



To Our Valued Vendor:

Today we announced that Bon-Ton has elected to file voluntary petitions under Chapter 11 of the U.S. Bankruptcy Code. We are currently engaged in constructive discussions with potential investors and our debtholders on a financial restructuring plan, and the actions we are taking are intended to give us additional time and financial flexibility to evaluate options for our business, including a possible sale of the Company or certain of our assets.

During this court-supervised process, we plan to continue operating in the normal course and executing on our key initiatives to drive improved performance. While there is no assurance regarding the outcome from this strategic alternatives process, we will pursue the path that we believe is in the best interests of our company and our stakeholders.

What This Means for Our Vendors

First and foremost, **we intend to pay for all goods and services delivered to us after the filing date of February 4, 2018.** We expect to continue to operate in the ordinary course during this court-supervised process and have received a commitment for up to \$725 million in new debtor-in-possession ("DIP") financing from certain of our existing ABL lenders. Upon approval by the U.S. Bankruptcy Court, this new financing will be used to support the business through this process.

In addition, we have filed customary motions that, subject to court approval, will support our business and enable us to meet our financial obligations throughout the restructuring process. We expect to receive Bankruptcy Court approval for these requests.

We are committed to working with our vendors during this restructuring process and **we are relying on you to continue providing the products and services we need under normal operating terms.** Our goal is to move through the restructuring process as expeditiously as possible and your cooperation is critical to our success.

Our stores, online businesses and mobile platform are open and serving customers and we will continue to provide customers with quality merchandise and an exceptional shopping experience as we move through this financial restructuring process.

Keeping You Informed

Our vendor relationships are extremely important to us, and we appreciate the support you have shown us to date. We will continue to keep you informed of developments that may affect you during this process.

We have addressed a number of the questions you likely have in a special restructuring section of our website at bontonrestructuring.com. Should you have any questions or concerns regarding goods and services delivered prior to February 4, 2018, please contact the hotline maintained by our claims agent, Prime Clerk, at (844) 253-1011 (U.S. toll-free) or (347) 338-6537 (international). Our claims agent has also set up a website at <https://cases.primeclerk.com/bonton>, which includes court documents and other information.

We value your support and look forward to continued partnership.

Sincerely,

Bill Tracy
President & CEO
The Bon-Ton Stores, Inc.