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Chapter 11 Trustee

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF UTAH, CENTRAL DIVISION**

In re

VIDANGEL, INC.,

Debtor.

Bankruptcy No. 17-29073 (KRA)

Chapter 11

CHAPTER 11 TRUSTEE'S MOTION FOR AN ORDER (i) APPROVING DISCLOSURE STATEMENT WITH RESPECT TO DEBTOR'S PLAN OF REORGANIZATION, (ii) ESTABLISHING VOTING RECORD DATE, (iii) APPROVING SOLICITATION PROCEDURES, FORM OF BALLOTS, AND MANNER OF NOTICE, AND (iv) FIXING THE DEADLINE FOR FILING OBJECTIONS TO THE CONFIRMATION OF THE PLAN

George Hofmann, in his capacity as the Chapter 11 Trustee (the "Trustee") of VidAngel, Inc. (the "Debtor"), hereby moves this Court (the "Motion") for entry of an Order approving the Disclosure Statement with Respect to Plan of Reorganization (the "Disclosure Statement") and granting certain relief. Among other things, by this Motion the Trustee seeks the Court's approval of necessary voting procedures and deadlines, including the establishment of a voting record date, the approval of solicitation procedures, approval of a form of ballot and notice, and the establishment of a deadline

for the filing of objections to confirmation of the Plan of Reorganization (the “Plan”). In support of the Motion, the Trustee respectfully states as follows:

GENERAL BACKGROUND

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) on October 18, 2017 (the “Petition Date”).

3. On August 28, 2019, the Court entered its Order appointing the Trustee, and the Trustee was appointed as the Debtor’s Chapter 11 Trustee on that same date.

4. Prior to the Trustee’s appointment, the Debtor operated its business as a debtor-in-possession under Bankruptcy Code §§ 1107 and 1108.

RELIEF REQUESTED

5. By this Motion, and pursuant to Bankruptcy Code §§ 105, 502, 1106, 1125, 1126 and 1128 and Federal Rules of Bankruptcy Procedure 2002, 3003, 3017, 3018 and 3020, the Trustee seeks entry of an Order substantially in the form attached hereto as Exhibit A (the “Disclosure Statement Order”) (a) approving the form and content of the Disclosure Statement, (b) approving the proposed solicitation procedures (including establishing, for voting purposes only, a record date for the holders of Claims),¹ (c) approving the form of ballots and balloting instructions, (d) establishing

¹ All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Plan or Disclosure Statement.

procedures for tabulating votes on the Plan, and (e) setting the date for the Confirmation Hearing (as defined below).

THE DISCLOSURE STATEMENT

6. Pursuant to Bankruptcy Code § 1125, a plan proponent must provide holders of impaired claims with “adequate information” regarding a proposed plan of reorganization. Bankruptcy Code § 1125(a)(1) provides, in pertinent part, as follows:

“[A]dequate information” means information of a kind, and in sufficient detail, as far as is reasonably practicable in light of the nature and history of the debtor and the condition of the debtor’s books and records . . . that would enable such a hypothetical reasonable investor typical of holders of claims or interests of the relevant class to make an informed judgment about the plan

11 U.S.C. § 1125(a)(1).

7. A disclosure statement must provide information that is “reasonably practicable” to permit an “informed judgment” by impaired creditors entitled to vote on the plan of reorganization. See In re Dakota Rail, Inc., 104 B.R. 138, 142 (Bankr. D. Minn. 1989); In re Copy Crafters Quickprint, Inc., 92 B.R. 973, 979 (Bankr. N.D.N.Y. 1988) (adequacy of disclosure statement “is to be determined on a case specific basis under a flexible standard that can promote the policy of Chapter 11 towards fair settlement through a negotiation process between informed interested parties”).

8. In examining the adequacy of the information contained in a disclosure statement, the Bankruptcy Court has broad discretion. See Texas Extrusion Corp. v. Lockheed Corp. (In re Texas Extrusion Corp.), 844 F.2d 1142, 1157 (5th Cir. 1988), cert. denied, 488 U.S. 926 (1988); see also Dakota Rail, 104 B.R. at 143 (court has

“wide discretion to determine . . . whether a disclosure statement contains adequate information without burdensome, unnecessary and cumbersome detail”).

