Facility Documents; (7) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date); (8) adoption of the New Organizational Documents; (9) the rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; and (10) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtors, as applicable, in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the security Holders, directors, officers, or managers of the Debtors or the Reorganized Debtors, as applicable. On or (as applicable) prior to the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors, as applicable, shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Reorganized Debtors, including the New Equity, the New Organizational Documents, the Exit ABL Facility Documents, the Exit Term Loan Facility Documents, and any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by this Article IV.H shall be effective notwithstanding any requirements under non-bankruptcy law.

I. *New Organizational Documents.*

On the Effective Date, or following the entry of the Confirmation Order and prior to the Effective Date, to the extent set forth in the Description of Transaction Steps, if applicable, the organizational documents of each of the Debtors shall be amended, amended and restated, or replaced as may be necessary to effectuate the transactions contemplated or permitted by the Plan. On the Effective Date, or following the entry of the Confirmation Order and prior to the Effective Date, to the extent set forth in the Description of Transaction Steps, if applicable, each of the

Reorganized Debtors will file its New Organizational Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state or country of incorporation if and to the extent required in accordance with the corporate laws of the respective state or country of incorporation. The New Organizational Documents will prohibit the issuance of non-voting equity securities, to the extent required under section 1123(a)(6) of the Bankruptcy Code. For the avoidance of doubt, the New Organizational Documents shall be included as exhibits to the Plan Supplement. After the Effective Date, the Reorganized Debtors may amend and restate New Organizational Documents, and the Reorganized Debtors may file their respective certificates or articles of incorporation, bylaws, or such other applicable formation documents, and other constituent documents as permitted by the laws of the respective states, provinces, or countries of incorporation and the New Organizational Documents.

J. *Directors and Officers of the Reorganized Debtors.*

As of the Effective Date, the term of the current members of the board of directors of the Debtors shall expire, and the members for the initial term of the New Board shall be appointed. The initial members of the New Board will be identified in the Plan Supplement, to the extent known at the time of filing, pursuant to the terms of the Restructuring Support Agreement. Each such member and officer of the Reorganized Debtors shall serve from and after the Effective Date pursuant to the terms of the New Organizational Documents and other constituent documents of the Reorganized Debtors. The New Board shall consist of [●] members; *provided*, that the process for selecting the New Board and all governance related matters for Reorganized Tailored shall be in form and substance acceptable to the Required Consenting Term Loan Lenders (in consultation with the Debtors).

K. *Effectuating Documents; Further Transactions.*

On and after the Effective Date, Reorganized Tailored and the New Board are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary to effectuate, implement, and further evidence the terms and conditions of the Plan and the Securities issued pursuant to the Plan in the name of and on behalf of Reorganized Tailored, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

L. *Certain Securities Law Matters.*

Shares of New Equity issued under the Plan will be issued without registration under the Securities Act or any similar federal, state, or local law in reliance upon section 1145 of the Bankruptcy Code. Shares of New Equity issued under the Plan in reliance upon section 1145 of the Bankruptcy Code are exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration prior to the offering, issuance, distribution, or sale of securities. Pursuant to section 1145 of the Bankruptcy Code, the New Equity issued under the Plan: (a) is not a “restricted security” as defined in Rule 144(a)(3) under the Securities Act; and (b) is freely tradable and transferable by any holder thereof that (i) is not an “affiliate” of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act, (ii) has not been such an “affiliate” within ninety (90) days of such transfer, (iii) has not acquired the New Equity from an “affiliate” within one year of such transfer, and (iv) is not an Entity that is an “underwriter” as defined in section 1145(b) of the Bankruptcy Code. Such New Equity will be freely tradable in the United States by the recipients thereof, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 1145(b) of the Bankruptcy Code, and compliance with applicable securities laws and any rules and regulations of the United States Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments and subject to any restrictions in the New Organizational Documents. The New Equity issued pursuant to this Plan will (i) be DTC eligible, (ii) entitle the beneficial owner of such securities on a confidential basis to certain information as set forth in the New Organizational Documents, and (iii) entitle the beneficial owner to attend quarterly management calls with Q&A (which may be joint with lenders); *provided*, that the foregoing shall not be required with respect to such securities to the extent that, as a result thereof, the Reorganized Debtors will be (or will be required to be) an SEC registered entity.

DTC shall be required to accept and conclusively rely upon the Plan or Confirmation Order in lieu of a legal opinion regarding whether such securities are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services. Notwithstanding anything to the contrary in the Plan, no legal opinion regarding

the offering, issuance, and distribution of any Securities contemplated by the Plan, including, for the avoidance of doubt, whether the New Equity is exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services shall be required.

M. *Section 1146 Exemption.*

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a Reorganized Debtor or to any other Person) of property under the Plan or pursuant to: (1) the issuance, reinstatement, distribution, transfer, or exchange of any debt, Equity Security, or other interest in the Debtors or the Reorganized Debtors; (2) the Restructuring Transactions; (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (4) the making, assignment, or recording of any lease or sublease; (5) the grant of collateral as security for any or all of the Reorganized Debtors' obligations under or in connection with the Exit Facilities; or (6) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, personal property transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forego the collection of any such tax, recordation fee or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forego the collection of any such tax, recordation fee or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee or governmental assessment.

N. *Employee Matters.*

On the Effective Date, the Debtors shall assume each of the written contracts, agreements, policies, programs and plans for compensation, bonuses, reimbursement, health care benefits, disability benefits, deferred compensation benefits, travel benefits, vacation and sick leave benefits, savings, severance benefits, retirement benefits, welfare benefits, relocation programs, life insurance and accidental death and dismemberment insurance, including written contracts, agreements, policies, programs and plans for bonuses and other incentives or compensation for the Debtors' current and former employees, directors, officers, and managers, including executive compensation programs and existing compensation arrangements for the employees of the Debtors (but excluding any severance agreements with any of Debtors' former employees) that are set forth in the Schedules of Assumed and Rejected Contracts. which shall be in accordance with the Restructuring Support Agreement, in form and substance acceptable to the Required Consenting Term Loan Lenders. Except to the extent provided by Article VII of the Plan, nothing in the Plan shall limit, diminish, or otherwise alter the Debtors' or the Reorganized Debtors' defenses, claims, Causes of Action, or other rights with respect to any such employment agreements.

Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, on and after the Effective Date, all retiree benefits (as that term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law.

As of the Effective Date, the obligations under the Pension Plan will continue in accordance with, and subject to, its terms and applicable non-bankruptcy law (and the Reorganized Debtors reserve all rights thereunder).

Nothing in the Debtors' bankruptcy proceedings, Confirmation Order, Plan of Reorganization, or Section 1141 of the Bankruptcy Code shall in any way be construed to discharge, release, limit, or relieve the Debtors from any liability or responsibility imposed under ERISA or the Internal Revenue Code with respect to the Pension Plan, and shall not discharge, release limit or relieve any of the officers, directors or any other employee of the Debtors from any liability or responsibility imposed under ERISA or the Internal Revenue Code with respect to the Pension

Plan. PBGC and the Pension Plan shall not be enjoined or precluded from enforcing any liability or responsibility arising under ERISA or the Internal Revenue Code with respect to the Pension Plan.

