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

**In re:**

**BORDERS GROUP, INC., *et al.*,<sup>1</sup>**

**Debtors.**

**Chapter 11**

**Case No. 11-10614 (MG)**

**(Jointly Administered)**

**NOTICE OF ORDER APPROVING THE DISCLOSURE STATEMENT  
AND THE SOLICITATION AND VOTING PROCEDURES;  
SCHEDULING THE PLAN CONFIRMATION PROCESS;  
AND GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE THAT:

1. By order, entered on November 14, 2011 (the “Disclosure Statement Order”), the United States Bankruptcy Court for the Southern District of New York approved the Disclosure Statement Relating to the First Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors and the Official Committee of Unsecured Creditors, dated November 10, 2011 (as the same has been or may be amended, the “Disclosure Statement”), filed by Borders Group, Inc. (“BGI”) and its affiliated debtors, as debtors and debtors in possession (collectively, the “Debtors”), and directed the Debtors to solicit votes to

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<sup>1</sup> The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Borders Group, Inc. (4588); Borders International Services, Inc. (5075); Borders, Inc. (4285); Borders Direct, LLC (0084); Borders Properties, Inc. (7978); Borders Online, Inc. (8425); Borders Online, LLC (8996); and BGP (UK) Limited.

accept or reject the First Amended Joint Plan of Liquidation Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors and the Official Committee of Unsecured Creditors, dated November 10, 2011 (as the same has been or may be amended, the “Plan”), annexed as Exhibit “A” to the Disclosure Statement. The Disclosure Statement and Plan may be examined by interested parties by accessing the website [www.bordersdisclosurestatement.com](http://www.bordersdisclosurestatement.com) or by contacting the Debtors’ voting agent, The Garden City Group, Inc. at (877) 906-7675.

2. The Disclosure Statement Order establishes November 10, 2011 as the record date for determining the holders of claims in Class 3 (General Unsecured Claims) (the “Voting Class”) entitled to vote on the Plan and establishes December 9, 2011 at 5:00 p.m. (prevailing Eastern Time) as the deadline for the submission of ballots to accept or reject the Plan (the “Ballots”). Holders of claims in the Voting Class will receive Ballots for casting such votes. Failure to follow the instructions set forth in the Ballot may disqualify that Ballot and the vote represented thereby.

3. Holders of (i) unimpaired claims and (ii) claims or interests that will receive no distribution under the Plan are not entitled to vote on the Plan and, therefore, will receive a notice of non-voting status rather than a Ballot. In addition, certain claims identified in the Disclosure Statement Order, including claims that are the subject of an objection, are not entitled to vote on the Plan and, therefore, will not receive a Ballot. If you are not entitled to vote on the Plan but believe that you should be entitled to vote on the Plan, then you must serve on the parties identified in paragraph 6 below, and file with the Court, a motion for an order pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure (a “Rule 3018(a) Motion”) temporarily allowing such claim in a stated amount for purposes of voting to accept or reject the Plan. All Rule 3018(a) Motions must be filed on or before the tenth (10th) day after the later of (i) the date of service of this Notice and (ii) the date of service of an objection, if any, to such

claim. In accordance with Rule 3018 of the Federal Rules of Bankruptcy Procedure, as to any creditor filing a Rule 3018(a) Motion, such creditor's Ballot will not be counted unless temporarily allowed by the Court for voting purposes, after notice and a hearing, prior to or at the Confirmation Hearing (as defined below). Rule 3018(a) Motions that are not timely filed and served in the manner set forth above may not be considered.

4. In connection with confirmation of the Plan, the Debtors are seeking approval of certain releases, including releases of certain nondebtor entities, that will become effective and binding upon holders of claims in the Voting Class upon consummation of the Plan, in accordance with the terms of the Plan and the Confirmation Order, unless such holder elects to withhold consent to the releases in the Plan by specifically checking a box that indicates such holder's election to "opt out" of the third party releases. If the holder of a claim in the Voting Class submits a Ballot without a box checked, it will be deemed to have consented to the third party releases. Pursuant to the Plan, any holder of a claim in the Voting Class that does not submit a Ballot is deemed to "opt out" of third party releases. These releases are described in detail in Section VI.H.4 of the Disclosure Statement.

5. A hearing will be held before the Honorable Martin Glenn, United States Bankruptcy Judge, One Bowling Green, New York, New York 10004, Courtroom 501, **on December 20, 2011 at 10:00 a.m. (prevailing Eastern Time)**, or as soon thereafter as counsel may be heard (the "Confirmation Hearing") to consider the entry of an order confirming the Plan. The Confirmation Hearing may be continued from time to time without further notice other than the announcement by the Debtors of the adjourned date(s) at the Confirmation Hearing or any continued hearing, and the Plan may be modified, if necessary, pursuant to 11 U.S.C. § 1127 prior to, during, or as a result of the Confirmation Hearing, without further notice to interested parties.

6. Objections, if any, to the Plan must (i) be in writing, (ii) state the name and address of the objecting party and the nature of the claim or interest of such party, (iii) state with particularity the basis and nature of any objection, and (iv) be filed with the Court, together with proof of service, and served upon (i) Kasowitz, Benson, Torres & Friedman LLP, counsel to the Debtors, 1633 Broadway, New York, New York 10019 (Attn: David M. Friedman, Esq., Andrew K. Glenn, Esq., and Jeffrey R. Gleit, Esq.); (ii) the Office of the United States Trustee, 33 Whitehall Street, 21<sup>st</sup> Floor, New York, New York 10004 (Attn: Tracy Davis, Esq. and Linda Riffkin, Esq.); and (iii) Lowenstein Sandler PC, counsel for the Official Committee of Unsecured Creditors, 65 Livingston Avenue, Roseland, New Jersey 07068 (Attn: Bruce D. Buechler, Esq. and Paul Kizel, Esq.) and 1251 Avenue of the Americas, New York, New York 10020 (Attn: Bruce S. Nathan, Esq.), in each case **so as to be actually received on or before December 14, 2011 at 4:00 p.m. (prevailing Eastern Time). UNLESS AN OBJECTION IS TIMELY FILED AND SERVED AS PROVIDED HEREIN, IT MAY NOT BE CONSIDERED AT THE HEARING.**

Dated: November 14, 2011  
New York, New York

KASOWITZ, BENSON, TORRES  
& FRIEDMAN LLP

By: /s/ Andrew K. Glenn  
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