

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

In re

VERENGO, INC.,¹

Debtor.

Chapter 11

Case No.: 16-12098 (BLS)

Related D.I.: 203, 236, 239

**NOTICE OF (I) APPROVAL ON INTERIM BASIS OF SECOND AMENDED
COMBINED DISCLOSURE STATEMENT AND PLAN AS CONTAINING
ADEQUATE INFORMATION FOR SOLICITATION PURPOSES (II) DEADLINE
FOR CASTING VOTES TO ACCEPT OR REJECT THE COMBINED
DISCLOSURE STATEMENT AND PLAN, AND (III) THE COMBINED HEARING
TO CONSIDER (A) FINAL APPROVAL OF THE COMBINED DISCLOSURE
AND PLAN AND (B) CONFIRMATION OF THE COMBINED DISCLOSURE
STATEMENT AND PLAN**

PLEASE TAKE NOTICE OF THE FOLLOWING:²

1. On March 6, 2017, the above-captioned debtor and debtor in possession (the “**Debtor**”) filed the *Combined Disclosure Statement and Plan of Reorganization* [D.I. 203] (as may be amended, modified and/or supplemented, the “**Combined Disclosure Statement and Plan**”).²

2. On March 29, 2017, after a hearing (the “**Solicitation Procedures Hearing**”) to consider whether the Combined Disclosure Statement and Plan contains adequate information and seeking approval of the solicitation procedures contemplated by the Combined Disclosure Statement and Plan (the “**Solicitation Procedures**”), the Court entered an order approving on an interim basis the disclosure provided in the Combined Disclosure Statement and Plan, and approving the Solicitation Procedures (the “**Conditional Approval and Procedures Order**”) [D.I. 239].

3. A hearing (the “**Combined Hearing**”) to consider final approval and confirmation of the Combined Disclosure Statement and Plan will be held before The Honorable Brendan L. Shannon, Chief United States Bankruptcy Judge, on the 6th floor of the Bankruptcy Court, Courtroom #1, 824 North Market Street, Wilmington, Delaware 19801, **on April 24, 2017 at 10:00 a.m. (EST)**. The Combined Hearing may be continued from time to time without further notice other than the announcement by the Debtor in open court of the adjourned date(s) at the Combined Hearing or any continued

¹ The Debtor and the last four digits of its identification number are as follows: Verengo, Inc. [6114]. The address of the Debtor’s corporate headquarters is 1899 Western Way, Suite 340, Torrance, CA 90501.

² Capitalized terms used but otherwise not defined in this Combined Hearing Notice have meanings ascribed to such terms in the Conditional Approval and Procedures Order, or the Combined Disclosure Statement and Plan, as applicable.

hearing or as indicated in any notice filed with the Bankruptcy Court. The Combined Disclosure Statement and Plan may be amended, supplemented or modified from time to time, if necessary, in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and other applicable law, before, during, or as a result of the Combined Hearing, without further notice to Creditors or other parties in interest.

4. Pursuant to the Conditional Approval and Procedures Order, the Bankruptcy Court established **April 19, 2017 at 5:00 p.m. (prevailing Mountain Time)** (the “**Voting Deadline**”) as the deadline by which Ballots accepting or rejecting the Combined Disclosure Statement and Plan must be received. To be counted, your original Ballots must actually be received on or before the Voting Deadline by UpShot Services LLC, d/b/a JND Corporate Restructuring, (the “**Voting Agent**”) at (i) Verengo, Inc. Balloting Center, c/o JND Corporate Restructuring, 8269 E. 23rd Avenue, Suite 275, Denver, CO 80238 if sent by first class mail, personal delivery or overnight courier.

5. If you hold a Claim against the Debtor as of **March 22, 2017** (the “**Voting Record Date**”) and are entitled to vote to accept or reject the Combined Disclosure Statement and Plan, you have received with this Combined Hearing Notice a Ballot and voting instructions appropriate for your Claim. You should carefully read the Combined Disclosure Statement and Plan and all documents attendant thereto. For your Ballot to be counted, you must complete all required information on the Ballot, execute the Ballot, and return the completed Ballot with original signature to the address indicated on the instructions accompanying your Ballot, so as to be actually received by the Voting Agent by the Voting Deadline. Any failure to follow the voting instructions included with the Ballot may disqualify your Ballot and your vote. **Ballots cast by facsimile, e-mail or other electronic transmission will not be counted.**

6. If you have not received a Ballot and are entitled to vote on the Combined Disclosure Statement and Plan, you may request a Ballot and voting instructions appropriate for your Claim from the Voting Agent by (a) visiting the Debtor’s case website (<http://www.jndla.com/cases/verengo>); (b) telephoning the Voting Agent at (855) 839-5147; or (c) sending a written request to the Voting Agent at (i) first-class mail, personal delivery or overnight courier addressed to Verengo, Inc. Balloting Center, c/o JND Corporate Restructuring, 8269 E. 23rd Avenue, Suite 275, Denver, CO 80238. All submitted Ballots will be tabulated according to the rules set forth in the Conditional Approval and Procedures Order.