9. The grant of discretion was intended to facilitate effective reorganization of a debtor in the broad range of businesses in which Chapter 11 debtors engage, and the broad range of circumstances that accompany Chapter 11 cases. See H.R. Rep. No. 595, 95th Cong. 1st Sess. 40809 (1977). “In reorganization cases, there is frequently great uncertainty. Therefore, the need for flexibility is greatest.” Id. at 409.

Accordingly, the determination of whether a disclosure statement contains adequate information is to be made on a case-by-case basis, focusing on the unique facts and circumstances of each case.

10. Courts generally examine whether the disclosure statement contains, if applicable, the following types of information:

- a. the circumstances that gave rise to the filing of the bankruptcy petition;
- b. a complete description of the available assets and their value;
- c. the anticipated future of the debtor;
- d. the source of the information provided in the disclosure statement;
- e. a disclaimer, which typically indicates that no statements or information concerning the debtor or its assets or securities are authorized, other than those set forth in the disclosure statement;
- f. the condition and performance of the debtor while in Chapter 11;
- g. information regarding claims against the estate;
- h. a liquidation analysis setting forth the estimated return creditors would receive under Chapter 7;
- i. the accounting and valuation methods used to produce financial information in the disclosure statement;

- j. information regarding the future management of the debtor including the amount of compensation to be paid to any insiders, directors and/or officers of the debtor;
- k. a summary of the plan of reorganization;
- l. an estimate of all administrative expenses, including attorneys' fees and accountants' fees;
- m. the collectability of any accounts receivable;
- n. any financial information, valuations or pro forma objections that would be relevant to creditors' determinations of whether to accept or reject the plan;
- o. information relevant to the risks being taken by the creditors and interest holders;
- p. the actual or projected value that can be obtained from avoidable transfers;
- q. the existence, likelihood and possible success of non-bankruptcy litigation;
- r. the tax consequences of the plan; and
- s. the relationship of the debtor with its affiliates.

See, e.g., In re Scioto Valley Mortgage Co., 88 B.R. 168, 170-71 (Bankr. S.D. Ohio 1988).

11. The Trustee respectfully submits that the Disclosure Statement contains more than ample information to satisfy the categories set forth above.

12. Accordingly, the Trustee submits that the Disclosure Statement contains adequate information within the meaning of Bankruptcy Code § 1125, and, thus, should be approved.

SOLICITATION PROCEDURES

A. Establishing Record Date for the Holders of Claims.

13. Bankruptcy Rule 3017(d) provides that, for the purposes of voting solicitation, “creditors and equity security holders shall include holders of stock, bonds, debentures, notes and other securities of record on the date the order approving the disclosure statement is entered or another date fixed by the court, after notice and a hearing.” Bankruptcy Rule 3018(a) contains a similar provision regarding determination of the record date. In accordance with the Bankruptcy Rules, the record date is typically the date that the disclosure statement is approved. Accordingly, the Trustee requests that entry date of the order approving the Disclosure Statement be established as the “Record Date” for purposes of voting on the Plan.²

B. Effect of Record Date for the Holders of Claims.

14. Pursuant to the Plan, the holders of Claims in Classes 1-4 and 6, and the holders of Interests in Class 5, are entitled to vote (collectively, the “Voting Classes”). As a result of the Record Date, the Trustee proposes that only the following holders of Claims and Interests in the Voting Classes be entitled to vote with regard to such Claims and Interests (including Interests, the “Voting Claims”): (a) the holders of filed proofs of claim as reflected, as of the close of business on the Record Date, on the official Claims Register maintained by the Clerk of this Court, that have not been objected to as of the Record Date, (b) the holders of scheduled claims that are listed in the Debtor’s Schedules as not contingent, unliquidated or disputed Claims (excluding scheduled Claims that have been superseded by a filed proof of claim); provided,

² The establishment of this Record Date is for voting purposes only and shall have no preclusive effect with regard to who is entitled to receive distributions under the Plan.

however, that the assignee of a transferred and assigned claim (whether a filed or scheduled claim) shall be permitted to vote such claim only if evidence of the transfer and assignment has been filed with the Court by the assignee in accordance with Federal Rule of Bankruptcy Procedure 3001 as of the close of business on the Record Date; and (c) the holders of Interests as of the Record Date.