O. *Management Incentive Plan.*

The New Board shall be authorized to implement the Management Incentive Plan on or after the Effective Date, the form of which shall be included in the Plan Supplement.

P. *Preservation of Causes of Action; Waiver of Avoidance Actions.*

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article VIII hereof, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue, as appropriate, any and all Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Schedule of Retained Causes of Action, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date, other than the Causes of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII.

The Reorganized Debtors may pursue such retained Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Reorganized Debtors, as applicable, will not pursue any and all available Causes of Action against it. The Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity, except as otherwise expressly provided in the Plan, including Article VIII of the Plan.** Unless any Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Bankruptcy Court order, Reorganized Tailored expressly reserves all Causes of Action, for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or Consummation.

The Reorganized Debtors reserve and shall retain such Causes of Action notwithstanding the rejection or repudiation of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in Reorganized Tailored, except as otherwise expressly provided in the Plan, including Article VIII of the Plan. The Reorganized Debtors, through its authorized agents or representatives, shall retain and may exclusively enforce any and all such Causes of Action. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order, or approval of the Bankruptcy Court.

Q. *Closing the Chapter 11 Cases.*

Upon the occurrence of the Effective Date, the Reorganized Debtors shall be permitted to close all of the Chapter 11 Cases except for one of the Chapter 11 Cases as determined by the Reorganized Debtors and the Required Consenting Term Loan Lenders and all contested matters relating to each of the Debtors, including objections to Claims, shall be administered and heard in such Chapter 11 Case.

**ARTICLE V.
TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

A. *Assumption and Rejection of Executory Contracts and Unexpired Leases.*

On the Effective Date, except as otherwise provided herein, each Executory Contract and Unexpired Lease (including those set forth as assumed in the Schedules of Assumed and Rejected Contracts) shall be deemed assumed

as of the Effective Date by the applicable Debtor pursuant to sections 365 and 1123 of the Bankruptcy Code, unless such Executory Contract or Unexpired Lease: (1) was previously assumed, assumed and assigned, or rejected by the Debtors (which assumption, assumption and assignment, or rejection shall have been with the consent of the Required Consenting Term Loan Lenders); (2) previously expired or terminated pursuant to its own terms; (3) is identified as rejected on the Schedules of Assumed and Rejected Contracts; or (4) is the subject of a motion to reject that is pending on the Effective Date. On the Effective Date, except as otherwise provided herein, each Executory Contract and Unexpired Lease that is identified as rejected on the Schedules of Assumed and Rejected Contracts shall be deemed rejected as of the Effective Date by the applicable Debtor pursuant to sections 365 and 1123 of the Bankruptcy Code.

Entry of the Confirmation Order by the Bankruptcy Court shall, subject to and upon the occurrence of the Effective Date, constitute a Final Order approving the assumptions, assumptions and assignments, and rejections, as applicable, of the Executory Contracts and Unexpired Leases as set forth in the Plan, and the Schedules of Assumed and Rejected Contracts, as applicable, pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Any motions to assume, assume and assign, or reject Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order. Unless otherwise specified in the Plan Supplement, the Schedules of Assumed and Rejected Contracts, or an applicable Bankruptcy Court order, assumptions, assumptions and assignments, or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. Each Executory Contract and Unexpired Lease assumed pursuant to the Plan or by any order of the Bankruptcy Court, which has not been assigned to a third party prior to the Confirmation Date, shall re-vest in and be fully enforceable by the applicable contracting Reorganized Debtor in accordance with its terms, except as such terms may be modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law. Notwithstanding anything to the contrary in the Plan, the Debtors or the Reorganized Debtors, as applicable, with the consent of the Required Consenting Term Loan Lenders shall have the right to alter, amend, modify, or supplement the Schedules of Assumed and Rejected Contracts identified in this Article V.A of the Plan and in the Plan Supplement at any time through and including 45 days after the Effective Date. *provided, however*, that after the date of the Confirmation Hearing, the Debtors may not subsequently reject any Unexpired Lease previously designated as assumed or assumed and assigned on the Schedules of Assumed and Rejected Contracts absent the consent of the applicable lessor.

To the extent that any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any “change of control” provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party or parties to such Executory Contract or Unexpired Lease to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

B. *Indemnification Obligations.*

Notwithstanding anything herein to the contrary, the obligations of the Debtors pursuant to their certificates of incorporation, bylaws, or other agreements to indemnify the current and former officers, directors, agents, and/or employees with respect to all present and future actions, suits, and proceedings against the Debtors, or such directors, officers, agents, and/or employees, based upon any act or omission relating to the Debtors, will not be discharged or impaired by consummation of the Restructuring Transactions. All such obligations will be assumed by the Debtors on the Effective Date, and all such obligations will continue as obligations of the Reorganized Debtors.

The Debtors shall not terminate or otherwise reduce the coverage under any directors’ and officers’ insurance policies (including the “tail policy”) in effect prior to the Effective Date, and any directors and officers of the Debtors who served in such capacity at any time before or after the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and/or officers remain in such positions after the Effective Date. Notwithstanding anything herein to the contrary, the Debtors shall retain the ability to supplement such directors’ and officers’ insurance policies as the Debtors deem necessary, including purchasing any tail coverage.

C. *Claims Based on Rejection of Executory Contracts or Unexpired Leases.*

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Claims and Noticing Agent and served on the Debtors or Reorganized Debtors, as applicable, no later than thirty (30) days after the date of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. **Any Claims arising from the rejection of an Executory Contract or Unexpired Lease not Filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors or the Reorganized Debtors, the Estates, or their property without the need for any objection by the Reorganized Debtors or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, and be subject to the permanent injunction set forth in Article VIII.F of the Plan, including any Claims against any Debtor listed on the Schedules as unliquidated, contingent, or disputed.** All Allowed Claims arising from the rejection by any Debtor of any Executory Contract or Unexpired Lease shall be treated as a General Unsecured Claim in accordance with Article III.B and Article III.C of the Plan.

D. *Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.*

The Debtors or the Reorganized Debtors, as applicable, shall pay Cures, if any, on the Effective Date or as soon as reasonably practicable thereafter. Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract or Unexpired Lease, all requests for payment of Cures that differ from the amounts paid or proposed to be paid by the Debtors or the Reorganized Debtors to a counterparty must be Filed with the Bankruptcy Court on or before thirty (30) days after the Effective Date. Any such request that is not timely filed shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Reorganized Debtor, without the need for any objection by the Reorganized Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court. Any Cure shall be deemed fully satisfied, released, and discharged upon payment by the Debtors or the Reorganized Debtors of the Cure; *provided* that nothing herein shall prevent the Reorganized Debtors from paying any Cure despite the failure of the relevant counterparty to File such request for payment of such Cure. The Reorganized Debtors also may settle any Cure without any further notice to or action, order, or approval of the Bankruptcy Court. In addition, any objection to the assumption of an Executory Contract or Unexpired Lease under the Plan must be Filed with the Bankruptcy Court on or before 30 days after the Effective Date. Any such objection will be scheduled to be heard by the Bankruptcy Court at the Debtors' or Reorganized Debtors', as applicable, first scheduled omnibus hearing for which such objection is timely filed. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption of any Executory Contract or Unexpired Lease will be deemed to have consented to such assumption.