7. Objections, if any, to Confirmation of the Combined Disclosure Statement and Plan, including any supporting memoranda, must (i) be made in writing; (ii) state the name and address of the objecting party and the nature of the Claim or Equity Interest of such party; (iii) state with particularity the legal and factual basis and nature of any objection to the Combined Disclosure Statement and Plan; and (iv) be filed with the Bankruptcy Court, together with proof of service, and served so that they are received on or before **April 19, 2017, at 4:00 p.m. (prevailing Eastern Time)** (the “**Objection Deadline**”) by the following parties: (i) counsel to the Debtor, Bayard, P.A., 222 Delaware Avenue, Suite 900, Wilmington, DE 19801 (Attn: Scott D. Cousins, Esq. and Evan T. Miller, Esq.); (ii) counsel to Crius Solar Fulfillment, LLC, (i) Willkie Farr &

Gallagher LLP, 787 Seventh Avenue, New York, NY 10019, (Attn: Mark Getachew, Esq. and Paul Shalhoub, Esq.); and (ii) Young Conaway Stargatt & Taylor, LLP, Rodney Square 1000 North King Street, Wilmington, DE 19801 (Attn: Matthew B. Lunn, Esq. and Justin H. Rucki, Esq.); and (iv) counsel to the Office of the United States Trustee, 844 King Street, Suite 2207, Wilmington, DE 19801 (Attn: Mark S. Kenney, Esq.). Objections not timely filed and served in the manner set forth in the Conditional Approval and Procedures Order shall not be considered and shall be deemed overruled.

8. The Combined Disclosure Statement and Plan are on file with the Clerk of the Bankruptcy Court and may be examined by any interested party at the Clerk's office at any time during regular business hours or by accessing the Voting Agent by (a) visiting the Debtor's case website (<http://www.jndla.com/cases/verengo>); (b) telephoning the Voting Agent at (855) 839-5147; or (c) sending a written request to the Voting Agent by first-class mail, personal delivery or overnight courier addressed to Verengo, Inc. Balloting Center, c/o JND Corporate Restructuring, 8269 E. 23rd Avenue, Suite 275, Denver, CO 80238.. In addition, copies of the Plan and the Disclosure Statement may be obtained at or viewed on the Bankruptcy Court's website (<http://www.deb.uscourts.gov>) by following the directions for accessing the ECF system on such website.

9. Pursuant to Article XVI of the Combined Disclosure Statement and Plan, the Debtor seeks approval of the following release, discharge, injunction and exculpation provisions:

XVI.H. Releases and Related Matters

1. Releases by Debtor

As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtor, the Reorganized Debtor and any Person or Entity seeking to exercise the rights of the Debtor's estate, including, without limitation, any successor to the Debtor or any estate representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, shall be deemed to forever release, waive, and discharge each of the Protected Parties from any and all claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action (including Avoidance Actions), and liabilities whatsoever in connection with or related to the Debtor, the conduct of the Debtor's business, the Chapter 11 Case, or the Combined Disclosure Statement and Plan (other than the rights of the Debtor and the Reorganized Debtor to enforce the obligations under the Confirmation Order and the Combined Disclosure Statement and Plan and the contracts, instruments, releases, indentures, and other agreements or documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date in any way relating to the Debtor, the conduct of the Debtor's business, the Reorganized Debtor, the Chapter 11 Case, the Combined Disclosure Statement and Plan, and that may be asserted by or on behalf of the Debtor, the

Estate, or the Reorganized Debtor against (i) any of the present or former shareholders, directors, officers, employees or advisors of any of the Debtor, excluding claims resulting from gross negligence, willful misconduct, breach of fiduciary duty, self-interested transactions or intentional tort and (ii) any Professionals of the Debtor; provided, however, that nothing in this Article XIV.H. shall be deemed to prohibit the Reorganized Debtor from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any employee (including directors and officers) for alleged breach of confidentiality, or any other contractual obligations owed to the Debtor or the Reorganized Debtor, including non-compete and related agreements or obligations. Nothing herein constitutes a waiver of any right of the Reorganized Debtor to (i) enforce all rights and claims concerning any and all intellectual property (including, without limitation, trademarks, copyrights, patents, customer lists, trade secrets and confidential or proprietary business information), all of which rights are expressly reserved and not released and (ii) assert any defense based on whether or not applicable standards have been met.

