EXHIBIT 1

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:	)	Chapter 11
HOME PRODUCTS INTERNATIONAL, INC. and HOME PRODUCTS INTERNATIONAL-NORTH AMERICA, INC.,	)	Case Nos. 06-11457(CSS)
	)	Jointly Administered
Debtors.	)	

ORDER APPROVING (I) ADEQUACY OF THE DISCLOSURE STATEMENT; (II) THE FORM OF SOLICITATION MATERIALS, NOTICES AND BALLOTS, SOLICITATION PROCEDURES AND VOTING PROCEDURES, (III) PAYMENT OF THE BACKSTOP FEE AND (IV) NOTICE AND OBJECTION PROCEDURES FOR THE HEARING ON CONFIRMATION OF THE PLAN

Upon the motion (the "**Solicitation Procedures Motion**")[1] of the debtors and debtors-in-possession (the "**Debtors**") in the Chapter 11 Cases, for entry of an Order (this "**Solicitation Procedures Order**") approving (I) the adequacy of the Disclosure Statement, (II) the form of Solicitation Packages, Ballots and Unimpaired Notice as well as the solicitation procedures and the procedures for tabulating votes to accept or reject the Plan, (III) the payment, subject to certain conditions, of the Backstop Fee, and (IV) notice and objection procedures for the scheduled hearing on confirmation of the Plan; it appearing that the Court has jurisdiction over the Solicitation Procedures Motion pursuant to 28 U.S.C. § 1334; due and adequate notice of the Solicitation Procedures Motion having been given; it appearing that no other or further notice need be given; this Court having determined that

[1] All capitalized terms used herein but not defined herein shall have the meanings given them in the Second Amended Disclosure Statement with Respect to Plan of Reorganization of Home Products International, Inc. and Home Products International — North America, Inc. dated January 29, 2007 (the "**Disclosure Statement**").

granting the relief requested in the Solicitation Procedures Motion is in the best interests of the Debtors, their estates and their creditors; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Solicitation Procedures Motion is granted.

2. The Disclosure Statement contains adequate information within the meaning of § 1125 of the Bankruptcy Code, complies with all aspects of § 1125 of the Bankruptcy Code and is hereby approved.

3. The Debtors have provided adequate notice of the hearing on the Disclosure Statement in accordance with Bankruptcy Rules 2002 and 3017, and the Notice of Filing of the Disclosure Statement, attached as Exhibit 1 to the Solicitation Procedures Motion (the "**Disclosure Statement Notice**"), is approved.

4. The forms of (a) Ballots, attached hereto as Exhibit A, (b) notice of non-voting status, attached hereto as Exhibit B (the "**Unimpaired Notice**"), (c) Notice of (I) Hearing on Confirmation of the Plan, (II) Deadline to File Objections to the Plan, (III) Deadline to Submit Ballots to Vote to Accept or Reject the Plan and (IV) Other Procedures, attached hereto as Exhibit C (the "**Confirmation Hearing Notice**"), (d) New Convertible Notes Election Form and instructions thereto, attached hereto as Exhibit D (the "**Election Form**"), (e) New Convertible Notes Election Option Procedures, attached hereto as Exhibit E, and (f) Solicitation Packages (which shall include the Disclosure Statement and the exhibits thereto, applicable Ballot(s) and form of the New Convertible Notes Election Option Procedures) (i) provide adequate notice of the solicitation, voting and election procedures, the Confirmation Hearing and the Objection Deadline (as defined below),

(ii) comply with the Bankruptcy Rules and the local rules for the District of Delaware (the "**Local Rules**") and (iii) are hereby approved.

5. The voting record date for purposes of Bankruptcy Rules 3017 and 3018 shall be the date of the order approving the Disclosure Statement (the "**Voting Record Date**").

6. In the event a Claim or Interest is transferred after the Voting Record Date, the transferee of such Claim or Interest shall be bound by any Ballot filed by the holder of such Claim or Interests as of the Voting Record Date, including any (a) acceptance or rejection of the Plan and (b) any election with respect to the Note Cash-Out Option or the Stock Election Option, as applicable.

