

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

IN RE:

PORTRAIT INNOVATIONS, INC., et al.

Debtors.¹

Case No. 17-31455

Chapter 11

(Jointly Administered)

**DECLARATION OF CATHERINE NOWNES-WHITAKER
OF RUST CONSULTING/OMNI BANKRUPTCY REGARDING
CERTIFICATION OF BALLOTS CAST WITH RESPECT TO
DEBTORS' AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION**

I, Catherine Nownes-Whitaker, hereby declare that the following is true to the best of my knowledge, information, and belief:²

1. I am over the age of 18 and competent to testify and make this declaration (the “**Declaration**”). I am an employee of Rust Consulting/Omni Bankruptcy (“**Rust Omni**”), the court-approved Claims, Ballot, and Notice Agent in the above-captioned chapter 11 cases.

2. I submit this Declaration pursuant to *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 the Solicitation of the Plan, and (D) Approving Proposed Voting and General Tabulation Procedures* [Docket No. 197] (the “**Solicitation Procedures Order**”), with respect to the

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 All capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed to them in the Plan.

balloting process for the *Debtors' Amended Joint Chapter 11 Plan of Reorganization* [Docket No. 191] (the “**Plan**”), as amended. I am authorized to submit this Declaration on behalf of Rust Omni and the Debtors. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein. As to statements of fact of which I do not have direct personal knowledge, I understand and believe them to be true based upon information gathered from other employees of Rust Omni, my review of relevant documents and Court pleadings, and information provided to me by the Debtors and the Debtors’ advisors. If called as a witness, I could and would competently testify as to all of the matters stated herein.

3. In accordance with the *Order Appointing Rust Consulting/Omni Bankruptcy as Claims, Ballot, and Notice Agent* [Docket No. 78], Rust Omni was authorized to assist the Debtors in connection with, *inter alia*, soliciting, receiving, and tabulating Ballots with respect to the Plan.

I. Service and Transmittal of Solicitation Packages and Related Information

4. Pursuant to the Plan and Solicitation Procedures Order, Holders of Claims or Interests in Classes 3 and 4 (collectively, the “**Voting Classes**”) were solicited. The procedures for the solicitation and tabulation of votes on the Plan are set forth in the Solicitation Procedures Order and its attached Solicitation Procedures for Amended Joint Chapter 11 Plan of Reorganization, Dated 10/16/2017 (the “**Voting Procedures**”).

5. Rust Omni served Solicitation Packages on Holders of Claims or Interests in Voting Classes in the manner required by section C of the Solicitation Procedures. The persons originally served are recorded the Affidavit of Service [Docket No. 226]. On November 11, 2017 the Debtors filed Amended Schedule E/F [Docket No. 244]. The affected parties were served

with the solicitation package and are recorded on the Supplemental Affidavit of Service [Docket No. 263] and the Second Supplemental Affidavit of Service [Docket No. 264].

II. General Tabulation Procedures

6. Rust Omni was required to review and tabulate the Ballots as provided by paragraphs 16 and 17 of the Solicitation Procedures Order and section D of the Solicitation Procedures. I was primarily responsible for supervising the employees of Rust Omni in connection with the tabulation of the Ballots.

7. In general, to be counted, the Ballot must have been properly completed in accordance with the Solicitation Procedures Order and executed by the relevant Holder, or such Holder’s authorized representative, and must have been received by Rust Omni by the deadline of November 30, 2017 by 5:00 PM prevailing Eastern Time (the “**Voting Deadline**”). The Voting Procedures set forth other reasons why a Ballot would not be counted.

III. Voting Results

8. I hereby certify that attached hereto as **Exhibit A** and **Exhibit B** are detailed ballot tabulation reports (the “**Ballot Reports**”) of all Ballots received by the Voting Deadline from the holders of Claims in class 3 and 4 (the “**Counted Ballots**”), which were the only Classes entitled to vote on the Plan. Copies of all the Counted Ballots are available for inspection upon request. The chart below is the final tabulation of votes cast by timely and properly completed Ballots.

Class 3 – Noteholder Claims		Result
Ballots Received	3 votes accepting the Plan 0 votes rejecting the Plan	Accept
Acceptance	100% in number of votes accepting the Plan 100% in dollar amount accepting the Plan (\$15,000,000.00)	
Rejection	0% in number of votes rejecting the Plan 0% in dollar amount rejecting Plan (\$0.00)	

Ballots Received	15 votes accepting the Plan 1 vote rejecting the Plan	Accept
Acceptance	93.75% in number of votes accepting the Plan 99.16% in dollar amount accepting the Plan (\$608,527.05)	
Rejection	6.25% in number of votes rejecting the Plan 0.84% in dollar amount rejecting Plan (\$5,171.02)	

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: December 4, 2017

Respectfully submitted,



Catherine Nownes-Whitaker

Exhibit A

Debtor: Portrait Innovations, Inc.
Case No. 17-31455
Claims Ballot Detail Results
Class 3 - Noteholder Claims

Class Summary | Voting Outcome: **Accepted**

Total Received	Total Valid	Accepted	Rejected	Invalid
3	3	3	0	0
	\$15,000,000.00	100.00%	0.00%	
		\$15,000,000.00	\$0.00	
		100.00%	0.00%	

