

UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
Charlotte Division

In re:) Chapter 11
)
PORTRAIT INNOVATIONS, INC., et al.) Case No. 17-31455
)
Debtors.¹) (Jointly Administered)
_____)

**NOTICE OF HEARING
ON THE DISCLOSURE STATEMENT FOR THE DEBTORS' JOINT PLAN
OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE
TO ALL HOLDERS OF CLAIMS AND INTERESTS AND PARTIES IN INTEREST:**

PLEASE TAKE NOTICE THAT on September 8, 2017, the above-captioned debtors and debtors-in-possession (the "Debtors") filed: (a) the *Disclosure Statement for the Debtors' Joint Chapter 11 Plan of Reorganization* (the "Disclosure Statement"); (b) the *Debtors' Joint Chapter 11 Plan of Reorganization* (the "Plan"); and (c) the *Debtors' Motion for Entry of an Order: (a) Approving the Disclosure Statement, (b) Approving Certain Dates Related to Confirmation of the Plan, (c) Approving Certain Voting Procedures and the Form of Certain Documents to be Distributed in Connection with Solicitation of the Plan, and (d) Approving Proposed Voting and General Tabulation Procedures* (the "Motion").²

PLEASE TAKE FURTHER NOTICE THAT a hearing to consider the entry of an order finding that, among other things, the Disclosure Statement contains "adequate information" within the meaning contained in section 1125 of the Bankruptcy Code and approving the Disclosure Statement will commence on **October 12, 2017 at 9:30 a.m. prevailing Eastern Time** in the United States Bankruptcy Court for the Western District of North Carolina, located at 401 West Trade Street, Courtroom 1-4, Charlotte, NC 28202 (the "Disclosure Statement Hearing"). Please be advised that the Disclosure Statement Hearing may be continued from time to time by the Court or the Debtors without further notice other than by such adjournment being announced in open court or by a notice of adjournment filed with the Court and served on (a) all entities that have filed a request for service of filings in the Chapter 11 Cases pursuant to Bankruptcy Rule 2002 and (b) other parties entitled to notice.

PLEASE TAKE FURTHER NOTICE THAT if you would like to obtain a copy of the Disclosure Statement, the Plan or related documents, you should contact Rust Consulting/Omni Bankruptcy, the claims agent retained by the Debtors in these Chapter

¹ The Debtors in these jointly administered cases are the following entities (the last four digits of their respective taxpayer identification numbers follow in parentheses): Portrait Innovations, Inc. (9394) and Portrait Innovations Holding Company (5553). The Debtors' address is 2016 Ayrley Town Center Boulevard, Suite 200, Charlotte, North Carolina 28273.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion, the Plan or the Disclosure Statement, as applicable.

11 Cases by: (a) (i) accessing the Administrative Agent’s website at www.omnimgt.com/PortraitInnovations; (ii) submitting a request in writing to Portrait Innovations, Inc., C/O Rust Omni, 5955 DeSoto Avenue, Suite 100, Woodland Hills, CA 91367; or (iii) by calling 818-906-8300 within the U.S. or Canada or (b) for a fee via PACER at <https://ecf.ncwb.uscourts.gov>.

PLEASE TAKE FURTHER NOTICE THAT at the Disclosure Statement Hearing, the Debtors shall seek to establish October 9, 2017 at 5:00 p.m. prevailing Eastern Time as the Voting Record Date for determining the Holders of Claims eligible to vote on the Plan.

PLEASE TAKE FURTHER NOTICE THAT responses and objections, if any, to the approval of the Disclosure Statement, or any of the other relief sought by the Debtors in connection with the approval of the Disclosure Statement, must be made pursuant to Local Bankruptcy Rule 9013-1. Responses or objections, if any, must also be filed with the Bankruptcy Court and served by first-class mail upon each of the following parties so as to be received no later than **5:00 p.m. prevailing Eastern Time on October 6, 2017 at 5:00 p.m. prevailing Eastern Time (the “Objection Deadline”)**:

<p>John R. Miller, Jr. Paul R. Baynard Benjamin E. Shook Rayburn Cooper & Durham, P.A. 227 West Trade Street, Suite 1200 Charlotte, NC 28202</p> <p><i>Counsel to Debtors</i></p>	<p>Charles A. Dale III Margaret R. Westbrook Aaron S. Rothman K&L Gates LLP 214 N. Tryon Street Charlotte, NC 28202</p> <p><i>Counsel to the Noteholders</i></p>
<p>Office of the U.S. Bankruptcy Administrator 402 West Trade Street, Room 200 Charlotte, NC 28202</p> <p><i>Bankruptcy Administrator for the Western District of NC</i></p>	

[REMAINDER OF PAGE INTENTIONALLY BLANK]

This is the 8th day of September 2017.

By: /s/ John R. Miller, Jr.
John R. Miller, Jr.
N.C. State Bar No. 28689
Paul R. Baynard
N.C. State Bar No. 15769
Benjamin E. Shook
N.C. State Bar No. 44793
Rayburn Cooper & Durham, P.A.
227 West Trade Street, Suite 1200
Charlotte, NC 28202
Telephone: (704) 334-0891
Facsimile: (704) 377-1897
E-mail: jmiller@rcdlaw.net
pbaynard@rcdlaw.net
bshook@rcdlaw.net

*Proposed Counsel for Debtors and
Debtors-in-Possession*