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure amount in Cash on the Effective Date, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding (1) the amount of any payments to cure such a default, (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed, or (3) any other matter pertaining to assumption, the Cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made following the entry of a Final Order or orders resolving the dispute and approving the assumption; *provided that* the Reorganized Debtors may settle any such dispute without any further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity; *provided, further, that* notwithstanding anything to the contrary herein, prior to the entry of a Final Order resolving any such dispute and approving the assumption of any such Executory Contract or Unexpired Lease, the Reorganized Debtors shall have the right to reject any such Executory Contract or Unexpired Lease that is subject to dispute, whether by amending the Schedules of Assumed and Rejected Contracts in accordance with Article V.A of the Plan or otherwise.

At least fourteen (14) days prior to the first day of the Confirmation Hearing, the Debtors shall provide for notices of proposed assumption or assumption and assignment and proposed Cure amounts to be sent to applicable

third parties, which notices will include procedures for objecting thereto and resolution of disputes by the Bankruptcy Court. Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or assumption and assignment or related Cure amount must be Filed, served, and actually received by the Debtors no later than seven days prior to the first day of the Confirmation Hearing. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption or Cure amount will be deemed to have assented to such assumption or assumption and assignment and cure amount.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise and full payment of any applicable Cure pursuant to this Article V.D shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. **Any and all Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to the Confirmation Order, and for which any Cure has been fully paid pursuant to this Article V.D, shall be deemed disallowed and expunged as of the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court.**

E. *Modifications, Amendments, Supplements, Restatements, or Other Agreements*

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed or assumed and assigned shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

F. *Surety Bonds.*

On the Effective Date, all of the Debtors' obligations and commitments to any surety providers as set forth in the *Final Order Authorizing the Debtors to Maintain the Surety Bond Program* [Docket No. [●]] shall be deemed reaffirmed by the Reorganized Debtors, including as applicable: (i) surety payment and indemnity agreements, setting forth the sureties' rights against the Debtors, and the Debtors' obligations to pay and indemnify the sureties from any loss, cost, or expense that the sureties may incur, in each case, on account of the issuance of any surety bonds on behalf of the Debtors; (ii) surety collateral agreements governing collateral, if any, in connection with the Debtors' surety bonds; and/or (iii) ordinary course premium payments to any surety for the Debtors' surety bonds.

G. *Insurance Policies.*

Notwithstanding anything to the contrary in the Disclosure Statement, the Plan, the Plan Supplement, the Confirmation Order, any bar date notice or claim objection, any other document related to any of the foregoing, or any other order of the Bankruptcy Court (including, without limitation, any other provision that purports to be preemptory or supervening, grants an injunction, discharge or release, or requires a party to opt out of any releases): (1) on the Effective Date, the Debtors shall be deemed to have assumed all Insurance Policies in their entirety pursuant to sections 105 and 365 of the Bankruptcy Code and such Insurance Policies shall revert in the Reorganized Debtors, and the Reorganized Debtors shall remain liable in full for all of their and the Debtors' obligations thereunder, regardless of whether such obligations arise before or after the Effective Date, without the requirement or need for any Insurer to file a Proof of Claim, an Administrative Claim, a Cure, or to object to any Cure amount; (2) nothing shall alter, modify, amend, affect, impair, or prejudice the legal, equitable, or contractual rights, obligations, and defenses of the Insurers, the Debtors (or, after the Effective Date, the Reorganized Debtors), or any other individual or Entity, as applicable, under any Insurance Policies, and all such rights and obligations shall be determined under the Insurance Policies and applicable non-bankruptcy law as if the Chapter 11 Cases had not occurred; and (3) the

automatic stay of section 362(a) of the Bankruptcy Code and the injunctions set forth in Article VIII of the Plan, if and to the extent applicable, shall be deemed lifted without further order of this Bankruptcy Court, solely to permit: (a) claimants with valid workers' compensation claims or direct action claims against an Insurer under applicable non-bankruptcy law to proceed with their claims; (b) the Insurers to administer, handle, defend, settle, and/or pay, in the ordinary course of business and without further order of this Bankruptcy Court, (i) workers' compensation claims, (ii) claims where a claimant asserts a direct action claim against any Insurer under applicable non-bankruptcy law, or an order has been entered by this Bankruptcy Court granting a claimant relief from the automatic stay to proceed with its claim, and (iii) all costs in relation to each of the foregoing; (c) the Insurers to draw against any or all of the collateral or security provided by or on behalf of the Debtors (or the Reorganized Debtors, as applicable) at any time and to hold the proceeds thereof as security for the obligations of the Debtors (and the Reorganized Debtors, as applicable) and/or apply such proceeds to the obligations of the Debtors (and the Reorganized Debtors, as applicable) under the Insurance Policies, in such order as the applicable Insurer may determine; and (d) the Insurers to cancel any Insurance Policy, and take other actions relating to the Insurance Policies (including effectuating a setoff), to the extent permissible under applicable non-bankruptcy law, and in accordance with the terms of the Insurance Policies.

H. *Reservation of Rights.*

Nothing contained in the Plan or the Plan Supplement, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Reorganized Debtors have any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease under the Plan.

I. *Nonoccurrence of Effective Date.*

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

J. *Contracts and Leases Entered Into After the Petition Date.*

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the applicable Debtor or the Reorganized Debtors liable thereunder in the ordinary course of their business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

**ARTICLE VI.
PROVISIONS GOVERNING DISTRIBUTIONS**

A. *Timing and Calculation of Amounts to Be Distributed.*

Unless otherwise provided in the Plan or Confirmation Order, on the Effective Date (or if a Claim is not an Allowed Claim on the Effective Date, on the date that such Claim becomes an Allowed Claim, or as soon as reasonably practicable thereafter), each holder of an Allowed Claim (as applicable) shall receive the full amount of the distributions that the Plan provides for Allowed Claims (as applicable) in the applicable Class. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VII hereof. Except as otherwise provided in the Plan, holders of Claims shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. *Disbursing Agent.*

All distributions under the Plan shall be made by the Disbursing Agent on the Effective Date. The Disbursing Agent shall not be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court. Additionally, in the event that the Disbursing Agent is so otherwise ordered, all costs and expenses of procuring any such bond or surety shall be borne by the Reorganized Debtors.

C. *Rights and Powers of Disbursing Agent.*

1. Powers of the Disbursing Agent.

The Disbursing Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated hereby; (c) employ professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Disbursing Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Disbursing Agent to be necessary and proper to implement the provisions hereof.

2. Expenses Incurred On or After the Effective Date.

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and expenses incurred by the Disbursing Agent on or after the Effective Date (including taxes), and any reasonable compensation and expense reimbursement claims (including reasonable attorney fees and expenses), made by the Disbursing Agent shall be paid in Cash by the Reorganized Debtors.

D. *Delivery of Distributions and Undeliverable or Unclaimed Distributions.*

1. Record Date for Distribution.

On the Distribution Record Date, the Claims Register shall be closed and any party responsible for making distributions shall instead be authorized and entitled to recognize only those record Holders listed on the Claims Register as of the close of business on the Distribution Record Date.