7. On or before February 1, 2007 (the "**Solicitation Date**"), the Debtors shall mail or cause to be mailed the Solicitation Packages or Unimpaired Notices as follows:

CLASS OF CLAIMHOLDERS OR INTERESTHOLDERS	INFORMATION TO BE SENT
1	Unimpaired Notice
2	Unimpaired Notice
3	Unimpaired Notice
4	Unimpaired Notice
5	Solicitation Package
6	Solicitation Package
7	Unimpaired Notice

8. The following procedure that a record holder of Claims or Interests, including, without limitation, brokers, banks, dealers, or other agents or nominees (collectively, "**Nominees**") has with respect to the Solicitation process is approved:

> Within five (5) business days after a Nominee's receipt of the Solicitation Package, such Nominee will forward to each Beneficial Owner the Solicitation Package together with a return envelope provided by and addressed to the Nominee so that the Beneficial Owner may return the completed Beneficial Owner Ballot to the Nominee. Upon receipt of the Beneficial Owner Ballots, the Nominee will summarize the individual votes of its Beneficial Owners on the appropriate Master Ballot and then return the Master Ballot to the Voting Agent by the Voting Deadline (as defined herein). Each Master Ballot includes space for the Nominees to enter each Class 5 Claimholder's or Class 6 Interestholder's vote and elections, and a final tally of acceptances and rejections of the Plan.

9. In addition to the foregoing, the Debtors shall distribute or cause to be distributed by the Solicitation Date a copy of the Confirmation Hearing Notice to: (a) the United States Trustee, (b) Fried, Frank, Harris, Shriver & Jacobson LLP, the attorneys to the Creditors' Committee, (c) Sidley & Austin, the attorneys for SAC, (d) all other parties in interest that have filed requests for notice pursuant to Bankruptcy Rule 2002 in the Debtors' Chapter 11 Cases, (e) the SEC, (f) the IRS, (g) the Department of Justice, (h) all landlords and other parties to executory contracts and/or unexpired leases, (i) all administrative creditors of the Debtors, (j) all Professionals, (k) all taxing authorities to which the Debtors pay taxes and (l) all environmental and other regulatory authorities. The United States Trustee, counsel to the Creditors' Committee, counsel to SAC, the SEC and the IRS shall also receive a copy of the Disclosure Statement.

10. The following additional Solicitation procedures are hereby approved:

> (a) The Debtors will not distribute copies of the Plan and the Disclosure Statement to holders of Claims and Interests in Classes 1, 2, 3, 4 and 7, who are deemed to accept the Plan, unless a holder of a Claim or Interest in such classes makes a specific request in writing to the Voting Agent for the same; provided,

however, that the Unimpaired Notice shall provide that a copy of the Plan and Disclosure Statement may be viewed at http://www.bmcgroup.com/hpi or obtained free of charge by contacting the Voting Agent.

(b) Claimholders and Interestholders who have duplicate Claims or Interests will be entitled to receive only one Solicitation Package and only one Beneficial Owner Ballot for voting their Claims or Interests.

(c) The Debtors anticipate that some of the Disclosure Statement Notices that have been sent to Claimholders and Interestholders may be returned by the United States Postal Service or other carrier as undeliverable. The Debtors believe that it would be costly and wasteful to mail Solicitation Packages or Unimpaired Notices to the same addresses to which undeliverable Disclosure Statement Notices were mailed. Therefore, the Debtors are authorized to depart from the strict notice rule, and are excused from mailing Solicitation Packages to those entities listed at such addresses unless the Debtors are provided with or otherwise locate accurate addresses for such entities prior to the Solicitation Date.

