

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re

KIT digital, Inc.,

Debtor.

Chapter 11

Case No. 13-11298 (REG)

NOTICE OF  
HEARING TO CONSIDER  
CONFIRMATION OF THE DEBTOR'S PLAN OF  
REORGANIZATION AND RELATED VOTING AND OBJECTION DEADLINES

**TO: ALL HOLDERS OF CLAIMS, INTERESTS AND PARTIES IN INTEREST IN THE ABOVE-CAPTIONED CHAPTER 11 CASE<sup>1</sup>**

**PLEASE TAKE NOTICE OF THE FOLLOWING:**

**A. Approval of the Disclosure Statement and Solicitation and Voting Procedures.** On June 17, 2013, the United States Bankruptcy Court for the Southern District of New York (the "**Court**") entered an order (the "**Disclosure Statement Order**") pursuant to which the Court: (a) authorized the above-captioned debtor and debtor in possession (the "**Debtor**") to solicit acceptances for the Debtor's *First Amended Plan of Reorganization*, dated June 15, 2013 (as may be amended from time to time, the "**Plan**"); (b) approved procedures for soliciting, receiving and tabulating votes on the Plan and for filing objections to the Plan; and (c) approved the *Debtor's First Amended Disclosure Statement Pursuant to Section 1125 of the Bankruptcy Code*, dated June 15, 2013 (as may be amended from time to time, the "**Disclosure Statement**").

**B. The Confirmation Hearing Date.** The hearing at which the Court will consider confirmation of the Plan (the "**Confirmation Hearing**") will commence at **9:30 a.m., prevailing Eastern Time, on August 5, 2013**, before the Honorable Robert E. Gerber, United States Bankruptcy Judge, in the United States Bankruptcy Court for the Southern District of New York, located at One Bowling Green, Courtroom No. 523, New York, New York, 10004.

**PLEASE BE ADVISED:** THE CONFIRMATION HEARING MAY BE CONTINUED FROM TIME TO TIME BY THE COURT OR THE DEBTOR WITHOUT FURTHER NOTICE OTHER THAN BY SUCH ADJOURNMENT BEING ANNOUNCED IN OPEN COURT AND/OR THE FILING BY THE DEBTOR OF A NOTICE OF ADJOURNMENT WITH SUCH NOTICE POSTED ON THE DEBTOR'S RESTRUCTURING WEBSITE AT [WWW.AMERICANLEGALCLAIMS.COM/KDI](http://WWW.AMERICANLEGALCLAIMS.COM/KDI) AND SERVED ON ALL PARTIES ENTITLED TO NOTICE.

<sup>1</sup> Terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Disclosure Statement Order.

## **CRITICAL INFORMATION REGARDING VOTING ON THE PLAN**

A. **Voting Record Date**. The voting record date is June 10, 2013 (the “*Voting Record Date*”), which is the date for determining which Holders of Claims and Holders of Interests in Classes 2, 4, 5, 6 and 7 (each as defined in the Plan) are entitled to vote on the Plan.

B. **Voting Deadline**. The deadline for voting on the Plan is **July 18, 2013, 4:00 p.m. prevailing Eastern Time** (the “*Voting Deadline*”); provided, however, that prior to the expiration of the Voting Deadline, the Debtor shall have the ability to extend the Voting Deadline in its sole discretion by filing with the Court a notice of extension served on all parties entitled to notice. If you received a solicitation package, including a Ballot, and intend to vote on the Plan, in order for your vote to be counted you must: (a) follow the instructions carefully; (b) complete all the required information on the Ballot; and (c) execute and return your completed Ballot so that it is **actually received** by American Legal Claims Services, LLC (the “*Notice, Claims and Solicitation Agent*”) or your Nominee (as applicable) according to and as set forth in detail in the voting instructions on or before the Voting Deadline. *A failure to follow such instructions may disqualify your vote.*

## **CRITICAL INFORMATION REGARDING OBJECTING TO THE PLAN**

A. **Release, Exculpation and Injunction Provisions**. **THE PLAN CONTAINS A SERIES OF RELEASES THAT ARE PART OF THE OVERALL SETTLEMENT OF VARIOUS POTENTIAL CLAIMS AND INTERESTS. IN THAT RESPECT, PARTIES SHOULD BE AWARE THAT, IF THE PLAN IS CONFIRMED AND IF THE EFFECTIVE DATE OCCURS, CERTAIN PARTIES WILL BE GETTING RELEASES AND CERTAIN PARTIES WILL BE GIVING RELEASES AS SET FORTH IN ARTICLE XII OF THE PLAN AND ARTICLE XVIII OF THE DISCLOSURE STATEMENT.**

B. **Plan Objection Deadline**. The deadline for filing objections to the Plan is **July 15, 2013, 5:00 p.m. prevailing Eastern Time** (the “*Plan Objection Deadline*”); provided, however, that the Debtor may extend, in its sole discretion, the Plan Objection Deadline applicable to individual parties.