15. The Trustee further proposes that holders of Claims shall not be permitted to vote on the Plan if their claims are subject to a pending objection on the Record Date or, with respect to transferred and assigned Claims, there is an objection to the transfer, filed in accordance with Federal Rule of Bankruptcy Procedure 3001, pending on the close of business on the Record Date. For the avoidance of doubt, the Trustee is not, through this Motion, seeking to disallow the Copyright Creditors from voting their Claims, *provided, however*, that the Trustee reserves all rights against the Copyright Creditors, including the right to: (i) estimate the Copyright Creditors' Claims under Bankruptcy Code § 502(c); (ii) seek reconsideration of such Claims under Bankruptcy Code § 502(j); (iii) subordinate such claims under Bankruptcy Code § 510(c); (iv) designate such Claims under Bankruptcy Code § 1126(e); (v) seek a determination that the Copyright Creditors' Claims are unimpaired by this Plan, such that they are deemed to accept the Plan. The Trustee would seek to enforce such rights through a separately filed motion, objection, or adversary proceeding with the Court.

16. The Trustee submits that the foregoing procedures are reasonable and should be approved.

C. Form of Ballots.

17. Bankruptcy Rule 3018(c) provides, in relevant part, as follows:

Form of Acceptance or Rejection. An acceptance or rejection shall be in writing, identify the plan or plans accepted or rejected, be signed by the creditor or equity security holder or authorized agent, and conform to the appropriate official form.

Fed. R. Bank. P. 3018(c).

18. The Trustee proposes to mail a ballot (with instructions), substantially in the form of the ballot (with instructions) attached hereto as Exhibit B (the "Ballots"), to each holder of a claim in the Voting Classes, *provided, however*, that the Trustee proposes to send the Ballots and other solicitation materials to holders of Class 4 Credit Holders' Claims and Class 5 Interests by email, in a procedure similar to the procedure approved by the Court in the *Stipulated Order: (i) Fixing a Bar Date for Filing Customer Claims; (ii) Approving the Form and Method of Providing the Bar Date Notice; (iii) Approving the Mailing Procedures; and (iv) Approving the Form of Amended Schedules E/F* [Docket No. 568] (the "Customer Claims Order"). As was approved in the Customer Claims Order, the Trustee intends to use a web form to allow holders of Credit Holders' Claims and holders of Equity Interests to vote on the Plan. The web form will include identical or substantially identical information and selection options as the information in the Ballots. The Trustee understands that the Debtor traditionally has communicated to holders of Equity Interests by email. To the extent that holders of Equity Interests have "unsubscribed" from the Debtor's email listserv for such persons, the Trustee shall mail Ballots to such persons. The form of ballots complies with Bankruptcy Rule 3018(c) and is based substantially on Official Form No. 14. The form of ballots, however, was modified to address the particular needs of this case. Accordingly, the Trustee submits that the Ballots (and instructions) should be approved in all respects.

D. Procedures for Solicitation of Votes.

19. Bankruptcy Rule 3017(d) sets forth the materials that must be provided to holders of Claims and Equity Interests for purposes of soliciting their votes on a plan of reorganization. Under the Plan, as set forth above, only holders of Claims and Interests in the Voting Classes are entitled to vote to accept or reject the Plan.

20. On or before a date to be set by the Court, the Trustee proposes to mail, email, or cause to be mailed or emailed, solicitation packages (the “Solicitation Packages”), which will include the following:

- a. Notice of the Confirmation Hearing and related matters (the “Notice”), setting forth the time fixed for filing acceptances and rejections to the Plan, the time fixed for filing objections to confirmation of the Plan, and the date and time of the Confirmation Hearing;
- b. a copy of the Disclosure Statement, as approved by the Court (with exhibits including the Plan); and
- c. a Ballot (with instructions), substantially in the form approved by the Court, to the holders of Claims and Interests in impaired Classes.

21. The Trustee proposes to mail the Solicitation Packages to the holders of Voting Claims, *provided, however*, that the Trustee will email the Solicitation Packages to holders of Credit Holders’ Claims and Interests, and will cause the Debtor to create a web form for holders of Credit Holders’ Claims and holders of Interests to vote on the Plan.

