LYRIC JEANS, INC. traded on OTC markets as LYJN.pk ("Lyric"), executed a General Assignment for the benefit of creditors in favor of Insolvency Services Group, Inc., a California corporation, on August 22, 2014. A notice of the assignment was sent to all creditors and shareholders of record on September 19, 2014.

General Assignments are a recognized means to liquidate an insolvent company and are an alternative to filing a Chapter 7 bankruptcy case. General Assignments are commonly utilized in California and have been a part of the law of this state for over 85 years.

Notice of a special meeting of shareholders to consider and act upon the assignment was sent to all shareholders of record in July 2014 and the meeting at which shareholder approval was given was held in August 2014.

Despite searching for sources of capital or acquirers for about two years and in light of Lyric's history of operating losses, in Spring of 2014, Lyric concluded that it would have insufficient future revenue to fund its continuing operations. Accordingly, Lyric proceeded to make a final search for additional sources of investment capital, which included discussions with potential acquirers, investment banks and private equity firms. Its final search for additional capital was unsuccessful. As a consequence of the foregoing, Lyric elected to liquidate the company by means of a General Assignment.

Prior to the General Assignment, the Assignee was referred to a party that expressed an interest in purchasing certain Lyric assets through a General Assignment or similar proceeding. Negotiations over price and other terms ensued between the Assignee and the prospective buyer, Lyric Culture, LLC (the "Buyer"). The Assignee confirmed that the Buyer is unrelated to Lyric's management and shareholders. The negotiations ultimately resulted in a commitment by the Buyer to purchase a specified group of Lyric's assets, which included the licenses, Lyric trade name, artwork, designs, the rights to fulfill outstanding customer purchase orders, trade styles, finished goods inventory and all owned office furniture and equipment (collectively, the "Sale Assets").

In order to evaluate the appropriateness of the gross consideration and proposed offsets to the purchase price, the Assignee engaged the services of an independent valuation expert. The independent valuation supported the proposed net purchase price offered by the Buyer for the Sale Assets.

SHAREHOLDERS ARE ADVISED THAT, UNLESS AND UNTIL THE CLAIMS OF SECURED AND UNSECURED CREDITORS ARE PAID IN FULL, THERE WILL BE NO FUNDS TO DISTRIBUTE TO SHAREHOLDERS.