11. The last date for voting to accept or reject the Plan shall be 4:00 p.m. (prevailing Eastern Time) on March 2, 2007 (the "**Voting Deadline**"). All Ballots must be properly executed, completed and delivered to The BMC Group, Attn: HPI, Inc. Balloting Agent, P.O. Box 1066, El Segundo, CA 90245-1066, or The BMC Group, Attn: HPI, Inc. Balloting Agent, 1330 East Franklin Avenue, El Segundo, CA 90245, so as to be received on or before the Voting Deadline. The summary of voting results shall be filed with the Bankruptcy Court on March 6, 2007. This summary shall include a description of any defects on any of the Ballots (see Section 12(f) below) and how such defects were addressed.

12. The following voting guidelines are hereby approved:

(a) Votes Counted. Any timely received Ballot that contains sufficient information to permit the identification of the Claimholder or Interestholder and is cast as an acceptance or rejection of the Plan will be counted and will be deemed to be cast as an acceptance or rejection, as the case may be, of the Plan. The foregoing general procedures are subject to the following:

(i) If a Claim or Interest is deemed Allowed in accordance with the Plan, it will be Allowed for voting purposes in the deemed Allowed amount set forth in the Plan;

(ii) Beneficial Owners must vote all of their Claims or Interests either to accept or reject the Plan and may not split their votes with respect to their Claims or Interests;

(iii) Ballots cast in amounts in excess of the Allowed amount of the voter's Claim or Interest will only be counted to the extent of the Claimholder's Allowed Claim or the Interestholder's Allowed Interest; and

(iv) If a Ballot is signed by a trustee, executor, administrator, guardian, attorney-in-fact, or other person acting in a fiduciary or representative capacity, such person shall be required to indicate such capacity when signing, and the Debtors may request proper evidence, and if such evidence is not provided, such Ballot will not be counted.

(b) Votes Not Counted. The following Ballots shall not be counted or considered for any purpose in determining whether the Plan has been accepted or rejected:

(i) Any Ballot received after the Voting Deadline, unless the Debtors shall have granted an extension in writing of the Voting Deadline with respect to such Ballot;

(ii) Any Ballot that is illegible or contains insufficient information to permit the identification of the Claimholder or Interestholder;

(iii) Any Ballot cast by an entity that does not hold a Claim or Interest in a class that is entitled to vote to accept or reject the Plan;

(iv) Any Ballot submitted by facsimile or electronic transmission;

(v) Any unsigned Ballot;

(vi) Any Ballot that is properly completed, executed and timely filed, but that does not indicate an acceptance or rejection of the Plan, or indicates both an acceptance and rejection of the Plan;

(vii) Any Ballot that partially rejects and partially accepts the Plan; and

(viii) Any Ballot sent to the Debtors, the Indenture Trustee, the Creditors' Committee, any of their financial or legal advisors or any entity other than the Voting Agent.

(c) Changing Votes. Notwithstanding Bankruptcy Rule 3018(a), whenever two or more Ballots are cast voting the same Claim or Interest prior to the Voting Deadline, the latest dated Ballot received prior to the Voting Deadline will be deemed

to reflect the voter's intent and thus to supersede any prior Ballots; provided, however, that where an ambiguity exists as to which Ballot reflects the voter's intent, the Debtors may, at their option, contact the Claimholder or Interestholder and calculate the vote according to such voter's written instructions. This procedure is without prejudice to the Debtors' right to object to the validity of the second Ballot on any basis permitted by law and, if the objection is sustained, to count the first Ballot for all purposes. Furthermore, the Debtors are authorized to allow, in their sole discretion, a Claimholder or Interestholder to change its vote after the Voting Deadline without further order of the Bankruptcy Court.