2. Delivery of Distributions in General.

Except as otherwise provided herein, the Disbursing Agent shall make distributions to Holders of Allowed Claims and Allowed Interests (as applicable) as of the Distribution Record Date at the address for each such Holder as indicated on the Debtors' records as of the date of any such distribution; *provided, however*, that the manner of such distributions shall be determined at the discretion of the Reorganized Debtors; *provided, further*, that the address for each Holder of an Allowed Claim shall be deemed to be the address set forth in any Proof of Claim Filed by that Holder.

3. De Minimis Distributions; Minimum Distributions.

No fractional shares of New Equity shall be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an Allowed Claim or Allowed Interest (as applicable) would otherwise result in the issuance of a number of shares of New Equity that is not a whole number, the actual distribution of shares of New Equity shall be rounded as follows: (a) fractions of one-half ($\frac{1}{2}$) or greater shall be rounded to the next higher whole number and (b) fractions of less than one-half ($\frac{1}{2}$) shall be rounded to the next lower whole number with no further payment therefore. The total number of authorized shares of New Equity to be distributed to Holders of Allowed Claims shall be adjusted as necessary to account for the foregoing rounding.

The Disbursing Agent shall not make any distributions to a Holder of an Allowed Claim or an Allowed Interest on account of such Allowed Claim or Allowed Interest of New Equity or Cash where such distribution is valued, in the reasonable discretion of the Disbursing Agent, at less than \$100.00, and each Claim or Interest to which this limitation applies shall be discharged pursuant to Article VIII of the Plan and its Holder shall be forever barred

pursuant to Article VIII of the Plan from asserting that Claim against or Interest in the Reorganized Debtors or their property.

4. Undeliverable Distributions and Unclaimed Property.

In the event that either (a) a distribution to any Holder is returned as undeliverable or (b) the Holder of an Allowed Claim or Allowed Interest does not respond to a request by the Debtors or the Disbursing Agent for information necessary to facilitate a particular distribution, no distribution to such Holder shall be made unless and until the Disbursing Agent has determined the then-current address of such Holder or received the necessary information to facilitate a particular distribution, at which time such distribution shall be made to such Holder without interest, dividends, or other accruals of any kind; *provided that* such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code on the date that is six months after the later of (x) the Effective Date and (y) the date of the distribution. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtors automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable local, state, federal, or foreign escheat, abandoned, or unclaimed property laws to the contrary), and the Claim or Interest of any Holder to such property or interest in property shall be discharged and forever barred.

E. *Manner of Payment.*

At the option of the Disbursing Agent, any Cash payment to be made hereunder may be made by check or wire transfer or as otherwise required or provided in applicable agreements.

F. *Compliance with Tax Requirements and Certain Other Tax Matters.*

In connection with the Plan, to the extent applicable, the Debtors, Reorganized Debtors, Disbursing Agent and any applicable withholding agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions made pursuant to the Plan shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, such parties shall (x) be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions, or establishing any other mechanisms they believe are reasonable and appropriate and (y) shall reasonably cooperate with the relevant recipients to minimize any such withholding to the extent permitted by applicable Law. The Debtors and Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.⁵

G. *Allocations.*

Distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

H. *No Postpetition Interest on Claims.*

Unless otherwise specifically provided for in the Plan, the DIP/Cash Collateral Order, or the Confirmation Order, or required by applicable bankruptcy and non-bankruptcy law, postpetition interest shall not accrue or be paid on any prepetition Claims against the Debtors, and no Holder of a prepetition Claim against the Debtors shall be entitled to interest accruing on or after the Petition Date on any such prepetition Claim. Additionally, and without limiting the foregoing, interest shall not accrue or be paid on any Disputed Claim with respect to the period from the

⁵ [NTD: Provisions to be added regarding certain tax matters related to distributions occurring after the Effective Date in conjunction with the claims resolution process once form of recovery to General Unsecured Creditors is determined.]

Effective Date to the date a final distribution is made on account of such Disputed Claim, if and when such Disputed Claim becomes an Allowed Claim.

I. *Foreign Currency Exchange Rate.*

Except as otherwise provided in a Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in *The Wall Street Journal (National Edition)*, on the Effective Date.

J. *Setoffs and Recoupment.*

Except as expressly provided in this Plan, each Reorganized Debtor may, pursuant to section 553 of the Bankruptcy Code, set off and/or recoup against any Plan Distributions to be made on account of any Allowed Claim, any and all claims, rights, and Causes of Action that such Reorganized Debtor may hold against the Holder of such Allowed Claim to the extent such setoff or recoupment is either (1) agreed in amount among the relevant Reorganized Debtor(s) and Holder of Allowed Claim or (2) otherwise adjudicated by the Bankruptcy Court or another court of competent jurisdiction; *provided* that neither the failure to effectuate a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a Reorganized Debtor or its successor of any and all claims, rights, and Causes of Action that such Reorganized Debtor or its successor may possess against the applicable Holder. In no event shall any Holder of Claims against, or Interests in, the Debtors be entitled to recoup any such Claim or Interest against any claim, right, or Cause of Action of the Debtors or the Reorganized Debtors, as applicable, unless such Holder actually has performed such recoupment and provided notice thereof in writing to the Debtors in accordance with Article XII.G of the Plan on or before the Effective Date, notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of recoupment.

K. *Claims Paid or Payable by Third Parties.*

1. Claims Paid by Third Parties.

The Debtors or the Reorganized Debtors, as applicable, shall reduce in full a Claim, and such Claim shall be disallowed without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or a Reorganized Debtor. Subject to the last sentence of this paragraph, to the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or a Reorganized Debtor on account of such Claim, such Holder shall, within fourteen (14) days of receipt thereof, repay or return the distribution to the applicable Reorganized Debtor, to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan. The failure of such Holder to timely repay or return such distribution shall result in the Holder owing the applicable Reorganized Debtor annualized interest at the Federal Judgment Rate on such amount owed for each Business Day after the 14-day grace period specified above until the amount is repaid.

2. Claims Payable by Third Parties.

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' Insurance Policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such Insurance Policy. To the extent that one or more of the Debtors' Insurers agrees to pay in full or in part a Claim (if and to the extent adjudicated by a court of competent jurisdiction or otherwise settled), then immediately upon such Insurers' agreement, the applicable portion of such Claim may be expunged without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

3. Applicability of Insurance Policies.

Except as otherwise provided in the Plan, payment distributions to Holders of Allowed Claims covered by Insurance Policies shall be in accordance with the provisions of any applicable Insurance Policy. Nothing contained

in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including Insurers under any policies of Insurance Policies, nor shall anything contained herein constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such Insurers.

ARTICLE VII.

PROCEDURES FOR RESOLVING CONTINGENT, AND UNLIQUIDATED CLAIMS OR INTERESTS⁶

A. *Allowance of Claims.*

After the Effective Date and subject to the terms of this Plan, each of the Reorganized Debtors shall have and retain any and all rights and defenses such Debtor had with respect to any Claim or Interest immediately prior to the Effective Date. The Debtors may affirmatively determine to deem Unimpaired Claims Allowed to the same extent such Claims would be allowed under applicable non-bankruptcy law.