2. Releases by Holders of Claims

As of the Effective Date and to the extent permitted under Delaware law, Holders of Claims and Interests (a) who are not Impaired under the Combined Disclosure Statement and Plan; or (b) who vote to accept the Combined Disclosure Statement and Plan; or (c) who abstain from voting on the Combined Disclosure Statement and Plan and elect not to opt out of the release contained in this paragraph, shall be deemed to have conclusively, absolutely, unconditionally, irrevocably and forever released and discharged the Debtor, the Reorganized Debtor and the present or former shareholders, directors, officers, employees or advisors of the Debtor (the “Releasees”) from any and all Claims (including Avoidance Actions), Interests, Causes of Action or Avoidance Actions that such Entity would have been legally entitled to assert (whether individually or collectively or directly, indirectly or derivatively, at law, in equity or otherwise), based on or relating to, or in any manner arising from, in whole or in part, the Debtor, the Debtor’s restructuring, the conduct of the Debtor’s business, the Chapter 11 Case, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Combined Disclosure Statement and Plan, the business or contractual arrangements between any Releasee and the Debtor, the restructuring of Claims and Interests prior to or in the Chapter 11 Case, the negotiation, formulation or preparation of the Combined Disclosure Statement and Plan, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the Effective Date, other than Claims or liabilities arising out of or relating to any act or omission of the Debtor, the Reorganized Debtor, or a Releasee that constitutes a failure to perform the duty to act in good faith, with the care of an ordinarily prudent person and in a manner the Debtor, the Reorganized Debtor, or the Releasee reasonably believed to be in the best interests of the Debtor (to the extent such duty is imposed by applicable non-bankruptcy law) where such failure to perform constitutes willful misconduct or gross negligence; provided, however,

that nothing in the Combined Disclosure Statement and Plan shall be deemed to prohibit any party from asserting or enforcing any direct contractual obligation against any Releasee, with all rights and defenses to such claims being reserved by the Releasees.

XVI.I. Discharge of the Debtor

(a) Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise provided herein or in the Confirmation Order, all consideration distributed under the Combined Disclosure Statement and Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release, effective as of the Effective Date, of all Claims, Interests and Causes of Action of any nature whatsoever, including any interest accrued on such 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 Debtor or any of its assets or properties and, regardless of whether any property shall have been abandoned by order of the Bankruptcy Court, retained, or distributed pursuant to the Combined Disclosure Statement and Plan on account of such Claims and Interests, including demands, liabilities and Causes of Action that arose before the Effective Date, and all debts of the kind specified in section 502 of the Bankruptcy Code, whether or not (i) a Proof of Claim based upon such debt is Filed or deemed Filed under section 501 of the Bankruptcy Code, (ii) a Claim based upon such debt is Allowed under section 502 of the Bankruptcy Code, (iii) a Claim based upon such debt is or has been disallowed by order of the Bankruptcy Court, or (iv) the Holder of a Claim based upon such debt accepted the Combined Disclosure Statement and Plan. The Combined Disclosure Statement and Plan shall bind all Holders of Claims and Interests, notwithstanding whether any such Holders failed to vote to accept or reject the Combined Disclosure Statement and Plan or votes to reject the Combined Disclosure Statement and Plan.

(b) As of the Effective Date, except as provided in the Combined Disclosure Statement and Plan or the Confirmation Order, Persons shall be precluded from asserting against the Debtor or the Reorganized Debtor or any of their assets or properties, any other or further claims, debts, rights, Causes of Action, claims for relief, liabilities, or equity interests relating to the Debtor based upon any act, omission, transaction, occurrence, or other activity of any nature that occurred prior to the Effective Date. In accordance with the foregoing, except as provided in the Combined Disclosure Statement and Plan or the Confirmation Order, the Confirmation Order shall be a judicial determination, as of the Effective Date, of discharge of all such Claims and other debts and liabilities against the Debtor and termination of all Common Equity Interests, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge shall void any judgment obtained against the Debtor at any time, to the extent that such judgment relates to a discharged Claim.

J. Injunction

(a) Except as provided in the Combined Disclosure Statement and Plan or the Confirmation Order, as of the Effective Date, all Persons that have held, currently hold, may hold, or allege that they hold, a Claim or other debt or liability that is discharged pursuant to Article XIV.I of the Combined Disclosure Statement and Plan, released pursuant to Article XIV.H of the Combined Disclosure Statement and Plan, or are subject to exculpation pursuant to Article XIV.K of the Combined Disclosure Statement and Plan are permanently enjoined from taking any of the following actions against the Debtor, the Reorganized Debtor, and their respective affiliates or their property on account of any such discharged Claims, debts, or liabilities or terminated Interests or rights: (i) commencing or continuing, in any manner or in any place, any action or other proceeding of any kind; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Debtor, the Reorganized Debtor or its property; (iii) creating, perfecting, or enforcing any Lien or encumbrance; (iv) asserting a right of setoff, recoupment or subrogation of any kind against any debt, liability, or obligation due to the Debtor or the Reorganized Debtor; or (v) commencing or continuing any action, in each such case in any manner, in any place, or against any Person that does not comply with or is inconsistent with the provisions of the Combined Disclosure Statement and Plan.