(d) Withdrawals. An executed Ballot, including the election set forth therein with respect to the Note Cash-Out Option or the Stock Election Option, as applicable, may be withdrawn by a notice of withdrawal subject to the following. To be valid, a notice of withdrawal must (i) contain the description of the Claim or Interest to which it relates and the aggregate principal amount represented by such Claim or Interest, (ii) be signed by the Beneficial Owner of such Claim or Interest in the same manner as the Ballot was signed and (iii) be received by the Voting Agent by the Voting Deadline. An executed Ballot, including the elections set forth therein with respect to the Note Cash-Out Option or the Stock Election Option, as applicable, may be revoked and superseded by receipt of a properly completed and subsequently dated Ballot at any time by the Voting Deadline. After the Voting Deadline, an executed Ballot, including the elections set forth therein with respect to the Note Cash-Out Option or the Stock Election Option, as applicable, may not be changed or withdrawn unless, for cause shown, the Bankruptcy Court, after notice and a hearing, permits a holder of a Claim or Interest to change or withdraw only a rejection of the Plan in accordance with Bankruptcy Rule 3018(a).

(e) Master Ballot Tabulation. With respect to the tabulation of Master Ballots and Ballots cast by Nominees and Beneficial Owners of the Notes or Old HPI Stock, for purposes of voting, the amount that will be used to tabulate acceptance or rejections of the Plan will be the principal amount of the Notes or number of shares of Old HPI Stock, as applicable, held as of the Voting Record Date (the "**Record Amount**"); provided, however, that the Voting Agent will adjust the principal amount of the Notes voted to reflect the Claim amount as of the Voting Record Date for the Notes. The following additional rules will apply to the tabulation of Master Ballots and Ballots cast by Nominees and Beneficial Owners of the Notes:

(i) Votes cast by Beneficial Owners through Nominees will be applied against the positions held by such Nominees in the Notes or shares of Old HPI Stock as of the Voting Record Date, as evidenced by the record and depository listings. Votes submitted by a Nominee will not be counted in excess of the Record Amount of such securities held by such Nominee.

(ii) If conflicting votes or "over-votes" are submitted by a Nominee, the Debtors will attempt to reconcile discrepancies with the Nominees. If the

discrepancies are reconciled, appropriate amended Ballots may be submitted after the Voting Deadline and counted.

(iii) If over-votes are not reconciled prior to the preparation of the vote certification, the Debtors will apply the votes to accept and to reject the Plan in the same proportion as the votes to accept and reject the Plan submitted on the Master Ballot that contained the over-vote, but only to the extent of the Nominee's position in the Notes or Allowed Interests.

(iv) For purposes of tabulating votes, each Nominee or Beneficial Owner will be deemed to have voted the principal amount of its Allowed Noteholder Claim or Allowed Interest.

(v) A single Nominee may complete and deliver to the Voting Agent multiple Master Ballots. Votes reflected on multiple Master Ballots will be counted, except to the extent 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.

(vi) Nominees using Master Ballots will be required to retain for inspection by the Bankruptcy Court or the Debtors the Beneficial Owner Ballots cast by Beneficial Owners for one year following the Voting Deadline, for inspection by the Bankruptcy Court or the Debtors.

(f) Defects. Subject to the requirement to file a report with the voting summary report listing the defects, the Debtors, in consultation with the Creditors' Committee, may waive any defect in any Ballot at any time, whether before or after the Voting Deadline, and without notice. Unless waived by the Debtors, or as ordered by the Bankruptcy Court, any defects or irregularities in connection with the deliveries of the Ballots must be cured by the Voting Deadline, and unless otherwise ordered by the Bankruptcy Court, delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. With respect to a Ballot received prior to the Voting Deadline, neither the Debtors, nor any other person or entity, will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots nor will any of them incur liabilities for failure to provide such notification. Further, subject to any contrary order of the Bankruptcy Court, the Debtors reserve the absolute right to reject any and all Ballots not in proper form, the acceptance of which would, in the opinion of the Debtors or their counsel, not be in accordance with the provisions of the order approving this motion or the Bankruptcy Code.

13. The payment of the Backstop Fee to the Backstop Lenders on the Confirmation Date of the Plan is authorized and approved.