B. *Claims Administration Responsibilities.*

Except as otherwise specifically provided in the Plan, after the Effective Date, the Reorganized Debtors shall have the sole authority: (1) to File, withdraw, or litigate to judgment, objections to Claims or Interests; (2) to settle or compromise any Disputed Claim without any further notice to or action, order, or approval by the Bankruptcy Court; and (3) to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court. For the avoidance of doubt, except as otherwise provided herein, from and after the Effective Date, each Reorganized Debtor shall have and retain any and all rights and defenses such Debtor had immediately prior to the Effective Date with respect to any Disputed Claim or Interest.

C. *Estimation of Claims.*

Before, on, or after the Effective Date, the Debtors or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Claim pursuant to applicable law, including, without limitation, pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any such Claim, including during the litigation of any objection to any Claim or during the pendency of any appeal relating to such objection. Notwithstanding any provision to the contrary in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any Claim, such estimated amount shall constitute a maximum limitation on such Claim for all purposes under the Plan (including for purposes of distributions and discharge) and may be used as evidence in any supplemental proceedings, and the Debtors or Reorganized Debtors may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any Holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such Holder has Filed a motion requesting the right to seek such reconsideration on or before seven (7) days after the date on which such Claim is estimated. Each of the foregoing Claims and objection, estimation, and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn, or resolved by any mechanism approved by the Bankruptcy Court.

⁶ [NTD: Provisions to be added regarding distributions once the form of consideration being received by General Unsecured Claims, if any, is determined.]

D. *Adjustment to Claims or Interests without Objection.*

Any Claim or Interest that has been paid, satisfied, amended, superseded, cancelled, or otherwise expunged (including pursuant to the Plan) may be adjusted or expunged on the Claims Register at the direction of the Reorganized Debtors without the Reorganized Debtors having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court. Additionally, any Claim or Interest that is duplicative or redundant with another Claim or Interest against the same Debtor may be adjusted or expunged on the Claims Register at the direction of the Reorganized Debtors without the Reorganized Debtors having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. *Time to File Objections to Claims.*

Any objections to Claims shall be Filed on or before the later of (a) one-hundred-eighty (180) days after the Effective Date and (b) such other period of limitation as may be specifically fixed by the Debtors or the Reorganized Debtors, as applicable, or by a Final Order of the Bankruptcy Court for objecting to such claims.

F. *Amendments to Proofs of Claim.*

A Proof of Claim against any Debtor may be amended before the Confirmation Date only as agreed upon by the Debtors and the Holder of such Claim or Interest or as otherwise permitted by the Bankruptcy Court, the Bankruptcy Rules, or applicable nonbankruptcy law. On or after the Effective Date, except as provided in the Plan or the Confirmation Order, a Proof of Claim may not be Filed or amended without the prior authorization of the Bankruptcy Court or the Reorganized Debtors, and any such new or amended Proof of Claim Filed shall be deemed disallowed in full and expunged without any further action, order, or approval of the Bankruptcy Court absent prior Bankruptcy Court approval or agreement by the Debtors or Reorganized Debtors, as applicable; *provided that* the foregoing shall not apply to Administrative Claims other than 503(b)(9) Claims.

G. *Disallowance of Claims or Interests.*

All Claims and Interests of any Entity from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtors or the Reorganized Debtors allege is a transferee of a transfer that is avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be deemed disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Debtors or the Reorganized Debtors.

Except as otherwise provided herein or as agreed to by the Reorganized Debtors, any and all Proofs of Claim Filed after the Claims Bar Date shall be deemed disallowed and expunged as of the Effective Date without any further notice to or action, order, or approval of the Bankruptcy Court, and Holders of such Claims may not receive any distributions on account of such Claims, unless such late Proof of Claim has been deemed timely Filed by a Final Order.

**ARTICLE VIII.
SETTLEMENT, RELEASE, INJUNCTION, AND RELATED PROVISIONS**

A. *Discharge of Claims and Termination of Interests.*

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors), Interests, and Causes of Action of any nature whatsoever, including any interest

accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors before the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (1) a Proof of Claim based upon such debt or right is filed or deemed filed pursuant to section 501 of the Bankruptcy Code; (2) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (3) the Holder of such a Claim or Interest has accepted the Plan. Any default or “event of default” by the Debtors or Affiliates with respect to any Claim or Interest that existed immediately before or on account of the filing of the Chapter 11 Cases shall be deemed cured (and no longer continuing) as of the Effective Date. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring.

B. *Release of Liens.*

Except as otherwise provided in the Exit ABL Facility Documents, the Exit Term Loan Facility Documents, the Plan (including, without limitation, the satisfaction of the DIP ABL Facility Claims in accordance with Article II.C), the Confirmation Order, or any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, except for Other Secured Claims that the Debtors elect to reinstate in accordance with Article III.B.1 hereof, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title, and interest of any Holder of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtors and their successors and assigns. Any Holder of such Secured Claim (and the applicable agents for such Holder) shall be authorized and directed, at the sole cost and expense of the Reorganized Debtors, to release any collateral or other property of any Debtor (including any cash collateral and possessory collateral) held by such Holder (and the applicable agents for such Holder), and to take such actions as may be reasonably requested by the Reorganized Debtors to evidence the release of such Lien, including the execution, delivery, and filing or recording of such releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

C. *Releases by the Debtors.*

Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, each Released Party is deemed released and discharged by the Debtors, the Reorganized Debtors, and their Estates from any and all Causes of Action, including any derivative claims asserted on behalf of the Debtors, that the Debtors, the Reorganized Debtors, or their Estates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Interest, or that any Holder of any Claim or Interest could have asserted on behalf of the Debtors, based on or relating to, or in any manner arising from, in whole or in part:

- (a) the Debtors, the Debtors’ restructuring efforts, intercompany transactions, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement;
- (b) any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan;
- (c) the Chapter 11 Cases, the Disclosure Statement, the Plan, the filing of the Chapter 11 Cases, the pursuit

of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement;

- (d) the formulation, preparation, dissemination, negotiation, or filing of the Exit ABL Facility, the Exit ABL Documents, the Exit Term Loan Facility, the Exit Term Loan Facility Documents, the DIP ABL Facility, the DIP Credit Agreement Documents, the ABL Documents, or the Term Loan Documents; or
- (e) any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

Notwithstanding anything to the contrary in the foregoing, the releases set forth in this Article VIII.C (i) do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan and (ii) do not release any claims related to any act or omission that constitutes fraud, willful misconduct, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan.

D. *Releases by Holders of Claims and Interests.*

As of the Effective Date, each Releasing Party is deemed to have released and discharged each Debtor, Reorganized Debtor, and Released Party from any and all Causes of Action, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part:

- (a) the Debtors, the Debtors' restructuring efforts, intercompany transactions, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement;
- (b) any Restructuring Transaction, contract, instrument, release, or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, or the Plan;
- (c) the Chapter 11 Cases, the Disclosure Statement, the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement;
- (d) the formulation, preparation, dissemination, negotiation, or filing of the Exit ABL Facility, the Exit ABL Documents, the Exit Term Loan Facility, the Exit Term Loan Facility Documents, the DIP ABL Facility, the DIP Credit Agreement Documents, the ABL Documents, or the Term Loan Documents; or
- (e) any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

Notwithstanding anything to the contrary in the foregoing, the releases set forth in this Article VIII.D (i) do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan and (ii) do not release any claims related to any act or omission that constitutes fraud, willful misconduct, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan.

