

# The Depository Trust Company

# **IMPORTANT**

**B#:** 1542

**DATE:** March 02, 2001

**TO:** All Participants

**CATEGORY:** Reorganization

**FROM:** DTC Proxy Department

**ATTENTION:** Proxy/Reorganization Manager

**SUBJECT:** The Imperial Home Decor Group, Inc.  
Sr. Sub. Notes Series B 11% 03/15/08  
CUSIP #452842 AC 1

The Imperial Home Décor Group, Inc. is soliciting acceptances of its Amended Joint Plan of Reorganization, dated January 31, 2001 (the "Plan"). Holders of The Imperial Home Décor Group, Inc. Sr. Sub. Notes of record on January 31, 2001, are eligible to vote by ballot to accept or reject the Plan.

Accompanying the Amended Joint Disclosure Statement dated January 31, 2001 and other materials for voting on the Plan is the attached Notice, which refers to a hearing on confirmation of the Plan, which is scheduled to be held on March 16, 2001. DTC also received the attached Ballot. Participants may obtain copies of the materials for voting on the Plan by contacting:

Logan & Company  
At (973) 509-3191

DTC will provide The Imperial Home Décor Group, Inc. with a listing of the Participants which had The Imperial Home Décor Group, Inc. Sr. Sub. Notes on deposit with DTC at the close of business on January 31, 2001, so that Participants may vote on the Plan.

Participants are referred to the Amended Joint Disclosure Statement dated January 31, 2001, for a statement of the terms of the Plan.

Participants are advised that acceptances or rejections of the Plan must be received by the Balloting Agent no later than March 9, 2001. Executed ballots should be returned to:

Logan & Company, Inc.  
546 Valley Road  
Upper Montclair, NJ 07043

The Imperial Home Décor Group, Inc. will remain eligible at DTC during the solicitation.

Participants are referred to RIPS Envelope 94 and LENP for details of the Plan. Participants may also view the documents on DTC's web site [www.dtc.org](http://www.dtc.org).

Karl Baker

Manager

Attachments

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE

In re: :  
: **Jointly Administered**  
**THE IMPERIAL HOME DECOR** : **Case No. 00-19 (MFW)**  
**GROUP INC., a Delaware** :  
**corporation, et al.,** : **Chapter 11**  
: **Debtors.**

**MASTER BALLOT FOR ACCEPTING OR REJECTING THE AMENDED  
JOINT PLAN OF REORGANIZATION OF THE IMPERIAL HOME DECOR  
DECOR GROUP INC., ITS PARENT COMPANY AND ITS DEBTOR SUBSIDIARIES**

**FOR USE BY BROKERS, BANKS, DEALERS AND OTHER AGENTS  
OR NOMINEES FOR BENEFICIAL OWNERS OF 11% SENIOR  
SUBORDINATED NOTES DUE 2008 (THE "OLD SENIOR  
SUBORDINATED NOTES") ISSUED BY THE IMPERIAL HOME DECOR GROUP INC. ("IHDG")**

**CLASS C-4: GENERAL UNSECURED CLAIMS**

**THE VOTING DEADLINE TO ACCEPT OR REJECT THE  
PLAN IS 5:00 P.M., EASTERN TIME, ON MARCH 9, 2001**

This Master Ballot is to be used by brokers, banks, dealers or other agents or nominees for summarizing votes cast by beneficial owners holding Old Senior Subordinated Notes to accept or reject the Amended Joint Plan of Reorganization of The Imperial Home Decor Group Inc., Its Parent Company and Its Debtor Subsidiaries (the "Plan") described in the accompanying Disclosure Statement, dated January 31, 2001. Capitalized terms used in this Ballot and the accompanying instructions that are not otherwise defined have the meanings given to them in the Plan.