14. The procedures, including the following, to exercise rights to elect to purchase the New Convertible Notes as set forth in the New Convertible Notes Election Option Procedures are hereby approved:

(a) On or promptly after the Confirmation Date, the Election Agent shall mail the New Convertible Notes Election Option Procedures, Election Forms and other information concerning the New Convertible Notes Facility to Eligible Holders. Such Eligible Holders shall have twenty-one (21) days to exercise the New Convertible Notes Election Option.

(b) Each Eligible Holder must (i) deliver a duly completed Election Form to the Election Agent or its Nominee, so that such form is actually received by the Election Agent on or before the Facility Election Deadline; and (ii) pay to the Election Agent (on behalf of HPI) on or before the Facility Election Deadline the purchase price for such Eligible Holder's pro rata share of the New Convertible Notes, in accordance with the wire instructions set forth on the Election Form;

(c) The payments made in accordance with the Election Form will be deposited and held by the Election Agent in escrow pending the Effective Date in an account or accounts which will be separate and apart from the Election Agent's general operating funds and any other funds subject to any lien or any cash collateral arrangements; and

(d) Prior to the Effective Date, the funds held in escrow will not be property of the Debtors' estates, and the Election Agent shall not encumber or permit such funds to be encumbered with any lien or similar encumbrance.

15. The last date and time for filing and serving objections to the confirmation of the Plan ("**Objections**") is 4:00 p.m. (prevailing Eastern Time) on March 2, 2007 (the "**Objection Deadline**"). This objection period is sufficient under the Bankruptcy Code, the Bankruptcy Rules and the Local Rules. Only timely filed and served written Objections shall be considered; Objections not timely filed and served in accordance with the provisions of this paragraph and the immediately following paragraph shall not be considered.

16. Objections, if any, must (a) be in writing, (b) comply with the Bankruptcy Rules and the Local Rules, (c) set forth the name of the objector, and the nature and amount of any Claim or Interest asserted by the objector against or in the Debtors, their estates or their properties, (d) state with particularity the legal and factual bases for the Objection, and (e) be filed with the Bankruptcy Court together with proof of service, and served by personal service, overnight delivery, or first-class mail, so as to be RECEIVED no later than 4:00 p.m. (prevailing Eastern Time) on March 2, 2007 by the following parties (collectively, the "**Notice Parties**"):

(a) *Counsel to the Debtors*, Goldberg Kohn Bell Black Rosenbloom & Moritz, Ltd., 55 East Monroe Street, Suite 3700, Chicago, Illinois 60603, Attn: Kathryn A. Pamenter, Esq. and *Local Counsel to the Debtors*, Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801 Attn: Mark D. Collins, Esq.;

(b) *Counsel to Bank of America, N.A.*, Vedder Price Kaufman & Kammholz PC, 222 North LaSalle Street, Suite 2600, Chicago, Illinois 60601, Attn: John McEnroe, Esq.;

(c) *Counsel to the Creditors' Committee*, Fried, Frank, Harris, Shriver & Jacobson, LLP, One New York Plaza, New York, New York 10004, Attn: Gary L. Kaplan, Esq. and *Local Counsel to the Creditors' Committee*, Pachulski Stang Ziehl Young Jones & Weintraub LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19801, Attn: Laura Davis Jones, Esq.; and

(d) *The United States Trustee*, District of Delaware, 844 King Street, Suite 2313, Wilmington, Delaware 19801-3519, Attn: David L. Buchbinder, Esq.

17. The Debtors shall serve copies of the Confirmation Hearing Notice, along with the other solicitation materials, in accordance with the procedures set forth herein and in the Solicitation Procedures Motion, which procedures are approved.

18. The Confirmation Hearing shall be held on March 8, 2007 at 10:00 a.m. (prevailing Eastern Time) in the Bankruptcy Court. The Confirmation Hearing may be

continued from time to time by the Bankruptcy Court without further notice other that the announcement of the adjourned date(s) at the Confirmation Hearing or any continued hearing.