E. *Exculpation.*

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is hereby released and exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, filing, or termination of the Restructuring Support Agreement and related prepetition transactions, the Disclosure Statement, the Plan, or any Restructuring Transaction, contract, instrument, release or other agreement or document (including providing any legal opinion requested by any Entity regarding any transaction, contract, instrument, document, or other agreement contemplated by the Plan (including the Exit ABL Facility, the Exit ABL Documents, the Exit Term Loan Facility, the Exit Term Loan Facility Documents, the DIP ABL Facility, the DIP Credit Agreement Documents, the ABL Documents, or the Term Loan Documents) or the reliance by any Exculpated Party on the Plan or the Confirmation Order in lieu of such legal opinion) created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the administration and implementation of the Plan, including the issuance of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, except for claims related to any act or omission that constitutes actual fraud, willful misconduct, or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of, and distribution of, consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

F. *Injunction.*

Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities that have held, hold, or may hold claims or interests that have been released pursuant to the Plan, shall be discharged pursuant to the Plan, or are subject to exculpation pursuant to the Plan, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, or the Released Parties: (i) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (ii) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (iii) creating, perfecting, or enforcing any lien or encumbrance of any kind against such Entities or the property or the estates of such Entities on account of or in connection with or with respect to any such claims or interests; (iv) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Entity has timely asserted such setoff right in a document filed with the Bankruptcy Court explicitly preserving such setoff, and notwithstanding an indication of a claim or interest or otherwise that such Entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (v) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan.

G. *Protections Against Discriminatory Treatment.*

Consistent with section 525 of the Bankruptcy Code and the Supremacy Clause of the U.S. Constitution, all Entities, including Governmental Units, shall not discriminate against the Reorganized Debtors or deny, revoke, suspend, or refuse to renew a license, permit, charter, franchise, or other similar grant to, condition such a grant to, discriminate with respect to such a grant against, the Reorganized Debtors, or another Entity with whom the Reorganized Debtors have been associated, solely because each Debtor has been a debtor under chapter 11 of the Bankruptcy Code, has been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11

Cases but before the Debtors are granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

H. *Document Retention.*

On and after the Effective Date, the Reorganized Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Debtors.

I. *Reimbursement or Contribution.*

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent or (2) the relevant Holder of a Claim has Filed a non-contingent Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

**ARTICLE IX.
CONDITIONS PRECEDENT TO CONSUMMATION OF THE PLAN**

A. *Conditions Precedent to the Effective Date.*

It shall be a condition to the Effective Date of the Plan that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B hereof:

1. the Confirmation Order, which shall be in form and substance reasonably acceptable to the ABL Agent, DIP ABL Agent, and the Required Consenting Term Loan Lenders, shall have been entered and shall not have been stayed;

2. all transactions and other documents to effectuate the Restructuring Transactions shall contain terms and conditions consistent in all material respects with the Restructuring Support Agreement;

3. the Restructuring Support Agreement shall remain in full force and effect and shall not have been terminated, and the parties thereto shall be in compliance therewith;

4. the orders approving the Disclosure Statement and confirming the Plan shall have been entered, consistent with the Restructuring Support Agreement, and such orders shall not have been vacated, stayed, or modified;

5. the Bankruptcy Court shall have entered the Final DIP/Cash Collateral Order and the Final DIP/Cash Collateral Order shall not have been vacated, stayed, revised, modified, or amended in any manner adverse to the Term Loan Lenders without the prior written consent of the Required Consenting Term Loan Lenders and the Required Lenders (as defined in the DIP Credit Agreement);

6. all fees, expenses, and other amounts payable pursuant to the DIP/Cash Collateral Orders shall have been paid in full;

7. the DIP ABL Facility Claims and ABL Facility Claims shall have been Paid in Full or otherwise satisfied in accordance with Article II.C and Article III.B.3 of the Plan (as applicable);

8. the Exit Facilities and any related documents shall have been executed, delivered, and be in full force and effect (with all conditions precedent thereto having been satisfied or waived);

9. the New Equity shall have been issued;

10. the Professional Fee Escrow Account shall have been funded;

11. all accrued and unpaid fees and expenses of the Consenting Term Loan Lenders in connection with the Restructuring Transactions (including the Consenting Term Loan Lender Fees and Expenses) shall have been paid in accordance with the terms and conditions set forth in the Restructuring Support Agreement and the Final DIP/Cash Collateral Order;

12. there shall not be in effect any (a) order, opinion, ruling, or other decision entered by any court or other governmental unit or (b) U.S. or other applicable law staying, restraining, enjoining, prohibiting, or otherwise making illegal the implementation of any of the transactions contemplated by the Plan;

13. the Debtors shall have obtained all governmental and regulatory approvals, consents, authorizations, rulings, or other documents that are legally required for the consummation of the Restructuring Transactions shall have been obtained, not be subject to unfulfilled conditions, and be in full force and effect, and all applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, if any, shall have expired;

14. each document or agreement constituting the Definitive Documents shall have been executed and/or effectuated and shall be in form and substance consistent with the Restructuring Support Agreement, including, without limitation, any consent rights included therein;

15. the final version of the Plan and all of the schedules, documents, and exhibits contained therein, and all other schedules, documents, supplements, and exhibits to the Plan, shall be consistent with the Restructuring Support Agreement;

16. the Restructuring Transactions to be implemented on the Effective Date shall be consistent with this Plan and the Restructuring Support Agreement; and

17. such other conditions to the Effective Date as are customary and otherwise reasonably acceptable to the Debtors and the Required Consenting Term Loan Lenders.

B. *Waiver of Conditions.*

The conditions to Confirmation and Consummation set forth in this Article IX may be waived by the Debtors only with the prior written consent of the Required Consenting Term Loan Lenders, the DIP ABL Agent, and the ABL Agent (email shall suffice), without notice, leave, or order of the Bankruptcy Court or any formal action other than proceedings to confirm or consummate the Plan.

C. *Effect of Failure of Conditions.*

If Consummation does not occur, the Plan shall be null and void in all respects and nothing contained in the Plan or the Disclosure Statement shall: (1) constitute a waiver or release of any claims by the Debtors, Claims, or Interests; (2) prejudice in any manner the rights of the Debtors, any Holders of Claims or Interests, or any other Entity; or (3) constitute an admission, acknowledgment, offer, or undertaking by the Debtors, any Holders of Claims or Interests, or any other Entity.

**ARTICLE X.
MODIFICATION, REVOCATION, OR WITHDRAWAL OF THE PLAN**

A. *Modification and Amendments.*

Except as otherwise specifically provided in the Plan and to the extent permitted by the Restructuring Support Agreement, the Debtors reserve the right to modify the Plan, whether such modification is material or immaterial, and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not resolicit votes on such modified Plan. Subject to those restrictions on modifications set forth in the Plan and the Restructuring Support Agreement and the requirements of section 1127 of the Bankruptcy Code, Rule 3019 of the Federal Rules of Bankruptcy Procedure, and,

to the extent applicable, sections 1122, 1123, and 1125 of the Bankruptcy Code, each of the Debtors expressly reserves its respective rights to revoke or withdraw, or, to alter, amend, or modify the Plan with respect to such Debtor, one or more times, after Confirmation, and, to the extent necessary may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of the Plan.