**THIS MASTER BALLOT IS NOT A LETTER OF TRANSMITTAL AND MAY NOT BE USED FOR  
ANY PURPOSE OTHER THAN TO TRANSMIT VOTES TO ACCEPT OR REJECT THE PLAN.  
HOLDERS SHOULD NOT SURRENDER CERTIFICATES REPRESENTING THEIR  
OLD SENIOR SUBORDINATED NOTES AT THIS TIME, AND NEITHER THE DEBTORS  
NOR THEIR VOTING AGENT WILL ACCEPT DELIVERY OF ANY SUCH CERTIFICATES.**

**PLEASE READ THE ATTACHED VOTING INFORMATION AND  
INSTRUCTIONS BEFORE COMPLETING THIS BALLOT.**

**Item 1. Tabulation of Beneficial Owner Voting.** The undersigned certifies that:

- a. **Acceptances.** \_\_\_\_\_ beneficial owners of Old Senior Subordinated Notes in the aggregate unpaid principal amount of \$ \_\_\_\_\_ have delivered duly completed individual ballots ("Individual Ballots") to the undersigned voting to **ACCEPT** the Plan; and
- b. **Rejections.** \_\_\_\_\_ beneficial owners of Old Senior Subordinated Notes in the aggregate unpaid principal amount of \$ \_\_\_\_\_ have delivered duly completed Individual Ballots to the undersigned voting to **REJECT** the Plan.

**Item 2. Beneficial Owner Information.** The undersigned certifies that the information provided below (including any information provided on additional sheets attached hereto) is a true and accurate schedule of the beneficial owners of Old Senior Subordinated Notes, as identified by their respective account numbers, that have delivered duly completed Individual Ballots to the undersigned voting to accept or reject the Plan.

(Please complete the information requested below. Attach additional sheets if necessary.)

Your Customer Account Number for Each Beneficial Owner	Principal Amount of Old Senior Subordinated Notes Voted:	
	To Accept the Plan	To Reject the Plan
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		

**Item 3. Additional Ballots Submitted by Beneficial Owners.** The undersigned certifies that the information provided below (including any information on additional sheets attached hereto) is a true and accurate schedule on which the undersigned has transcribed the information, if any, provided in Item 3 of each Individual Ballot received from a beneficial owner of Old Senior Subordinated Notes.

(Please complete the information requested below. Attach additional sheets if necessary.)

Information to Be Transcribed from Item 3 of Customers' Individual Ballots Regarding Other Ballots Cast in Respect of Old Senior Subordinated Note Claims			
Your Customer Account Number	Beneficial Owner's Name or Customer Account Number for Other Account	Name of Broker, Bank, Dealer or Other Agent or Nominee for Other Account (If Applicable)	Principal Amount
1.			
2.			
3.			
4.			
5.			

**Item 4. Additional Certifications.** The undersigned certifies that each beneficial owner whose votes are being transmitted by this Master Ballot has been provided with a copy of the Disclosure Statement and the other applicable solicitation materials and that the Individual Ballot received from each beneficial owner or a copy thereof is and will remain on file with the undersigned subject to inspection for a period of one year following the Voting Deadline.

**Item 5. Registered Owner.** The undersigned certifies that it is the registered owner in its own name or through a position held at a securities depository of the Old Senior Subordinated Notes identified in Item 2 above.

---

Name

---

Social Security or Federal Tax I.D. No.

---

Signature

---

If by Authorized Agent, Name and Title

---

Name of Institution

---

Participant Number

---

Street Address

---

City, State, Zip Code

---

Telephone Number

---

Date Completed

**VOTING INFORMATION AND INSTRUCTIONS  
FOR COMPLETING THE MASTER BALLOT**

1. Complete the Master Ballot by providing all the information requested and sign, date and return the Master Ballot by mail, overnight courier, personal delivery or facsimile to Logan & Company, Inc. (the "Voting Agent") at the following address:  

Logan & Company, Inc.  
546 Valley Road  
Upper Montclair, New Jersey 07043  
Facsimile: (973) 509-3191  
Attn: Imperial Home Decor Group Vote Tabulation Center