19. The Debtors are authorized to take or refrain from taking any action necessary or appropriate to implement the terms of, and the relief granted in, this Solicitation Procedures Order without seeking any further order of the Bankruptcy Court.

20. The Bankruptcy Court shall retain jurisdiction over any matters arising from or related to the implementation or interpretation of this Solicitation Procedures Order.

Dated: _____, 2007
Wilmington, Delaware

_____
United States Bankruptcy Judge

EXHIBIT A

FORMS OF BALLOTS

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS BENEFICIAL OWNER BALLOT OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	**Chapter 11**
HOME PRODUCTS INTERNATIONAL, INC. and HOME PRODUCTS INTERNATIONAL-NORTH AMERICA, INC.,	**Case No. 06-11457 (CSS)** **(Jointly Administered)**
Debtors.	

BENEFICIAL OWNER BALLOT FOR CLASS 5 NOTEHOLDER CLAIMS FOR ACCEPTING OR REJECTING SECOND AMENDED PLAN OF REORGANIZATION PROPOSED BY HOME PRODUCTS INTERNATIONAL, INC. AND HOME PRODUCTS INTERNATIONAL – NORTH AMERICA, INC.

**9 5/8% SENIOR SUBORDINATED NOTES DUE 2008
CUSIP 437305AC9**

THE VOTING DEADLINE IS MARCH 2, 2007 AT 4:00 P.M., PREVAILING EASTERN TIME. YOUR BENEFICIAL OWNER BALLOT MUST BE RETURNED TO THE NOMINEE IN SUFFICIENT TIME FOR YOUR NOMINEE TO COMPLETE THE MASTER BALLOT AND RETURN SUCH MASTER BALLOT TO THE VOTING AGENT SO AS TO BE RECEIVED BY THE VOTING DEADLINE, OR THE VOTES REPRESENTED BY YOUR BENEFICIAL OWNER BALLOT WILL NOT BE COUNTED.

This Beneficial Owner Ballot is being sent to you because our records indicate that you are the holder of a Class 5 Noteholder Claim against Home Products International, Inc. ("HPI") or Home Products International – North America, Inc. ("HPI-NA" and together with HPI, the "Debtors"). Accordingly, you have a right to vote to accept or reject the Second Amended Chapter 11 Plan of Reorganization of Home Products International, Inc. and Home Products International – North America, Inc. dated as of January 29, 2007 (as may be amended the "Plan"). Your rights are described in the Second Amended Disclosure Statement with Respect to Plan of Reorganization of Home Products International, Inc. and Home Products International-North America, Inc. (as may be amended, the "Disclosure Statement") and the Plan, copies of which are included herein. All capitalized terms not defined herein shall have the meanings set forth in the Disclosure Statement and the Plan. This Beneficial Owner Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain related elections and certifications. The Debtors recommend that you accept the Plan by checking the "To Accept the Plan" box.

The Disclosure Statement provides information to assist you in deciding how to vote your Beneficial Owner Ballot. You should carefully and thoroughly review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the classification and treatment of your Claim under the Plan. If you do not have a Disclosure Statement, you may obtain a copy from the Voting Agent at the address and phone number set forth below. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court.

PLEASE READ THE ATTACHED VOTING INSTRUCTIONS (APPENDIX A) BEFORE COMPLETING THIS BENEFICIAL OWNER BALLOT

PLEASE COMPLETE ITEMS 1, 2, AND 5. PLEASE COMPLETE ITEMS 3 AND 4 ONLY IF YOU WISH TO EXERCISE THE RELEASE OPT-OUT OR NOTE CASH-OUT OPTION. ANY BENEFICIAL OWNER BALLOT WHICH IS EXECUTED BY THE HOLDER OF AN ALLOWED NOTEHOLDER CLAIM BUT WHICH DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OR WHICH INDICATES AN ACCEPTANCE AND A REJECTION OF THE PLAN SHALL NOT BE COUNTED AS EITHER A VOTE TO ACCEPT OR REJECT THE PLAN.

