

# The Depository Trust Company

# **IMPORTANT**

**B#:** 2073

**DATE:** May 31, 2001

**TO:** All Participants

**CATEGORY:** Reorganization

**FROM:** DTC Proxy Department

**ATTENTION:** Proxy/Reorganization Manager

**SUBJECT:** Athey Products Corp  
Common Stock  
CUSIP #047465 10 9

Athey Products Corp is soliciting acceptances of its Plan of Reorganization, dated May 1, 2001 (the "Plan"). Holders of Athey Products Corp Common Stock of record on May 1, 2001, are eligible to vote by ballot to accept or reject the Plan.

Accompanying the Disclosure Statement dated May 1, 2001 and other materials for voting on the Plan is the attached Order, which refers to a hearing on confirmation of the Plan, which is scheduled to be held on June 13, 2001. DTC also received the attached Ballot. Participants may obtain copies of the materials for voting on the Plan by contacting:

John A. Northern of Northern Blue, LLP  
@ (919) 968-4441

DTC will provide Athey Products Corp with a listing of the Participants which had Athey Products Corp Common Stock on deposit with DTC at the close of business on May 1, 2001, so that Participants may vote on the Plan.

Participants are referred to the Disclosure Statement dated May 1, 2001, for a statement of the terms of the Plan.

Participants are advised that acceptances or rejections of the Plan must be received by Counsel no later than June 6, 2001. Executed ballots should be returned to:

John A. Northern of Northern Blue, LLP  
P.O. Box 2208  
Chapel Hill, NC 27515-2208

Athey Products Corp will remain eligible at DTC during the solicitation.

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

Joseph Raniere

Manager

Attachments

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
RALEIGH DIVISION

In Re:  
Athey Products Corp.  
TIN: 36-0753480

Case No. 00-02736-5-ATS

Debtor

Ballot for Accepting or Rejecting Plan

Athey Products Corp. (the "Debtor") filed a plan of reorganization dated April 30, 2001 (the "Plan") in this case. The Court has conditionally approved a disclosure statement with respect to the Plan (the "Disclosure Statement"). The Disclosure Statement provides information to assist you in deciding how to vote your ballot. Court approval of the Disclosure Statement does not indicate approval of the Plan by the Court. If you do not have a Disclosure Statement, you may obtain a copy from the Debtor/Plan Proponent's attorney at the following address:

John A. Northen, c/o Northen Blue, LLP, 100 Europa Dr., Ste 550, P.O. Box 2208, Chapel Hill, NC 27515-2208.

You should review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and your classification and treatment under the Plan. Your Claim/Equity Interest has been placed in a Class as shown in the Plan. If you hold claims or equity interests in more than one class, you will receive a ballot for each class in which you are entitled to vote.

If your ballot is not received by the Debtor's Counsel or the Transfer Agent, respectively, on or before the 6<sup>th</sup> day of June, 2001, and such deadline is not extended, your vote will not count as either an acceptance or rejection of the Plan. If the Plan is confirmed by the Bankruptcy Court it will be binding on you whether or not you vote.

Acceptance or Rejection of The Plan

1. **Creditors:** [If the voter is the holder of a secured, priority, or unsecured nonpriority claim:]

The undersigned, the holder of a Class \_\_\_ Claim against the Debtor in the unpaid amount of \$ \_\_\_\_\_:

**Accepts the Plan**

**Rejects the Plan**

2. **Shareholders:** [If the voter is the holder of an equity interest:]

The undersigned, the holder of a Class 6 Equity Interest in the Debtor, consisting of \_\_\_\_\_ shares of common stock in the Debtor:

**Accepts the Plan**

**Rejects the Plan**

**Note:** Creditors and Shareholders must return this ballot to the Debtor's attorney, John A. Northen, Northen Blue, L.L.P. Post Office Box 2208, Chapel Hill, NC 27515-2208, so as to be received on or before June 6, 2001.