E. Voting Deadline for Receipt of Ballots.

22. The Trustee anticipates commencing the solicitation period as soon as possible and intends to mail all Solicitation Packages on or before the deadline established by the Court. Pursuant to Bankruptcy Rule 3017(c), the Trustee proposes

that, in order to be counted as votes to reject the Plan, all Ballots must be properly executed, completed and delivered to the Trustee by mail (in the return envelope provided with each Ballot), by overnight mail, by personal delivery, or by filling out and submitting a response on the web form (for holders of Credit Holders' Claims and Interests) so that the Ballots or web form responses are received by the undersigned counsel for the Trustee no later than 4:00 p.m. Mountain Time on a date to be fixed by the Court (the "**Voting Deadline**").

23. The Trustee requests a Voting Deadline that will be sufficient to provide creditors with the opportunity to review and analyze the Plan, but will not delay any more than necessary the process for obtaining confirmation of the Plan.

F. Tabulation Procedures for Holders of Claims.

24. The Trustee proposes that, for purposes of voting, the amount of a claim used to tabulate acceptance or rejection of the Plan shall be the lesser of (i) the amount set forth on the Ballot for that particular creditor, or (ii) one of the following:

- a. the amount allowed by order of the Court;
- b. the amount set forth as a claim in the Debtor's Schedules (as amended, as of the Record Holder Date) that is not listed as contingent, unliquidated or disputed (excluding scheduled Claims that have been superseded by filed Claims);

c. the amount set forth on a timely³ filed proof of claim that has not been disallowed, disqualified, suspended, reduced or estimated and temporarily allowed for voting purposes prior to computation of the vote on the Plan;

d. the amount estimated and temporarily allowed with respect to a Claim pursuant to an order of this Court; or

e. with respect to Interests, the number of shares held by such holder.

25. Pursuant to sections 105 and 1126 of the Bankruptcy Code, the Trustee requests that the Court direct as follows with respect to all Ballots submitted by the holders of a Claim or Interest:

a. any Ballot that is properly completed, executed and timely returned to the Trustee that does not indicate an acceptance or rejection of the Plan shall be deemed a vote to accept the Plan;

b. any Ballot which is returned to the Trustee indicating acceptance or rejection of the Plan, but which is unsigned, shall not be counted;

c. whenever a holder of a Claim casts more than one Ballot voting the same claim before the Voting Deadline, only the last timely Ballot received by the Trustee shall be counted; provided, however, that if the Trustee is unable to determine which timely Ballot last was received, the Ballot accepting the Plan shall be counted;

d. if a holder of a Claim casts simultaneous duplicative Ballots voted inconsistently, then such Ballots shall count as one vote accepting the Plan;

³ A proof of claim is timely only if (a) it is filed on or before the applicable proof of claim deadline, or (b) if filed after the applicable bar date, on or before the Record Holder Date the Court has entered an order permitting the holder of the Claim to file a late-filed proof of claim.

e. each holder of a Claim shall be deemed to have voted the full amount of its Claim, and each holder of Interests shall be deemed to have voted all of its shares;

f. each holder of any Claim shall be entitled to vote all of the Claims it holds, and shall be entitled to cast several Ballots, to be counted separately, in determining numerical voting count as to each Claim within a particular class;

g. any Ballots that partially reject and partially accept the Plan shall be deemed to be a vote for acceptance of the Plan;

h. unless the Trustee (in its sole and absolute discretion) waives the manner of delivery as to a particular Claim or Ballot, any Ballot received by the Trustee by telecopier, facsimile or other electronic transmission (excepting the web form for holders of Credit Holders' Claims and Interests) shall not be counted; and

i. at any time until or during the hearing on confirmation of the Plan, the holder of any Claim who timely returned a Ballot rejecting the Plan may, in writing, amend its Ballot to accept the Plan.

26. The Trustee submits that establishing the tabulation procedures set forth above is necessary to avert any confusion resulting from incompletely or inconsistently executed ballots and will simplify the voting and tabulation process.

CONFIRMATION HEARING AND OBJECTION DEADLINE

27. Pursuant to Bankruptcy Rule 2002, a plan proponent is required to give creditors and equity interest holders not less than 28 days notice by mail of the time fixed for filing objections to, and the hearing on, confirmation of a plan of reorganization.