ITEM 1. AMOUNT OF YOUR CLASS 5 NOTEHOLDER CLAIM.

Face Amount of Notes: _____

ITEM 2. VOTE – ACCEPTANCE OR REJECTION OF THE PLAN.

The undersigned holder of the Class 5 Noteholder Claim set forth above votes (please check one):	
❑ TO ACCEPT THE PLAN	❑ TO REJECT THE PLAN

ITEM 3. RELEASE OPT-OUT.

Section 10.01(c) of the Plan provides:

Upon the Effective Date, except as otherwise specifically provided by this Plan, and except to the extent that a holder of a Class 5 Claim or the holder of a Class 6 interest elects on its ballot to opt-out of this Section 10.01(c), each of (i) the Debtors, the Reorganized Debtors and their Related Parties, (ii) each holder of a Noteholder Claim and their Related Parties and (iii) each holder of an Allowed Interest and their Related Parties, hereby release each other from any and all claims, debts, obligations, rights, suits, damages, actions, causes of action, remedies, and liabilities of every kind and nature, whether known or unknown, foreseen or unforeseen, derivative or direct, from the beginning of time through the Effective Date, in law, at equity or otherwise, whether for tort, fraud, contract, violations of federal or state securities laws or otherwise, based in whole or in part upon any act or omission, transaction or other occurrence, or circumstances existing or taking place prior to or on the Effective Date arising from, in connection with, or related in any way to the Debtors including, without limitation, their businesses, operations or financing (including, without limitation, the Noteholder Claims).

You have the option to opt-out of the foregoing release provision. To do so, you must check the box below. If you do not check the box below, the Plan provides that if the Plan is confirmed, a Class 5 Claimholder's treatment shall be deemed to have been in exchange for satisfaction, settlement, discharge and release of all Claims against certain parties upon the Effective Date of the Plan.

❑ **The undersigned elects to opt-out of Section 10.01(c) of the Plan.**

ITEM 4. ELECTION – NOTE CASH-OUT OPTION.

Section 3.04(a) of the Plan provides that each holder of a Class 5 Noteholder Claim may elect the Note Cash-Out Option pursuant to which it will receive Cash as provided for in Section 3.04(a) of the Plan in lieu of New HPI Stock it would otherwise receive as provided for in Section 3.04(a) of the Plan, subject to certain limitations. In order to elect the Note Cash-Out Option, the holder of a Class 5 Noteholder Claim must (a) check the box below and (b) instruct your Nominee to deliver notification of such election through Depository Trust Company's ("DTC") Automated Tender Offer Program ("ATOP"), as specified in Appendix A, prior to the Voting Deadline.

☐ **THE UNDERSIGNED HOLDER ELECTS THE NOTE CASH-OUT OPTION WITH RESPECT TO ITS CLASS 5 NOTEHOLDER CLAIM**

ITEM 5. CERTIFICATIONS.

By signing and returning this Beneficial Owner Ballot, the undersigned certifies to the Bankruptcy Court and the Debtors that:

(a) as of January ___, 2007 (the "Voting Record Date"), such person or entity is (i) the Beneficial Owner of the Claims to which this Beneficial Owner Ballot pertains; or (ii) an authorized signatory of a Beneficial Owner. An authorized signatory of an eligible Beneficial Owner may execute this Ballot, but must provide the name and address of the Beneficial Owner on this Beneficial Owner Ballot and may be required to submit evidence to the Bankruptcy Court demonstrating such signatory's authorization to vote on behalf of the Beneficial Owner. Authorized signatories voting on behalf of more than one Beneficial Owner must complete a separate Beneficial Owner Ballot for each Beneficial Owner;

(b) it understands that to the extent that it is the Beneficial Owner or authorized signatory, the undersigned hereby authorizes and instructs the Nominee to execute a master ballot reflecting this Beneficial Owner Ballot;

(c) all authority conferred or agreed to be conferred pursuant to this Beneficial Owner Ballot, and every obligation of the undersigned hereunder shall be binding upon the transferees, successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the undersigned and shall not be affected by, and shall survive, the death or incapacity of the undersigned;

(d) the undersigned has been provided with a copy of the Disclosure Statement relating to the Plan and all related materials.