B. *Effect of Confirmation on Modifications.*

Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

C. *Revocation or Withdrawal of Plan.*

To the extent permitted by the Restructuring Support Agreement, the Debtors reserve the right to revoke or withdraw the Plan prior to the Confirmation Date and to File subsequent plans of reorganization. If the Debtors revoke or withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of Executory Contracts or Unexpired Leases effected under the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of such Debtor or any other Entity; or (c) constitute an admission, acknowledgement, offer, or undertaking of any sort by such Debtor or any other Entity.

**ARTICLE XI.
RETENTION OF JURISDICTION**

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, on and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or relating to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Claims arising therefrom, including Cure pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; (c) the Reorganized Debtors amending, modifying, or supplementing, after the Effective Date, pursuant to Article V hereof, any Executory Contracts or Unexpired Leases to the list of Executory Contracts and Unexpired Leases to be assumed or rejected or otherwise; and (d) any dispute regarding whether a contract or lease is or was executory or expired;

4. ensure that distributions to Holders of Allowed Claims and Allowed Interests (as applicable) are accomplished pursuant to the provisions of the Plan;

5. adjudicate, decide, or resolve any motions, adversary proceedings, contested or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;
6. adjudicate, decide, or resolve any and all matters related to section 1141 of the Bankruptcy Code;
7. enter and implement such orders as may be necessary to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan or the Disclosure Statement;
8. enter and enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;
9. resolve any cases, controversies, suits, disputes, or Causes of Action that may arise in connection with the Consummation, interpretation, or enforcement of the Plan or any Entity's obligations incurred in connection with the Plan;
10. issue injunctions, enter and implement other orders, or take such other actions as may be necessary to restrain interference by any Entity with Consummation or enforcement of the Plan;
11. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the releases, injunctions, exculpations, and other provisions contained in Article VIII hereof and enter such orders as may be necessary or appropriate to implement such releases, injunctions, exculpations, and other provisions;
12. resolve any cases, controversies, suits, disputes, or Causes of Action with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or Interest for amounts not timely repaid pursuant to Article VI.K hereof;
13. enter and implement such orders as are necessary if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;
14. determine any other matters that may arise in connection with or related to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, indenture, or other agreement or document created in connection with the Plan, the Plan Supplement, or the Disclosure Statement;
15. enter an order concluding or closing the Chapter 11 Cases;
16. adjudicate any and all disputes arising from or relating to distributions under the Plan;
17. consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;
18. determine requests for the payment of Claims and Interests entitled to priority pursuant to section 507 of the Bankruptcy Code;
19. hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of the Plan or the Confirmation Order, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;
20. hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;
21. hear and determine all disputes involving the existence, nature, scope, or enforcement of any exculpations, discharges, injunctions and releases granted in the Plan, including under Article VIII hereof, regardless of whether such termination occurred prior to or after the Effective Date;

22. enforce all orders previously entered by the Bankruptcy Court; and
23. hear any other matter not inconsistent with the Bankruptcy Code.

As of the Effective Date, notwithstanding anything in this Article XI to the contrary, the Exit ABL Facility and the Exit Term Loan Facility shall be governed by the jurisdictional provisions therein and the Bankruptcy Court shall not retain any jurisdiction with respect thereto.

ARTICLE XII. MISCELLANEOUS PROVISIONS

A. *Immediate Binding Effect.*

Subject to Article IX.A hereof and notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan (including, for the avoidance of doubt, the Plan Supplement) shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, and any and all Holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors.

B. *Additional Documents.*

On or before the Effective Date, and consistent in all respects with the terms of the Restructuring Support Agreement, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary to effectuate and further evidence the terms and conditions of the Plan and the Restructuring Support Agreement. The Debtors or the Reorganized Debtors, as applicable, and all Holders of Claims or Interests receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. *Payment of Statutory Fees.*

All fees payable pursuant to section 1930(a) of the Judicial Code, as determined by the Bankruptcy Court at a hearing pursuant to section 1128 of the Bankruptcy Code, shall be paid by each of the Reorganized Debtors (or the Disbursing Agent on behalf of each of the Reorganized Debtors) for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

D. *Statutory Committee and Cessation of Fee and Expense Payment.*

On the Effective Date, any statutory committee appointed in the Chapter 11 Cases shall dissolve and members thereof shall be released and discharged from all rights and duties from or related to the Chapter 11 Cases. The Reorganized Debtors shall no longer be responsible for paying any fees or expenses incurred by the members of or advisors to any statutory committees after the Effective Date.

E. *Reservation of Rights.*

Except as expressly set forth in the Plan, the Plan shall have no force or effect unless the Bankruptcy Court shall enter the Confirmation Order, and the Confirmation Order shall have no force or effect if the Effective Date does not occur. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Debtor with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders of Claims or Interests prior to the Effective Date.

F. *Successors and Assigns.*

The rights, benefits, and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor or assign, Affiliate, officer, manager, director, agent, representative, attorney, beneficiaries, or guardian, if any, of each Entity.

G. *Notices.*

All notices, requests, and demands to or upon the Debtors to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

1. if to the Debtors, to:

Tailored Brands, Inc.
6100 Stevenson Boulevard
Fremont, California 94538
Attention: A. Alexander Rhodes, General Counsel
E-mail address: sandy.rhodes@tailoredbrands.com

with copies to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Facsimile: (212) 446-4900
Attention: Joshua A. Sussberg, P.C., Christopher Marcus, P.C., Aparna Yenamandra
E-mail addresses: joshua.sussberg@kirkland.com, cmarcus@kirkland.com, and
aparna.yenamandra@kirkland.com

2. if to the Creditors' Committee, to:

[●]
[ADDRESS]
Attention: [●]
E-mail addresses: [●]

-and-

[●]
[ADDRESS]
Attention: [●]
E-mail addresses: [●]

3. if to the Consenting Term Loan Lenders:

To each Consenting Term Loan Lender at the addresses or e-mail addresses set forth in the Consenting Term Loan Lender's signature page to the Restructuring Support Agreement (or to the signature page to a joinder or transfer agreement in the case of any Consenting Term Loan Lender that becomes a party thereto after the Restructuring Support Agreement effective date).

With copies to:
Gibson, Dunn & Crutcher LLP

200 Park Avenue
New York, New York 10166
Attention: Scott J. Greenberg, Matt J. Williams, Steven A. Domanowski, Keith R. Martorana, and
Jeremy D. Evans

Email address: sgreenberg@gibsondunn.com, mjwilliams@gibsondunn.com,
sdomanowski@gibsondunn.com, kmartorana@gibsondunn.com, and jevans@gibsondunn.com

After the Effective Date, the Debtors have authority to send a notice to Entities that to continue to receive documents pursuant to Bankruptcy Rule 2002, such Entity must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

H. *Term of Injunctions or Stays.*

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

I. *Entire Agreement.*

Except as otherwise indicated, and without limiting the effectiveness of the Restructuring Support Agreement, the Plan (including, for the avoidance of doubt, the Plan Supplement) supersedes all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan.