28. In order to avoid confusion regarding any objection to the Plan and the accompanying delay, the Trustee requests that the Court direct that any objections or proposed modifications to the Plan be in writing, state the name and address of the objecting party, the amount of its claim or the nature of its interest, and the nature of the objection or modification and the legal basis therefore, and be filed with and received by the Court, and served upon and received no later than the date set by the Court as the Voting Deadline, by (i) the Clerk, United States Bankruptcy Court, Room 301, United States Courthouse, 350 South Main Street, Salt Lake City, Utah 84101; (ii) counsel to the Trustee, George Hofmann, Cohne Kinghorn, 111 East Broadway, 11th Floor, Salt Lake City, Utah 84111; and (iii) the Office of the United States Trustee, 405 South Main Street, Suite 300, Salt Lake City, Utah 84111.

29. At the hearing on the Motion, the Trustee intends to request a date and time for a hearing at which the Court shall determine whether to confirm the Plan.

WHEREFORE, the Trustee respectfully requests the Court to enter an Order granting the relief sought herein and for such other and further relief as is just.

Dated: March 5, 2020

COHNE KINGHORN, P.C.

/s/ Jeffrey Trousdale

GEORGE HOFMANN

MATTHEW M. BOLEY

JEFFREY TROUSDALE

Attorneys for the Chapter 11 Trustee

EXHIBIT A
Order Approving Disclosure Statement

PREPARED AND SUBMITTED BY:

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Matthew M. Boley (8536)
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Attorneys for George Hofmann,
Chapter 11 Trustee

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF UTAH, CENTRAL DIVISION**

<p>In re VIDANGEL, INC., Debtor.</p>	<p>Bankruptcy No. 17-29073 (KRA) Chapter 11</p>
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ORDER (i) APPROVING DISCLOSURE STATEMENT WITH RESPECT TO TRUSTEE’S PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE, (ii) ESTABLISHING VOTING RECORD DATE, (iii) APPROVING SOLICITATION PROCEDURES, FORMS OF BALLOTS, AND MANNER OF NOTICE, AND (iv) FIXING THE DEADLINE FOR FILING OBJECTIONS TO THE CONFIRMATION OF THE PLAN, AND REDUCING TIME FOR CONFIRMATION HEARING AND OBJECTIONS TO CONFIRMATION

A hearing having been held on April 10, 2020 (the “Hearing”) to consider the motion (the “Motion”) of George Hofmann, the Chapter 11 Trustee (the “Trustee”) of

VidAngel, Inc. (the “Debtor”), seeking, inter alia, approval pursuant to Bankruptcy Code § 1125 of the proposed disclosure statement on file with the Court and approval of certain proposed procedures in connection with confirmation of the Trustee’s Chapter 11 Plan (the “Plan”), and it appearing from the certificates of service on file with this Court that adequate and sufficient notice of the Hearing was given; and all appearances at the hearing having been duly noted on the record of the Hearing, and each of the objections, if any, filed to the proposed disclosure statement or the Motion having been either (a) withdrawn or rendered moot by modifications to the disclosure statement or (b) overruled by the Court; and the Trustee, having made the conforming additions, changes, corrections and deletions to the disclosure statement necessary to comport with the record of the Hearing and the agreements, if any, reached with any parties that had filed objections, a copy of which revised disclosure statement is attached hereto as Exhibit A (the “Disclosure Statement”); and, upon the Motion, the Disclosure Statement and the record of the Hearing and upon all of the proceedings heretofore had before the Court and after due deliberation and sufficient cause appearing, therefore it is

ORDERED, FOUND AND DETERMINED THAT:

1. The Disclosure Statement contains adequate information within the meaning of Bankruptcy Code § 1125.
2. The Disclosure Statement and the Motion are hereby approved.
3. For voting purposes and mailing of notices pursuant to this Order, the date of the entry of this Order shall be the “Record Date” for the holders of Claims.⁴

⁴ All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Plan or Disclosure Statement.