**Master Ballots must be received by the Voting Agent by 5:00 p.m., Eastern Time, on March 9, 2001 (the "Voting Deadline").** If a Master Ballot is received after the Voting Deadline, it will not be counted. An envelope addressed to the Voting Agent is enclosed for your convenience.
2. The attached Master Ballot is not a letter of transmittal and may not be used for any purpose other than to transmit votes to accept or reject the Plan. *Holders of Old Senior Subordinated Notes should not surrender certificates representing their Old Senior Subordinated Notes at this time, and neither the Debtors nor the Voting Agent will accept delivery of any such certificates transmitted together with a Master Ballot.* Surrender of securities for exchange pursuant to the Plan may be made only pursuant to a letter of transmittal, which will be furnished by the Debtors (or their agent) after Confirmation of the Plan by the Bankruptcy Court.
3. With respect to any Individual Ballots returned to you by a beneficial owner, you must complete a Master Ballot, return it to the Voting Agent and retain such Individual Ballots for inspection for a period of one year following the Voting Deadline.
4. If, in addition to acting as broker, bank, dealer or agent or other nominee, you also are a beneficial owner of any Old Senior Subordinated Notes and you wish to vote such Old Senior Subordinated Notes beneficially held by you, you may either complete an Individual Ballot or add your vote to the attached Master Ballot. If you choose to complete an Individual Ballot, please refer to the instructions accompanying the Individual Ballot.
5. Multiple Master Ballots may be completed and delivered to the Voting Agent. Votes reflected by multiple Master Ballots will be counted except to the extent that they are duplicative of other Master Ballots. If two or more Master Ballots are inconsistent, the latest dated Master Ballot received prior to the Voting Deadline will, to the extent of such inconsistency, supersede and revoke any prior Master Ballot. If more than one Master Ballot is submitted and the later Master Ballot(s) supplement rather than supersede earlier Master Ballot(s), please mark the subsequent Master Ballot(s) with the words "Additional Vote" or such other language as you customarily use to indicate an additional vote that is not meant to revoke an earlier vote.
6. Please note that Item 2 of the Master Ballot requests that you transcribe information or attach a schedule to the Master Ballot in the indicated format providing information for each individual beneficial owner of Old Senior Subordinated Notes on whose behalf you are executing a Master Ballot. To identify such beneficial owners without disclosing their names, please use the customer account number assigned by you to each such beneficial owner. If a single customer has more than one account with the identical registration, only list that customer once in the schedule requested by Item 2. The total principal amount of all accounts voted with respect to a single customer should be listed in a single schedule entry, so that each line will represent a different beneficial owner.
7. Please note that Item 3 of the Master Ballot requests that you provide information or attach a schedule to the Master Ballot in the indicated format by transcribing any information provided in Item 3 of each Individual Ballot received from a beneficial owner for which you are executing a Master Ballot. Please also include your customer account number for each entry in Item 3.
8. Please note that for purposes of computing the Master Ballot vote, each voting beneficial owner should be deemed to have voted the full amount of its holdings of Old Senior Subordinated Notes according to your records or such lesser amount identified by the beneficial holder on its Individual Ballot. Any executed Individual Ballot that does not indicate an acceptance or rejection of the Plan should not be counted on the Master Ballot as having been cast.
9. No fees or commissions or other remuneration will be payable to any broker, bank, dealer or other person in connection with this solicitation. Upon written request, however, the Debtors will reimburse you for customary mailing and handling expenses incurred by you in forwarding Individual Ballots and accompanying solicitation packages to your clients.
10. This Master Ballot does not constitute and shall not be deemed a proof of Claim or equity interest or an assertion of a Claim or equity interest.

**NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL  
CONSTITUTE THE DESIGNATION OF YOU OR ANY OTHER PERSON AS AN AGENT  
OF ANY OF THE DEBTORS OR THE VOTING AGENT OR AUTHORIZE YOU  
OR ANY PERSON TO USE ANY DOCUMENT OR MAKE ANY STATEMENTS**

**ON BEHALF OF ANY OF THEM WITH RESPECT TO THE PLAN, EXCEPT FOR THE  
STATEMENTS CONTAINED IN THE SOLICITATION MATERIALS ENCLOSED HEREWITH.**

**IF YOU HAVE ANY QUESTIONS REGARDING THE MASTER BALLOT OR THE  
VOTING PROCEDURES, OR IF YOU NEED ADDITIONAL COPIES OF  
THE MASTER BALLOT, INDIVIDUAL BALLOTS OR SOLICITATION PACKAGES,  
INCLUDING THE PLAN AND THE DISCLOSURE STATEMENT, PLEASE CALL  
THE VOTING AGENT, LOGAN & COMPANY, INC., AT (973) 509-3190.**

