

Arandell Restructuring Vendor FAQ – August 13, 2020

1. Why did Arandell Corporation file for Chapter 11?

- Earlier today, Arandell voluntarily filed for business reorganization under Chapter 11 to address the financial challenges caused by the COVID-19 pandemic. This process will strengthen our business, position the Company for future success and enable us to continue to deliver exceptional products and services to our clients.
- It is important to note that this action will have no impact on the day-to-day operations of the company. We are well positioned – including with significant liquidity – to enable us to meet the same high standards of quality and reliability our customers have come to expect. We are also committed to maintaining productive relationships with our vendors.

2. How has COVID-19 impacted the business?

- The COVID-19 situation has had a material impact on our employees, communities, clients and vendors – and will continue to have an impact in the months ahead. In the first half of the year, many of our clients were hard hit by the crisis, leading to significant reductions in our production schedule. In addition, several clients filed for bankruptcy, and were unable to pay us for completed work.
- Our leadership continues to take the necessary steps to fortify our operations and effectively execute our critical role during this time while making sure the health and safety of our employees, customers and visitors remains our top priority. The reorganization process under Chapter 11 will help us do just that.
- We will continue to provide our clients with the same high standards of quality and reliability they expect. We are also working closely with our vendors to support our mutual success.
- The support we are receiving from our lenders through this process will help us to manage through the unprecedented near-term challenges presented by COVID-19 as well as position Arandell for the future.

3. How will the filing affect day-to-day operations at Arandell? Does Arandell have sufficient liquidity to continue operating throughout this process?

- This process will not impact the day-to-day operations of the company. We will continue to serve our clients with the same high standards of quality and reliability they expect.
- We are working closely with our lenders in this process and have received commitments for \$31.5 million in debtor-in-possession (“DIP”) financing from our revolving lenders along with an accounts receivable factor subject to the satisfaction of certain closing conditions. Following court approval, this financing, combined with cash on hand and generated through our ongoing operations, is expected to be sufficient to support our operational and restructuring needs throughout the court-supervised process.

- 4. When will Arandell complete the court-supervised process? Is the process going to take longer because of COVID-19?**
 - We are committed to moving through this process as efficiently as possible by working closely with a team of experienced advisors. Although there is not a definitive timeline to share today, we will keep you informed of important milestones as the process moves forward.

- 5. What does this mean for vendors?**
 - The important actions we are taking are designed to strengthen our business and help us become an even stronger partner for you.

 - We are operating our business and remain focused on providing our clients with the same high standards of quality and reliability they expect, and we are committed to maintaining productive relationships with all our vendors.

- 6. Will I be paid for goods and services provided to Arandell on or after the filing date?**
 - We intend to pay vendors in full for goods and services received on or after the filing date as usual under customary terms. In addition, we are seeking the Bankruptcy Court's permission to pay for ordinary course cash on delivery transactions that were in process at the time of the filing. As noted above, we have sufficient liquidity to continue operating our business safely and efficiently.

- 7. Will I be paid for goods and services provided to Arandell *prior* to the filing date?**
 - Under U.S. law, unpaid debts for goods and services received by Arandell prior to the filing date, also known as "pre-petition claims," generally cannot be paid without specific court approval. However, we are seeking the Bankruptcy Court's permission to pay for ordinary course cash on delivery transactions that were in process at the time of the filing.

 - Any other pre-petition claims for such goods and services will be addressed as part of the court-supervised process. Court filings and information about the claims process are available at <http://www.bmcgroup.com/arandell>, by calling the Company's claims agent, BMC Group, Inc., at 888-909-0100 (toll-free in the U.S.) or +1 310-321-5555 (for parties outside the U.S.) or sending an email to callcenter@bmcgroup.com.

- 8. Will Arandell pay invoices after the filing date on the same schedule that was used before the Chapter 11 filing?**
 - Yes. Arandell intends to pay all vendors in full for goods and services received on or after the filing date as usual under customary terms.

- 9. Will the Company continue to order goods and services from its vendors?**
 - Yes. Arandell intends to continue to place orders and receive goods and services and to pay all vendors in full for goods and services received on or after the filing date as usual under customary terms.

- 10. Can I take back my goods?**
 - It is against the law to take back goods from a company that has filed for Chapter 11 without following the applicable procedures under the Bankruptcy Code.

11. Can vendors renegotiate or terminate the terms of their contracts with Arandell?

- Arandell intends to maintain its relationships with vendors, and we expect vendors to honor existing commitments.
- If you have a contract with Arandell, bankruptcy law requires that you continue to perform services or provide goods under that agreement unless otherwise ordered by the court.
- We value our relationship with you and are committed to working closely with you.
- During this process, we will continue to rely on you to provide the goods and services necessary for us to offer our customers the quality products and services that they have come to expect from Arandell.

12. Why should I continue to do business with Arandell?

- Importantly, we are continuing to pay our vendors as usual under customary terms for goods and services received on or after the filing date. In addition, we are seeking the Bankruptcy Court's permission to pay for ordinary course cash on delivery transactions that were in process at the time of the filing.
- We have sufficient liquidity to continue operating our business safely and efficiently, and we remain committed to serving our clients with the same high standards of quality and reliability they expect.
- At Arandell, we have built our success on providing the highest quality products and services to our clients. Much of that success is because of the sound relationships we have with our vendors, which we greatly value and intend to maintain through the reorganization process. We're confident this process will strengthen our company, positioning us to continue great partnerships with our vendors, allowing us to provide high quality service long into the future.

13. How do I file a proof of claim?

- Arandell's claims agent, BMC Group, will make available the appropriate forms once a deadline for filing claims has been set.
- Proof of claim forms and other information about the claims process are available at <http://www.bmcgroup.com/arandell>, by calling the Company's claims agent, BMC Group, Inc., at 888-909-0100 (toll-free in the U.S.) or +1 310-321-5555 (for parties outside the U.S.) or sending an email to callcenter@bmcgroup.com.

14. How can I obtain more information?

- Please reach out to your usual Arandell contact with any further questions.
- Additional information regarding Arandell's restructuring is also available at www.Arandellrestructuring.com.