4. Only the following holders of Claims and Interests in the Voting Classes (as defined in the Motion) shall be entitled to vote with regard to such Claims (a) the holders of filed proofs of claim as reflected, as of the close of business on the Record Date, on the official claims register maintained by the Clerk of this Court, that have not been objected to as of the Record Date, (b) the holders of scheduled claims that are not listed in the Debtor's Schedules as contingent, unliquidated, or disputed claims (excluding scheduled claims that have been superseded by a filed proof of claim); and (c) the holders of Interests in the Debtor. The holders of transferred and assigned claims (whether a filed or scheduled claim) shall be permitted to vote such claims unless the transfer of such filed or scheduled claims has been objected to by the transferor within the time permitted by Federal Rule of Bankruptcy Procedure 3001 and such objection to transfer is pending or has been sustained by the Court before the close of business on the Record Date. Holders of Claims shall not be permitted to vote on the Plan if their Claims are subject to a pending objection on the Record Date.

5. With respect to holders of Claims in Classes 1, 2, 3, and 6, the Trustee shall mail a ballot (with instructions), substantially in the form of the ballots (with instructions) attached hereto as Exhibit B (the "Ballots"), to each holder of a claim in the Voting Classes under the Plan.

6. With respect to holders of Claims and Interests in Classes 4 and 5, the Trustee shall email the Ballots, with instructions, to each holder of such Claims or Interests, and shall provide a link to a "web form" by which such holders may vote their Claim or Interest. To the extent that any holder of a Class 5 Interests has

“unsubscribed” from the Debtor’s email listserv for such persons, the Trustee shall provide notice to such holder by mail.

7. The Trustee shall deposit or cause to be deposited in the United States mail, postage prepaid, a solicitation package (the “Solicitation Package”), which shall include the following:

- a. Notice of the Confirmation Hearing and related matters setting forth the time fixed for filing objections to confirmation of the Plan, and the date and time of the Confirmation Hearing; and
- b. a copy of the Disclosure Statement, as approved by the Court (with exhibits including the Plan); and
- c. a ballot (with instructions), in substantially the form approved by the Court.

8. The Trustee shall mail the Solicitation Packages to the holders of Voting Claims (as defined in the Motion), *provided, however*, that the Trustee shall email the Solicitation Packages to holders of Class 4 Claims and holders of Class 5 Interests. To the extent that any holder of a Class 5 Interests has “unsubscribed” from the Debtor’s email listserv for such persons, the Trustee shall provide notice to such holder by mail.

9. All persons and entities entitled to vote on the Plan shall deliver their Ballots by mail, hand deliver or overnight courier to the Trustee’s counsel at:

George Hofmann
VidAngel, Inc.
c/o Ballot Tabulation
111 East Broadway, 11th Floor
Salt Lake City, Utah 84111

provided, however, that holders of Class 4 Claim and holders of Class 5 Interests shall be entitled to vote on the Plan using the web form that will be included in the email sent to such holders for voting. Ballots submitted by facsimile shall not be counted.

10. For purposes of voting, the amount of a claim or interest used to tabulate acceptance or rejection of the Plan shall be the amount set forth on the ballots for that particular creditor or interest holder, which shall be one of the following:

- a. the amount allowed by order of the Court;
- b. the amount set forth as a claim in the Debtor's Schedules (as amended, as of the Record Holder Date) that is not listed as contingent, unliquidated or disputed (excluding scheduled Claims that have been superseded by filed Claims);
- c. the amount set forth on a timely⁵ filed proof of claim that has not been disallowed, disqualified, suspended, reduced or estimated and temporarily allowed for voting purposes prior to computation of the vote on the Plan;
- d. the amount estimated and temporarily allowed with respect to a Claim pursuant to an order of this Court; or
- e. with respect to Interests, the number of shares held by such holder.

11. With respect to Ballots submitted by a holder of a Claim or Interest:

- a. any Ballot that is properly completed, executed and timely returned to the Trustee that does not indicate an acceptance or rejection of the Plan shall be deemed a vote to accept the Plan;
- b. any Ballot which is returned to the Trustee indicating acceptance or rejection of the Plan, but which is unsigned, shall not be counted;

⁵ A proof of claim is timely only if (a) it is filed on or before the applicable proof of claim deadline, or (b) if filed after the applicable bar date, on or before the Record Holder Date the Court has entered an order permitting the holder of the Claim to file a late-filed proof of claim.

