

THE DEPOSITORY TRUST COMPANY

IMPORTANT

B#: 7455

DATE: July 12, 1999

TO: ALL PARTICIPANTS

FROM: DTC PROXY DEPARTMENT

ATTENTION: PROXY/REORGANIZATION MANAGER

SUBJECT: Kenwin Shops, Inc.
CUSIP # 491782 10 8

The Depository Trust Company received materials, including the attached Order indicating the Kenwin Shops, Inc., is soliciting acceptances by creditors of its Third Amended Consolidated Plan of Reorganization, dated May 26, 1999 (the "Plan"). DTC has been advised by Counsel that holders of Kenwin Shops, Inc., Common Stock *have been deemed to reject the Plan /OR/ are unimpaired* and their votes are not being solicited on the Plan. A hearing on confirmation of the Plan is scheduled to be held on July 28, 1999. Any written objections to confirmation of the Plan must be filed no later than July 16, 1999.

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Participants may obtain copies of the materials for voting on the Plan by contacting:

Todtman, Nachamie, Spizz & Johns, P.C.
425 Park Avenue
New York, NY 10022
Telephone Number: (212) 754-9400

Karl Baker

Manager

Attachments

7455.PXY

TODTMAN, NACHAMIE, SPIZZ & JOHNS, P.C
Attorneys for Kenwin Shops Inc., et al.
Debtor and Debtor-in-possession
425 Park Avenue
New York, New York 10022 ..
(212) 754-9400
Barton Nachamie, Esq. (BN-6732)
Scott S. Markowitz, Esq. (SSM-0849)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
-----X

In re:

KENWIN SHOPS, INC., et al.

Debtor.

Chapter 11

Case No. 97-B-46791 (CB)
(Jointly Administered)

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ORDER DIRECTING DEBTOR TO SOLICIT
ACCEPTANCES OR REJECTIONS TO CONSOLIDATED
FIRST AMENDED PLAN OF REORGANIZATION AND
FIXING THE TIME: (1) FOR FILING OF
ACCEPTANCES OR REJECTIONS OF THE PLAN; (2)
FOR HEARING ON CONFIRMATION OF THE PLAN;
(3) FOR FILING OBJECTIONS TO CONFIRMATION;
AND (4) APPROVING FORM OF BALLOT.

Kenwin Shops, Inc., et.al. (the "Debtors") having filed
a third amended disclosure statement dated May 26, 1999 (the
"Disclosure Statement") with respect to its consolidated first
amended plan of reorganization dated January 28, 1999 (the
"Plan"), and this Court having entered an order dated June 8, 1999
(a copy of which is annexed hereto as Exhibit "A") approving the
Disclosure Statement as containing adequate information as that
term is defined in §1125 of the Bankruptcy Code; and the Court
having determined that it is now appropriate to schedule a hearing
pursuant to §1128 of the Bankruptcy Code to consider confirmation
of the Plan; it is

NOW, on motion of Todtman, Nachamie, Spizz & Johns,
P.C., counsel for the Debtors,

ORDERED, that:

1. On or before June 30, 1999, pursuant to Federal Rule of Bankruptcy Procedure 3017(d), the Debtors are hereby authorized and directed to transmit by first-class mail, postage prepaid, to all known holders of claims against the Debtors, equity interest holders in the Debtors, the Securities and Exchange Commission, and to all other parties-in-interest having filed a notice of appearance and demand for service of papers, (a) this Order; (b) the Plan; (c) the Disclosure Statement; and (d) the appropriate ballot substantially in the form of the ballots annexed hereto as Exhibit "B" (the "Ballot").

2. Service made as provided in the preceding paragraph shall be deemed good and sufficient notice and service pursuant to Federal Rule of Bankruptcy Procedure 3017.

3. Acceptances or rejections of the Plan shall be in writing on the Ballot; shall conform with Federal Rule of Bankruptcy Procedure 3018 and shall be returned by the holders of all claims and received by the Debtors at the address provided on the Ballot not later than July 16, 1999.

4. The holders of any claim allowed under §502 of the Bankruptcy Code, which class that such holder is a member of, is impaired under the Plan may vote to accept or reject the Plan.

5. Any Ballot that is executed and returned, but which does not indicate thereon either an acceptance or rejection of the Plan, shall be deemed to be an acceptance of the Plan.