(b) Without limiting the effect of the foregoing provisions of this Article XIV.J upon any Person, by accepting Distributions pursuant to the Combined Disclosure Statement and Plan, each Holder of an Allowed Claim receiving a Distribution pursuant to the Combined Disclosure Statement and Plan shall be deemed to have specifically consented to the injunctions set forth in this Article XIV.J.

(c) Nothing in this Article XIV.J shall impair (i) the rights of any Holder of a Disputed Claim to establish its Claim in response to an objection Filed by the Debtor or the Reorganized Debtor, (ii) the rights of any defendant in an Avoidance Action Filed by the Debtor to assert defenses in such action, or (iii) the rights of any party to an Executory Contract or Unexpired Lease that has been assumed by the Debtor pursuant to an order of the Bankruptcy Court or the provisions of the Combined Disclosure Statement and Plan to enforce such assumed contract or lease.

K. Exculpation and Limitations of Liability

(a) On the Effective Date, the Protected Parties shall neither have, nor incur any liability to any Holder of a Claim or an Interest, the Debtor, the Reorganized Debtor, or any other party-in-interest, or any of their respective agents, employees, representatives, advisors, attorneys, or affiliates, or any of their successors or assigns, for any pre-petition or post-petition act or omission in connection with, relating to, or arising out of, the Chapter 11 Case, the formulation, negotiation, or implementation of the Combined Disclosure Statement and Plan, the solicitation of acceptances of the Combined Disclosure Statement and Plan, the pursuit of Confirmation of the Combined Disclosure Statement and Plan, the Confirmation of the Combined Disclosure Statement and Plan, the consummation of the Combined

Disclosure Statement and Plan, or the administration of the Combined Disclosure Statement and Plan or the property to be distributed under the Combined Disclosure Statement and Plan, except for acts or omissions that are the result of fraud, gross negligence, or willful misconduct; provided further, however, that the foregoing is not intended to limit or otherwise impact any defense of qualified immunity that may be available under applicable law; provided further, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Combined Disclosure Statement and Plan; provided still further, that the foregoing Exculpation shall not be deemed to, release, affect, or limit any of the rights and obligations of the Protected Parties from, or exculpate the Protected Parties with respect to, any of the Protected Parties' obligations or covenants arising pursuant to the Combined Disclosure Statement and Plan or the Confirmation Order.

(b) Notwithstanding any other provision of the Combined Disclosure Statement and Plan, no Holder of a Claim or an Interest, the Debtor, the Reorganized Debtor, no other party-in-interest, none of their respective agents, employees, representatives, advisors, attorneys, or affiliates, and none of their respective successors or assigns shall have any right of action against any of the Protected Parties for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Case, the formulation, negotiation, or implementation of the Combined Disclosure Statement and Plan, solicitation of acceptances of the Combined Disclosure Statement and Plan, the pursuit of Confirmation of the Combined Disclosure Statement and Plan, the Confirmation of the Combined Disclosure Statement and Plan, the consummation of the Combined Disclosure Statement and Plan, or the administration of the Combined Disclosure Statement and Plan or the property to be distributed under the Combined Disclosure Statement and Plan, except for acts or omissions which are the result of fraud, gross negligence, or willful misconduct.

L. Abrogation of Successor Liability

To the extent permitted pursuant to applicable law, the transfer of property of the Debtor to the Reorganized Debtor shall be free and clear of any claim, or resulting liability, that the Reorganized Debtor and the Combined Disclosure Statement and Crius are to any extent a successor to any of the Debtor under any state or federal statutory or common law relating to successor liability, or any claim that an entity is legally responsible for the debts or liabilities of another entity as a successor to, continuation of, or participant in a de facto or actual merger with, the other entity, under any theory or legal doctrine of any type or nature whatsoever. To the extent permitted pursuant to applicable law, none of the Reorganized Debtor or the Combined Disclosure Statement and Crius shall be, or shall be deemed to be, a successor to any of the Debtors for any purpose.

M. Term of Injunctions or Stays

Unless otherwise provided herein or in the Confirmation Order, all injunctions or stays provided for in the Chapter 11 Case under sections 105 or 362 of the Bankruptcy Code or otherwise, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Combined Disclosure Statement and Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date.

Dated: March 29, 2017
Wilmington, Delaware

BAYARD, P.A.

/s/ Evan T. Miller

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