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

**In re:** :  
 :  
**THE IMPERIAL HOME DECOR** : **Jointly Administered**  
 : **Case No. 00-19 (MFW)**  
**GROUP INC., a Delaware** :  
**corporation, et al.,** : **Chapter 11**  
 :  
 :  
**Debtors.** :

**NOTICE OF (A) DEADLINE FOR CASTING VOTES TO ACCEPT OR  
REJECT PROPOSED AMENDED JOINT PLAN OF REORGANIZATION,  
(B) HEARING TO CONSIDER CONFIRMATION OF PROPOSED  
AMENDED JOINT PLAN OF REORGANIZATION AND (C) RELATED MATTERS**

**PLEASE TAKE NOTICE OF THE FOLLOWING:**

1. On February 2, 2001, the above-captioned debtors and debtors in possession (collectively, the "Debtors") filed the Amended Joint Plan of Reorganization of The Imperial Home Decor Group Inc., Its Parent Company and Its Debtor Subsidiaries, dated January 31, 2001 (as it may be amended, the "Plan"), and a related Disclosure Statement (as it may be amended, the "Disclosure Statement") under section 1125 of the Bankruptcy Code, 11 U.S.C. § 1125.
2. Pursuant to an order of the Court dated February 2, 2001 (the "Disclosure Statement Order"), the Disclosure Statement and certain related materials (collectively, the "Solicitation Materials") have been approved for solicitation of votes to accept or reject the Plan. In accordance with the Disclosure Statement Order, certain Solicitation Materials have been provided with this Notice, including a copy of the Disclosure Statement and the Plan.
3. A hearing to consider the confirmation of the Plan (the "Confirmation Hearing") will be held before the Honorable Mary F. Walrath, United States Bankruptcy Judge, in the Judge's

usual courtroom at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801 at 10:30 a.m., on March 16, 2001.

4. Pursuant to the Disclosure Statement Order, the Court approved certain procedures for tabulation of votes to accept or reject the Plan. If you are the holder of a claim against one of the Debtors as of January 31, 2001 (the record date as established in the Disclosure Statement Order) in a class entitled to vote on the Plan, you have received with this Notice a ballot form (a "Ballot") and voting instructions appropriate for your claim. The following procedures apply with respect to voting your claim:

a. Except as provided in subparagraph (b) below, for your vote to accept or reject the Plan to be counted, you must complete all required information on the Ballot, execute the Ballot and return the completed Ballot to the address indicated on the Ballot so that it is received by 5:00 p.m., Eastern Time, on March 9, 2001 (the "Voting Deadline"). Any failure to follow the voting instructions included with the Ballot or to return a properly completed Ballot so that it is received by the Voting Deadline may disqualify your Ballot and your vote.

b. ***IF YOUR CLAIM IS BASED ON OBLIGATIONS OWED UNDER THE DEBTORS' 11% SENIOR SUBORDINATED NOTES DUE 2008 (THE "OLD SENIOR SUBORDINATED NOTES"), SPECIAL VOTING PROCEDURES AND DEADLINES MAY APPLY. YOU ARE URGED TO READ CAREFULLY ALL INSTRUCTIONS RECEIVED WITH YOUR SOLICITATION MATERIALS TO ENSURE THAT YOUR BALLOT IS PROPERLY COMPLETED AND TIMELY SUBMITTED.***

c. Your claim has been temporarily allowed solely for purposes of voting to accept or reject the Plan in accordance with the following tabulation rules approved by the Court in the Disclosure Statement Order (the "Tabulation Rules"):