6. Any objection to the confirmation of the Plan must be in writing, must set forth in detail the grounds and facts of such objection and the legal basis therefor, and in accordance with Federal Rule of Bankruptcy Procedure 3020(b)(1), must be filed with the Clerk of the Bankruptcy Court and the chambers of the Honorable Cornelius Blackshear, and served so as to be received by (i) Todtman, Nachamie, Spizz & Johns, P.C., counsel to the Debtor, 425 Park Avenue, New York, New York 10022, Attn: Scott S. Markowitz, Esq.; (ii) Siller Wilk LLP, 747 Third Avenue, New York, New York 10022, Attn: Ronald Itzler, Esq.; (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Paul K. Schwartzberg, Esq., on or before July 16, 1999.

7. A hearing on confirmation of the Plan and on any objections to confirmation of the Plan will be held on July 28, 1999 at 2:00 P.M., or as soon thereafter as counsel may be heard (the "Confirmation Hearing") in the Courtroom of the Honorable Cornelius Blackshear, at the United States Bankruptcy Court, One Bowling Green, New York, New York 10004-1408. The Confirmation Hearing may be adjourned from time to time without further notice other than the announcement in open court at the Confirmation Hearing or at any adjourned Confirmation Hearing.

Dated: New York, New York
June 24, 1999

/s/ CORNELIUS BLACKSHEAR
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT "A"

TODTMAN, NACHAMIE, SPIZZ & JOHNS, P.C.
Attorneys for Kenwin Shops Inc., et al.
Debtors and Debtors-in-possession
425 Park Avenue
New York, New York 10022
(212) 754-9400
Barton Nachamie, Esq. (BN-6732)
Scott S. Markowitz, Esq. (SSM-0849)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
-----X
In re:

KENWIN SHOPS, INC., et al.

Debtor.

Chapter 11

Case No. 97-B-46791 (CB)
(Procedurally Consolidated)
(THIS DOCUMENT APPLIES TO
ALL CASES)

-----X

ORDER APPROVING THIRD AMENDED DISCLOSURE
STATEMENT OF KENWIN SHOPS, INC., ET AL.

A consolidated first amended plan of reorganization (the "Plan") and a consolidated first amended disclosure statement (the "Disclosure Statement") both dated January 28, 1999 having been filed on January 29, 1999, under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"), by the debtor and debtor-in-possession (the "Debtor"), and notice of the hearing to consider approval of the Disclosure Statement having been given to all creditors, equity interest holders, and other parties-in-interest as prescribed by the order of this Court dated August 6, 1998; and Bank of Louisiana and the Office of the United States Trustee having filed objections to the Disclosure Statement (the "Objections"); and the Debtor having filed a second amended Disclosure Statement dated March 1, 1999 with the clerk of the court on March 2, 1999 to address the Objections (the "Second

Amended Disclosure Statement"); and a hearing having been held before this Court on February 26, 1999 with respect to the Second Amended Disclosure Statement; and "at the February 26, 1999 hearing, the Court directed the Debtor to settle an order approving the Second Amended Disclosure Statement; and the Debtor having presented an order for March 15, 1999 to approve the Second Amended Disclosure Statement; and BOL having filed limited objections to the approval of the Second Amended Disclosure Statement (the "Limited Objection"); and the Court having held a further hearing on April 27, 1999 with respect to the issues raised by the Limited Objection; and upon all of the pleadings and proceedings had herein and it having been determined by this Court that the Third Amended Disclosure Statement contains adequate information within the meaning of §1125 of the Bankruptcy Code, that a hearing pursuant to §1128 of the Bankruptcy Code to consider confirmation of the Plan is appropriate, and the Debtor having moved to estimate the claim of Bank of Louisiana under §502(c) of the Bankruptcy Code which motion has yet to be decided by the Court; it is

NOW, on motion of Todtman, Nachamie, Spizz & Johns, P.C., counsel for the Debtor.

IT IS HEREBY ORDERED that:

1. The Debtor's Third Amended Disclosure Statement dated May 26, 1999 (the "Approved Disclosure Statement"), be, and it hereby is, approved as containing adequate information within the meaning of §1125 of the Bankruptcy Code.

2. On or prior to the fifth day subsequent to the entry of an order by this Court estimating Bank of Louisiana's claim for voting purposes, the Debtor shall submit a proposed order to this Court fixing the time when the Plan and Approved Disclosure Statement should be mailed to creditors and other parties-in-interest, approving the ballot; fixing the time for filing of acceptances and rejections of the Plan and fixing the time of the hearing on confirmation of the Plan and the filing of objections to confirmation.

Dated: New York, New York
June 8, 1999

/s/CORNELIUS BLACKSHEAR
UNITED STATES BANKRUPTCY JUDGE