J. *Exhibits.*

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from the Debtors' restructuring website at <http://cases.primeclerk.com/TailoredBrands> or the Bankruptcy Court's website at www.txs.uscourts.gov/bankruptcy. To the extent any exhibit or document is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit or non-document portion of the Plan shall control.

K. *Nonseverability of Plan Provisions.*

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, but only so as to be consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation; *provided that*, any such holding, alteration or interpretation shall be reasonably satisfactory to the Debtors, the ABL Agent, the DIP ABL Agent and the Required Consenting Term Loan Lenders, as applicable, solely to the extent the provisions therein affect the legal and/or economic rights of the ABL Agent and the DIP ABL Agent, as applicable. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Debtors' consent, *provided*, that any such deletion or modification must be consistent with the Restructuring Support Agreement; and (3) nonseverable and mutually dependent.

L. *Votes Solicited in Good Faith.*

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, managers, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of securities offered and sold under the Plan and any previous plan, and, therefore, neither any of such parties or individuals or the Reorganized Debtors will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan and any previous plan.

M. *Closing of Chapter 11 Cases.*

The Reorganized Debtors shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

N. *Waiver or Estoppel.*

Each Holder of a Claim or Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, secured or not subordinated by virtue of an agreement made with the Debtors or their counsel, or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers Filed with the Bankruptcy Court prior to the Confirmation Date.

Dated: August 17, 2020

/s/ Holly Etlin

Holly Etlin
Chief Restructuring Officer of
Tailored Brands, Inc.

Exhibit B

Disclosure Statement Order

Exhibit C

Financial Projections

Exhibit D

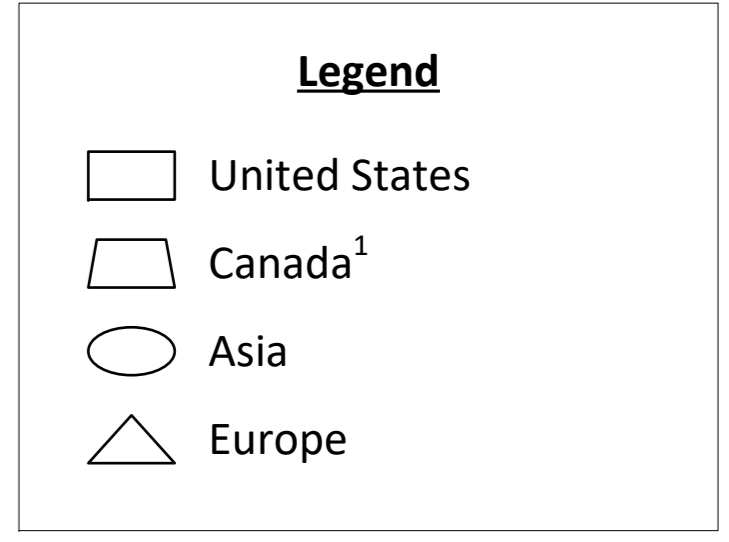
Valuation Analysis

Exhibit E

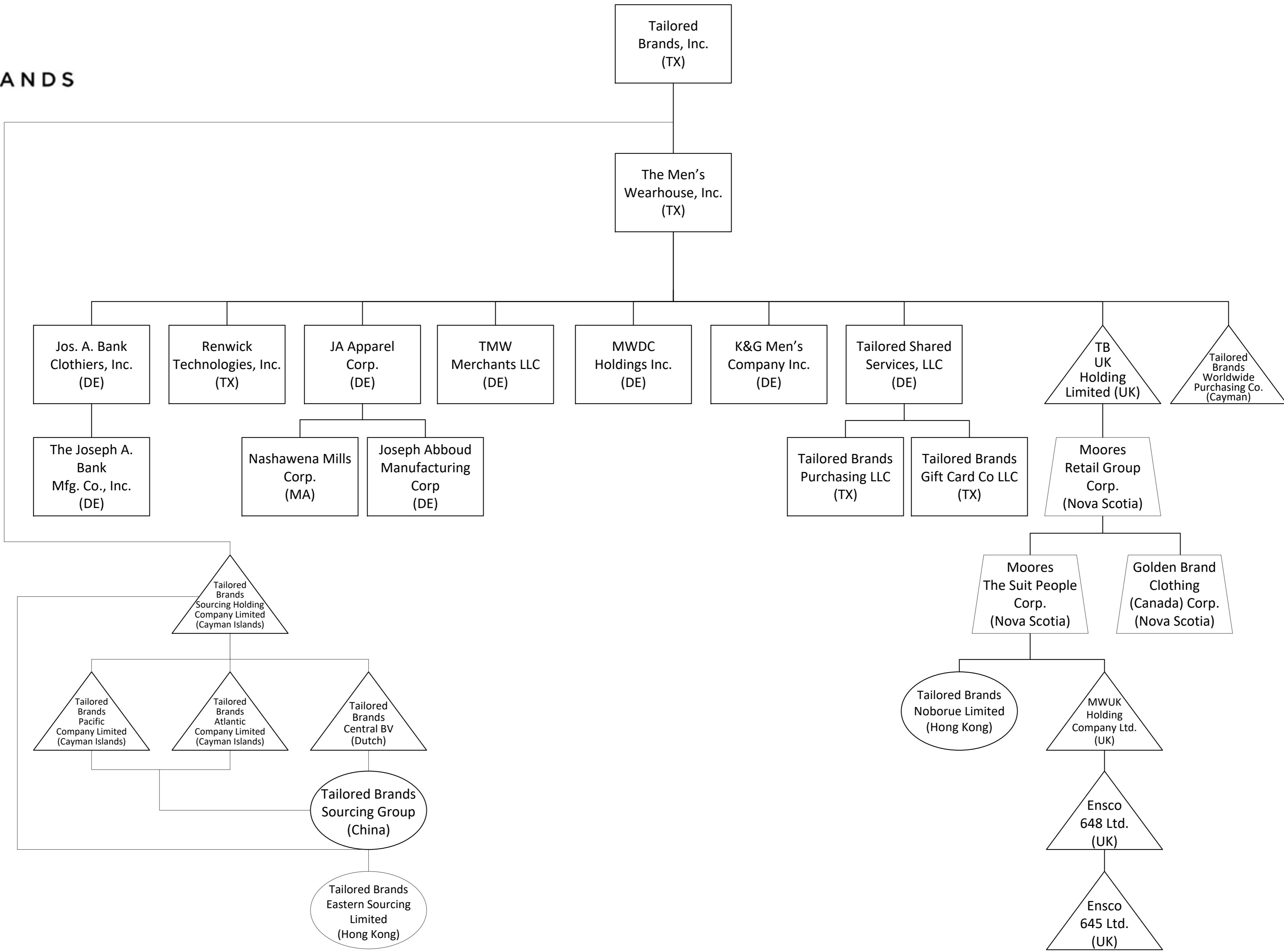
Liquidation Analysis

Exhibit F

Organizational Structure Chart



Note: 100% ownership except where otherwise noted



1. Moores Retail Group Corp., Moores The Suit People Corp., and Golden Brand Clothing (Canada) Corp. are unlimited liability corporations.