Votes: 3
 Vote %: 100.00%
 Amt: \$15,000,000.00
 Amt %: 100.00%

Creditor	Ballot #	Clm Sch	Date Received	Tabulated Vote Amount	Vote	Comment
CAPITAL SOUTH PARTNERS FLORIDA SIDECAR FUND II	13	S-864	11/28/2017	\$6,000,000.00	Accept	
CAPITAL SOUTH PARTNERS FUND II LP	11	S-865	11/28/2017	\$900,000.00	Accept	
CAPITAL SOUTH PARTNERS SBIC FUND III LP	12	S-866	11/28/2017	\$8,100,000.00	Accept	

Thursday, November 30, 2017

RUST CONSULTING | OMNI BANKRUPTCY
 5955 DE SOTO AVENUE, SUITE 100
 WOODLAND HILLS, CA 91367

Visit us on the Web at www.omnimgt.com
 E-Mail: claimsmanager@omnimgt.com

17-31455 - Page 1 of 1

PHONE: (818) 906-8300
 FAX: (818) 704-0415

Exhibit B

Debtor: Portrait Innovations, Inc.
Case No. 17-31455
Claims Ballot Detail Results
Class 4 - General Unsecured Claims

Class Summary Voting Outcome: **Accepted**

Total Received	Total Valid	Accepted	Rejected	Invalid
18	16	15	1	2
# Votes:		93.75%	6.25%	
Vote %:	\$613,698.07	\$608,527.05	\$5,171.02	
Amt:		99.16%	0.84%	
Amt %:				

Creditor	Ballot #	Clm Sch	Date Received	Tabulated Vote Amount	Vote	Comment
3503 RP WACO CENTRAL LIMITED PARTNERSHIP	17	C-164	11/29/2017	\$71,965.80	Accept	Claimant wrote in \$72,142.79 as ballot amount, but is tabulated at claim amount.
AUTHORITY HVAC	5	S-915	11/20/2017	\$11,059.55	Accept	Claimant wrote in \$14,241.10 as ballot amount but is tabulated at scheduled amount. No claim has been filed.
BALTIMORE GAS AND ELECTRIC CO.	4	C-40 & C-41	11/16/2017	\$0.00	Invalid	Vote not indicated
CH SHOPPES LLC	14	C-241	11/29/2017	\$118,278.38	Accept	
CITY OF LOVELAND	7	C-34	11/20/2017	\$430.95	Accept	
CRESTVIEW HILLS TOWN CENTER, LLC	3	C-107	11/16/2017	\$8,103.13	Accept	
DENNY MFG CO, INC.	2	S-1071	11/13/2017	\$130.00	Accept	Claimant wrote in \$2,358.00 as ballot amount but is tabulated at Schedule amount. No claim is filed.
DISKCOPY LLC	9	C-71	11/27/2017	\$23,561.39	Accept	Claimant did not write any amount as a ballot amount but is tabulated at claim amount
JADE PIG VENTURES - RIVERTOWN, LLC	10	C-79 & C-80	11/27/2017	\$69,230.72	Accept	
MICHELE CHIOCCA AND TERESA CHIOCCA	6	S-1069	11/20/2017	\$5,171.02	Reject	Claimant wrote in \$6,377.77 as ballot amount but is tabulated at scheduled amount. No claim has been filed.
MILLCREEK MARKETPLACE, LLC	15	C-199	11/29/2017	\$92,578.95	Accept	
ORLAND PARK CROSSING, LLC	19	C-70	11/30/2017	\$124,690.41	Accept	
PECO ENERGY COMPANY	20	C-159	11/30/2017	\$1,152.64	Accept	
PP-GASTON MALL, LLC	8	S-1033	11/20/2017	\$5,054.49	Accept	

Thursday, November 30, 2017

17-31455 - Page 1 of 2

RUST CONSULTING | OMNI BANKRUPTCY
 5955 DE SOTO AVENUE, SUITE 100
 WOODLAND HILLS, CA 91367

Visit us on the Web at www.omnimgt.com
 E-Mail: claimsmanager@omnimgt.com

PHONE: (818) 906-8300
 FAX: (818) 704-0415

Debtor: Portrait Innovations, Inc.
Case No. 17-31455
Claims Ballot Detail Results
Class 4 - General Unsecured Claims

Creditor	Ballot #	Clm Sch	Date Received	Tabulated Vote Amount	Vote	Comment
RPAI COLLEGE STATION GATEWAY III, L.L.C.	18	C-161	11/29/2017	\$72,509.90	Accept	Claimant wrote in \$72,689.89 as ballot amount, but is tabulated at claim amount.
RPALLANSING EASTWOOD, L.L.C.	16	C-162	11/29/2017	\$8,761.52	Accept	Claimant wrote in \$8,911.52 as ballot amount, but is tabulated at claim amount.
TRI-PLAYER INVESTMENTS, L.L.C.	21	C-198	11/30/2017	\$0.00	Invalid	Late filed ballot. Ballot received after voting deadline time.
TXU ENERGY RETAIL COMPANY LLC	1	C-66	11/6/2017	\$1,019.22	Accept	

Thursday, November 30, 2017

17-31455 - Page 2 of 2

RUST CONSULTING | OMNI BANKRUPTCY
 5955 DE SOTO AVENUE, SUITE 100
 WOODLAND HILLS, CA 91367

Visit us on the Web at www.omnimgt.com
 E-Mail: claimsmanager@omnimgt.com

PHONE: (818) 906-8300
 FAX: (818) 704-0415