- The Bank Loan Claims shall be temporarily allowed for voting purposes in the aggregate amount of \$297,418,136.50;
- If a claim has been estimated or otherwise allowed for voting purposes by order of the Court, such claim shall be temporarily allowed for voting purposes in the amount so estimated or allowed by the Court;
- If a claim is listed in the Schedules as contingent, unliquidated or disputed and a proof of claim was not timely filed, such claim shall be disallowed for voting purposes;
- If the Debtors have filed and served an objection to a claim at least 30 days before the Voting Deadline, such claim shall be temporarily allowed or disallowed for voting purposes in accordance with the relief sought in the objection;
- Claims of individual participants (the "Credit Facility Creditors") in the Debtors' prepetition bank facility (the "Prepetition Credit Facility") will be counted solely in the amounts identified in the list of Credit Facility Creditors provided to the Debtors by the agent bank for the Prepetition Credit Facility (subject to the other Tabulation Rules), unless the applicable Credit Facility Creditor obtains an order of the Court allowing such claim in a different amount for voting purposes;
- If a claim holder identifies a claim amount on its Ballot that is less than the amount otherwise calculated in accordance with the Tabulation Rules, the claim will be temporarily allowed for voting purposes in the lesser amount identified on such Ballot; and
- With respect to claims based on obligations owed under the Old Senior Subordinated Notes, the amounts of such claims for voting purposes shall be the lesser of (i) the amounts provided to the Debtors by the Indenture Trustee for the Old Senior Subordinated Notes in certain noteholder registers described in the Disclosure Statement Order or (ii) the amounts identified by the holders of Old Senior Subordinated Notes on the applicable Ballots submitted to vote on the Plan, in each case calculated in accordance with the procedures set forth in the Disclosure Statement Order.

d. *The temporary allowance of your claim for voting purposes does not constitute an allowance of your claim for purposes of receiving distributions under the Plan and is without prejudice to the rights of the Debtors in any other context, including the right of the Debtors to contest the amount or validity of any claim for purposes of allowance and distribution under the Plan. If you wish to challenge the temporary allowance of your claim for voting purposes, you must file a motion, pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure, for an order temporarily allowing your claim in a different amount or classification for purposes of voting to accept or reject the Plan (the "Rule 3018 Motion") and serve such motion on the Debtors so that it is received by the Voting Deadline. Unless the Court orders otherwise, your claim will be counted for voting purposes in the amount and classification set forth in the Rule 3018 Motion.*

5. Objections, if any, to the confirmation of the Plan must: (a) be in writing; (b) state the name and address of the objecting party and the nature of the claim or interest of such party; (c) state with particularity the basis and nature of any objection; and (d) be filed with the Court and served so that they are received by (i) counsel to the Debtors, (ii) counsel to the Creditors' Committee, (iii) counsel to the Prepetition Credit Facility lenders, (iv) counsel to the DIP Lenders and (v) the U.S. Trustee (as such terms are defined in the Plan) at the addresses indicated in the Plan no later than 4:00 p.m., Eastern Time, on March 9, 2001. For purposes of filing pleadings in these cases, the address of the Court is 824 North Market Street, Wilmington, Delaware 19801.

6. Copies of the Disclosure Statement and the Plan (with all exhibits filed with the Court) are available for review at the offices of Jones, Day, Reavis & Pogue located at North Point,

901 Lakeside Avenue, Cleveland, Ohio 44114 and 599 Lexington Avenue, New York, New York 10022, and may be reviewed by any party in interest during normal business hours by contacting Carl E. Black, Esq. at 216-586-7035. In addition, requests for copies of the Disclosure Statement and the Plan (excluding certain voluminous exhibits thereto) by parties in interest may be made in writing to Logan & Company, Inc., 546 Valley Road, Upper Montclair, New Jersey 07043, Attn: IHDG Document Center (telephone number 973-509-3190, fax number 973-509-3191).

7. The Confirmation Hearing may be continued from time to time without further notice other than the announcement of the adjourned date(s) at the Confirmation Hearing or any continued hearing.

Dated: February 2, 2001

Daniel J. DeFranceschi (DE 2732)  
Paul N. Heath (DE 3704)  
RICHARDS, LAYTON & FINGER  
One Rodney Square  
P.O. Box 551  
Wilmington, Delaware 19899  
(302) 658-6541

- and -

David G. Heiman (OH 0038271)  
Carl E. Black (OH 0069479)  
JONES, DAY, REAVIS & POGUE  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114  
(216) 586-3939

Paul E. Harner (OH 0043854)  
Joseph M. Witalec (OH 0063701)  
JONES, DAY, REAVIS & POGUE  
1900 Huntington Center  
41 South High Street  
Columbus, Ohio 43215  
(614) 469-3939

ATTORNEYS FOR DEBTORS  
AND DEBTORS IN POSSESSION