C. **Objections to the Plan**. All objections, if any, to the Plan must: (a) be in writing; (b) conform to the Bankruptcy Rules, the Local Rules and any orders of the Court; (c) state the name and address of the objecting party and the amount and nature of the Claim or Interest of such Entity; (d) state with particularity the basis and nature of any objection to the Plan and, if practicable, a proposed modification to the Plan that would resolve such objection; and (e) be filed, contemporaneously with a proof of service, with the Court and served so that it is actually received no later than the Plan Objection Deadline by the following parties (the “*Notice Parties*”):

**Debtor**

KIT digital, Inc.  
26 West 17th Street 2nd Floor  
New York, New York 10011  
Attn: Fabrice Hamaide

**United States Trustee**

Office of the United States Trustee for the  
Southern District of New York  
33 Whitehall Street, 21<sup>st</sup> Floor  
New York, New York 10004  
Attn: Paul K. Schwartzberg

**Counsel to the Official Committee of  
Unsecured Creditors**

Cooley LLP  
1114 Avenue of the Americas  
New York, New York 10036  
Attn: Cathy R. Hershcopf, Jeffrey L. Cohen  
and Michael A. Klein

**Counsel to the Official  
Committee of Equity Security Holders**

Brown Rudnick LLP  
Seven Times Square  
New York, NY 10036  
Attn: William R. Baldiga and Bennett S.  
Silverberg

**Counsel to the Debtor**

Bracewell & Giuliani LLP  
1251 Avenue of the Americas  
New York, New York 10020  
Attn: Jennifer Feldsher and Robert Burns

**Counsel to JEC Capital Partners, LLC**

Kasowitz, Benson, Torres & Friedman LLP,  
1633 Broadway  
New York, New York 10019  
Attn: Andrew K. Glenn and Jeffrey R. Gleit

**Counsel to Prescott Group Capital  
Management, L.L.C.**

Frederic Dorwart, Lawyers  
124 East Fourth Street  
Tulsa, Oklahoma 74103-5010  
Attn: Samuel S. Ory

**ADDITIONAL INFORMATION**

**A. Filing the Plan Supplement.** The Debtor will file the Plan Supplement, as defined in the Plan, at least five (5) days prior to the Voting Deadline, and will serve notice on the parties entitled to notice that will: (a) inform parties that the Debtor filed the Plan Supplement; (b) list the information contained in the Plan Supplement; and (c) explain how parties may obtain copies of the Plan Supplement.

**B. Obtaining Solicitation Materials.** If you received solicitation package materials in CD-ROM format and desire paper copies, or if you need to obtain additional solicitation packages, you may (a) contact the Notice, Claims and Solicitation Agent by telephone at (904) 517-1442 within the U.S. or, outside of the U.S., at (877) 504-2575, or by writing to KIT digital, Inc., c/o American Claims Legal Services, LLC: (i) by first-class mail - KIT digital, Inc., c/o American Claims Legal Services, LLC, P.O. Box 23650, Jacksonville, FL 32241-3650; or (ii) by hand delivery or overnight mail - KIT digital, Inc., c/o American Claims Legal Services, LLC, 5985 Richard Street, Ste. 3, Jacksonville, FL 32216 or (b) downloading such documents (excluding the Ballots) from the Debtor's restructuring website at [www.americanlegalclaims.com/KDI](http://www.americanlegalclaims.com/KDI). Copies of these documents may also be obtained for a fee by visiting the Bankruptcy Court's website at <http://www.nysb.uscourts.gov>. Please be advised that the Notice, Claims and Solicitation Agent is not permitted to provide legal advice.

**BINDING NATURE OF THE PLAN:**

THE PLAN SHALL BIND ALL HOLDERS OF CLAIMS AND INTERESTS TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THE PLAN, HAS FILED A PROOF OF CLAIM OR INTEREST IN THE DEBTOR'S CHAPTER 11 CASE, FAILED TO VOTE TO ACCEPT OR REJECT THE PLAN OR VOTED TO REJECT THE PLAN.