c. whenever a holder of a Claim casts more than one Ballot voting the same claim before the Voting Deadline, only the last timely Ballot received by the Trustee shall be counted; provided, however, that if the Trustee is unable to determine which timely Ballot last was received, the Ballot accepting the Plan shall be counted;

d. if a holder of a Claim casts simultaneous duplicative Ballots voted inconsistently, then such Ballots shall count as one vote accepting the Plan;

e. each holder of a Claim shall be deemed to have voted the full amount of its Claim, and each holder of Interests shall be deemed to have voted all of its shares;

f. each holder of any Claim or Interest shall be entitled to vote all of the Claims or Interests it holds, and shall be entitled to cast several Ballots, to be counted separately, in determining numerical voting count as to each Claim within a particular class;

g. any Ballots that partially reject and partially accept the Plan shall be deemed to be a vote for acceptance of the Plan;

h. unless the Trustee (in its sole and absolute discretion) waives the manner of delivery as to a particular Claim or Ballot, any Ballot received by the Trustee by telecopier, facsimile or other electronic transmission (excepting the web form for holders of Credit Holders' Claims and holders of Interests) shall not be counted; and

i. at any time until or during the hearing on confirmation of the Plan, the holder of any Claim or Interest who timely returned a Ballot rejecting the Plan may, in writing, amend its Ballot to accept the Plan.

12. The Confirmation Hearing of the Plan is scheduled for June --, 2020 at --:-- a.m./p.m., at the United States Bankruptcy Court at 350 South Main Street, Salt Lake City, Utah 84101, in Courtroom 376. This hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date(s) at said hearing and at any adjourned hearing(s).

13. The deadline to vote on the Plan shall be May --, 2020, at 4:00 p.m., prevailing Mountain Time.

14. Any objection to confirmation of the Plan must be filed with the Clerk of the Bankruptcy Court, together with proof of service, no later than May --, 2020, and must be served so as to be received by them no later than May --, 2020 on: (i) the Clerk, United States Bankruptcy Court, Room 301, United States Courthouse, 350 South Main Street, Salt Lake City, Utah 84101; (ii) counsel to the Trustee, George Hofmann, Cohne Kinghorn, 111 East Broadway, 11th Floor, Salt Lake City, Utah 84111; and (iii) the Office of the United States Trustee, 405 South Main Street, Suite 300, Salt Lake City, Utah 84111. Any objection to confirmation of the Plan must be in writing and (a) must state the name and address of the objecting party and the amount of its Claims or the nature of its interest and (b) must state, with particularity, the nature of its objection.

--- END OF ORDER ---

EXHIBIT B
Sample Ballot (Class 2)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

In re: VIDANGEL, INC. Debtor.	Bankruptcy No. 17-29073 Chapter 11 Honorable Kevin R. Anderson
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BALLOT

Class 2 – GENERAL UNSECURED CLAIMS

Pursuant to 11 U.S.C. § 1125, George Hofmann, the Chapter 11 Trustee (the “Trustee”) of VidAngel, Inc. (the “Debtor”) hereby solicits your vote as a holder of a Class 2 Claim referred to in the accompanying *Disclosure Statement with Respect to Plan of Reorganization* (the “Disclosure Statement”) and, attached as Exhibit 1 thereto, the *Plan of Reorganization dated March 5, 2020* (the “Plan”). Capitalized terms used in this Ballot and not otherwise defined herein have the meanings specified in the Plan and Disclosure Statement. You should review the Disclosure Statement and Plan carefully before you vote.

The Plan can be confirmed by the Bankruptcy Court and thereby made binding on a Class of Claims or Interests if it is accepted by the holders of two-thirds in amount and more than one-half in number of Claims in a Class that actually votes on the Plan. To have your vote count, you must complete, sign and return this Ballot on or before the deadline stated below. If the Plan is confirmed by the Bankruptcy Court, it will be binding on you even if you do not vote. If you hold Claims or Equity Interests in more than one Class, you should receive a separate Ballot for each such Class of Claims or Interests. If you believe that you have a Claim in a Class for which you did not receive a Ballot, you may request a Ballot by contacting the Trustee pursuant to the instructions contained at the end of this Ballot. If you hold more than one Claim in a Class, you must vote all of your Claims in such Class either to accept or reject the Plan. Any ballot marked so as to partially reject and partially accept the Plan will be counted a vote to accept the Plan. The Trustee reserves the right to disqualify any vote represented by a Ballot that has been modified or altered by any creditor.