Dated: \_\_\_\_\_

Print or type name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title (if corporation or partnership) \_\_\_\_\_

Address: \_\_\_\_\_

U.S. Bankruptcy Court for the Eastern District of North Carolina  
CLERK, U.S. BANKRUPTCY COURT  
POST OFFICE BOX 1441  
RALEIGH, N.C. 27602-1441

In Re a Petition for Relief under Chapter 11 of Title 11, U.S. Code, filed by or against the below-named Debtor on December 8, 2000:

DEBTOR: ATHEY PRODUCTS CORPORATION of 1839 SOUTH  
MAIN STREET, WAKE FOREST, NC 27587; SSN: N/A, EIN:

36-0753480

**FILED**

MAY - 1 2001

CASE NO. 00-02736-5-ATS

PEGGY B. DEANS, CLERK  
U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF N.C.

ORDER AND NOTICE  
BY THE COURT

ORDER CONDITIONALLY APPROVING DISCLOSURE STATEMENT,  
FIXING LAST DAY TO FILE OBJECTIONS TO THE DISCLOSURE STATEMENT,  
FIXING LAST DAY TO FILE ACCEPTANCES/REJECTIONS OF THE PLAN,  
SETTING HEARING ON CONFIRMATION OF THE PLAN,  
DIRECTING BALLOTS BE FILED WITH THE PLAN PROPONENT, AND  
DIRECTING THE PLAN PROPONENT TO FILE REPORT ON BALLOTS

A Disclosure Statement and Plan of Reorganization having been filed under Chapter 11 of the Bankruptcy Code on April 30, 2001 referred to hereinafter as the disclosure statement and plan; and

It having been determined that the disclosure statement contains adequate information; now therefore,

IT IS ORDERED AND NOTICE IS HEREBY GIVEN that:

A. The disclosure statement filed on 04/30/01 is conditionally approved.

B. June 6, 2001 is fixed as the last day for filing and serving in accordance with Rule 3017(a), Federal Rules of Bankruptcy Procedure, written objections to the disclosure statement. If no objections to or requests to modify the disclosure statement are filed within the time fixed, the conditional approval of the disclosure statement shall become final. Any objections to or requests to modify the disclosure statement shall be considered at the confirmation hearing held pursuant to 11 U.S.C. Section 1128(a) and Rule 3020(b), Federal Rules of Bankruptcy Procedure.

C. The hearing on confirmation of the plan referred to above is scheduled as follows:

DATE: June 13, 2001

TIME: 10:00 A.M.

PLACE:  
UNITED STATES BANKRUPTCY COURT  
U.S. COURTHOUSE & P.O. BLDG., ROOM 208, 300 FAYETTEVILLE ST. MALL, RALEIGH, NC

D. June 6, 2001 is fixed as the last day for filing written acceptances or rejections of the plan. The ballot enclosed should be completed and filed with the plan proponent on or before the date fixed herein.

E. June 6, 2001 is fixed as the last day for filing and serving written objections to confirmation of the plan pursuant to Rule 3020(b)(1), Federal Rules Of Bankruptcy Procedure.

Within fifteen (15) days after entry of this order, the disclosure statement and plan referred to above, this order and official form 14, ballot for accepting or rejecting the plan, shall be transmitted by mail to all creditors, equity security holders, and other parties in interest as provided in Rule 4017(d), Federal Rules Of Bankruptcy Procedure, by the plan proponent, and a certificate of service shall be filed with the court within three (3) days of the mailing service.

The plan proponent shall prepare and file a summary report on the votes with the court at or before the hearing on the plan which is set in paragraph C above. The report shall reflect the name of the creditor by class as designated in the plan, the acceptance, rejection, or if no vote cast by the creditor, the amount of each creditor's claim or amount of each creditor's vote. The report shall be summarized by each class of creditor established in the plans and shall indicate if the number of acceptances obtained were by the holders of two-thirds in amount and more than one-half in number of claims in each class voting on the plans. A copy of the report shall be served on the Bankruptcy Administrator, Post Office Box 3758, Wilson, North Carolina 27895-3758, as well as each member of the unsecured creditors' committee and counsel for the unsecured creditors' committee. The original report as filed with the clerk of court shall have a certificate of service reflecting proper service on the parties as indicated.

DATED: MAY - 1 2001

S/ A. THOMAS SMALL

UNITED STATES BANKRUPTCY JUDGE