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Co-Counsel for the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

| | | |
|--|---|-------------------------|
| In re: |) | |
| |) | Chapter 11 |
| BARNEYS NEW YORK, INC., <i>et al.</i> , ¹ |) | Case No. 19-36300 (CGM) |
| |) | |
| Debtors. |) | (Jointly Administered) |
| |) | |

NOTICE OF CANCELLATION OF AUCTION

PLEASE TAKE NOTICE that on August 22, 2019, the United States Bankruptcy Court for the Southern District of New York (the “Court”) entered the *Order (I) Approving the Bidding Procedures, (II) Scheduling the Bid Deadlines and the Auction, (III) Approving the Form and Manner of Notice Thereof, and (IV) Granting Related Relief* [Docket No. 156] (the “Bidding Procedures Order”),² approving procedures authorizing the Debtors to market the Assets and to conduct an Auction for their Sale.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Barneys New York, Inc. (1818); Barney’s Inc. (2980); BNY Catering, Inc. (4434); BNY Licensing Corp. (4177); and Barneys Asia Co. LLC (0819). The location of the Debtors’ service address is 575 Fifth Avenue, New York, New York 10017.

² All capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Bidding Procedures Order.

PLEASE TAKE FURTHER NOTICE that on September 3, 2019, the Debtors filed the *Notice of Filing of Revised Bidding Procedures* [Docket No. 200] (as amended, supplemented, or modified from time to time, the “Bidding Procedures”), amending the Bidding Procedures Order.

PLEASE TAKE FURTHER NOTICE that on October 16, 2019, the Debtors entered into a Stalking Horse Purchase Agreement. *See Notice of Entry into Stalking Horse Purchase Agreement and Related Deadlines Under the Bidding Procedures* [Docket No. 356].

PLEASE TAKE FURTHER NOTICE that the Debtors, in furtherance of a value-maximizing going concern transaction, have undertaken and continue to undertake a robust, transparent marketing process pursuant to which the Debtors:

- negotiated and accepted a stalking horse bid of more than \$270 million from Authentic Brands Group, B. Riley, and certain of their respective affiliates;
- extended, in consultation and with the consent of the Consultation Parties, the bid deadline by 24 hours to facilitate the submission of qualified bids; and
- received another bid.

PLEASE TAKE FURTHER NOTICE that pursuant to the Bidding Procedures Order and Bidding Procedures, the Court authorized the Debtors, in consultation with the Consultation Parties, to cancel the Auction. *See Bidding Procedures Order at § V.*

PLEASE TAKE FURTHER NOTICE that the Debtors, in consultation with the Consultation Parties, have determined to cancel the Auction under the present facts and circumstances.

PLEASE TAKE FURTHER NOTICE that the Debtors shall seek approval of the Sale Transaction at the Sale Hearing scheduled to commence on **October 31, 2019 at 10:00 a.m.** prevailing Eastern Time (the “Sale Hearing”) before the Honorable Cecelia G. Morris, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of New York, at the United States 4 Bankruptcy Court for the Southern District of New York, 355 Main Street, Poughkeepsie, New York 12601.

PLEASE TAKE FURTHER NOTICE that the Debtors informed the Court that they are mindful of their fiduciary obligations and their rights under the Stalking Horse Purchase Agreement should facts and circumstances change between now and the Sale Hearing.

PLEASE TAKE FURTHER NOTICE that the Stalking Horse Purchase Agreement provides that the Debtors and their respective officers, directors, or members are entitled to take any action in furtherance of, or to refrain from taking any action to the extent inconsistent with, their fiduciary obligations, subject to the Bid Protections.

PLEASE TAKE FURTHER NOTICE that copies of the Bidding Procedures Order, the Bidding Procedures, all related exhibits, and other documents from these chapter 11 cases are available: (a) upon request to Stretto (the notice and claims agent retained in these chapter 11 cases) by calling (855) 202-8711 (toll free) or, for international callers, (949) 346-

3310; (b) by visiting the website maintained in these chapter 11 cases at <http://case.stretto.com/barneys>; or (c) for a fee via PACER by visiting <http://www.nysb.uscourts.gov>.

Dated: October 24, 2019
New York, New York

/s/ Joshua A. Sussberg, P.C.

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