Item 1. AMOUNT OF CLASS 2 CLAIM

The Person who executes this Ballot or on whose behalf this Ballot is executed holds a Class 2 Claim in the amount of \$ _____.

Item 2. CLASS 2 CREDITOR VOTE

The holder of the Claim set forth in Item 1 above hereby (please check one):

Accepts the Plan

Rejects the Plan

Item 3. CERTIFICATION

The undersigned, as the holder (or authorized representative thereof) of the Claim in the amount set forth in Item 1, certifies that he or she has received and reviewed a copy of the Disclosure Statement.

BEFORE DELIVERING YOUR BALLOT TO THE TRUSTEE PLEASE CONFIRM THAT YOU HAVE:

- (a) inserted the information required by Item 1;
- (b) cast one vote to accept or reject the Plan by checking the appropriate box in Item 2; and
- (c) signed and dated this Ballot (and provided the other information) on page 2.

PLEASE MAIL YOUR BALLOT PROMPTLY! YOUR VOTE WILL NOT BE COUNTED UNLESS YOUR SIGNED BALLOT IS RECEIVED BY 4:00 P.M., MOUNTAIN TIME, ON JUNE --, 2020.

Date Completed: _____

Signature of holder of Claim, or authorized representative

Please print name of signer, and capacity to sign if representative

Social Security Number or Taxpayer Identification Number

Name of holder of Claim (Please print or type)

(Fill in area to right)

Street Address

City, State and Zip Code

Telephone Number

**COMPLETED BALLOTS SHOULD BE RETURNED BY MESSENGER, MAIL OR OVERNIGHT COURIER,
OR USE THE POSTAGE PRE-PAID ENVELOPE PROVIDED TO:**

**VidAngel, Inc., c/o Ballot Tabulation
Cohne Kinghorn, P.C.
111 East Broadway, 11th Floor
Salt Lake City, Utah 84111**

CONVENIENCE CLAIM ELECTION

Sections 4.2(d) of the Plan describes the right of any creditor holding a Class 2 Claim to make a “Convenience Claim Election.” Creditors who wish to opt in to the Class 6 – Convenience Class must voluntarily reduce their claim to \$5,000.00, waive any liens or collateral rights, and waive any right to “priority” status. Convenience Claims in an amount not to exceed \$5,000.00 will be paid in full on the Initial Distribution Date under the Plan. If you wish to make a “Convenience Class Election” you make so indicated below:

- After reviewing the Plan, including the Article I definitions of a “Convenience Claim” and “Convenience Claim Election” and Sections 4.2(d) and 4.6, and with full knowledge and understanding regarding the consequences of the election, the holder of the Claim whose name is printed above hereby voluntarily makes a “Convenience Claim Election” as defined in the Plan. Among other things, the holder of the Claim voluntarily and irrevocably opts and elects (a) to reduce the amount of its claim to \$5,000.00, (b) to waive any actual or potential liens or collateral rights, and (c) to waive its right, if applicable, to a “Priority Claim.” As such, this Ballot should be tabulated and included as a vote in Class 6 (and not the Class identified at the top of this Ballot).

The holder of the Claim set forth in Item 1 above hereby (please check one):

- Accepts the Plan**
- Rejects the Plan**

Authorized Signature: _____ Date: _____

Please complete the form at the top of this page, above, by providing (1) the name of the holder of the claim, (2) the name of the authorized signer, (3) SSN or Tax ID, (4) address and (5) telephone number.

IF YOU HAVE ANY QUESTIONS

REGARDING THIS BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED A BALLOT OR ADDITIONAL COPIES OF THE DISCLOSURE STATEMENT OR OTHER ENCLOSED MATERIALS, PLEASE CONTACT COUNSEL FOR THE TRUSTEE, GEORGE HOFMANN, (A) BY MAIL AT THE ABOVE-STATED ADDRESS, (B) VIA E-MAIL AT jtrousdale@ck.law, (C) VIA FACSIMILE AT 801.363.4378, OR (D) BY TELEPHONE AT 801.363.4300.