You must provide all of the information requested by this Beneficial Owner Ballot. Failure to do so may result in the disqualification of your vote. To the extent an authorized signatory of an eligible Beneficial Owner is executing this Beneficial Owner Ballot, such authorized signatory may be required to submit evidence to the Bankruptcy Court demonstrating such signatory's authorization to vote on behalf of the Beneficial Owner.

Dated: _____, 2007

Name of Holder: _____

Social Security or Federal Tax I.D. No.: _____

Signature: _____

By: _____
(If Appropriate)

Title: _____
(If Appropriate)

Telephone Number: _____

Street Address: _____

City, State and Zip Code: _____

PLEASE COMPLETE, SIGN AND DATE THE BENEFICIAL OWNER BALLOT AND RETURN IT TO YOUR NOMINEE IN THE ENVELOPE PROVIDED, SO THAT THE NOMINEE MAY PROCESS YOUR VOTE BY COMPLETING A MASTER BALLOT AND RETURNING THE MASTER BALLOT TO THE VOTING AGENT PRIOR TO THE 4:00 P.M. (PREVAILING EASTERN TIME) MARCH 2, 2007 VOTING DEADLINE.

IF YOU HAVE ANY QUESTIONS REGARDING THIS BENEFICIAL OWNER BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED ADDITIONAL COPIES OF THE BENEFICIAL OWNER BALLOT OR THE OTHER ENCLOSED MATERIALS, PLEASE CALL THE VOTING AGENT AT 1-888-909-0100.

APPENDIX A

VOTING INSTRUCTIONS FOR COMPLETING THE BENEFICIAL OWNER BALLOT

The Debtors are soliciting your vote with respect to their Plan. TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE, SIGN AND RETURN THE ATTACHED BENEFICIAL OWNER BALLOT IN THE ENCLOSED ENVELOPE TO YOUR NOMINEE IN SUFFICIENT TIME FOR THE NOMINEE TO COMPLETE AND RETURN A MASTER BALLOT TO THE VOTING AGENT PRIOR TO THE VOTING DEADLINE.

All capitalized terms not defined herein shall have the meanings set forth in the Disclosure Statement or the Plan. Please review the Plan and the Disclosure Statement carefully and thoroughly before you vote. If you do not have a copy of the Disclosure Statement or the Plan you may obtain copies from the Voting Agent at 1-888-909-0100 or via the internet at www.bmcgroup.com/hpi.

The Plan can be confirmed by the Bankruptcy Court and thereby made binding on you if (1) it is accepted by the holders of at least two-thirds in amount and more than one-half in number of the Claims in each impaired Class containing Claims who vote on the Plan, (2) it is accepted by the holders of at least two-thirds in amount of the Interests in each impaired Class containing Interests who vote on the Plan and (3) the Plan otherwise satisfies the applicable requirements of § 1129(a) of the Bankruptcy Code. If the requisite acceptances are not obtained, the Bankruptcy Court nonetheless may confirm the Plan if it finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan and (b) otherwise satisfies the requirements of § 1129(b) of the Bankruptcy Code.

The attached Beneficial Owner Ballot may not be used for any purpose other than to cast votes to accept or reject the Plan and make certain elections provided therein.

If your Beneficial Owner Ballot is received after the Voting Deadline, it will not be counted. Except as otherwise provided herein, delivery of Beneficial Owner Ballots will be deemed made only when the original executed Beneficial Owner Ballot is **actually** timely **received** by the Voting Agent. In all cases, sufficient time should be allowed to assure timely delivery.

TO COMPLETE THE BENEFICIAL OWNER BALLOT PROPERLY, YOU MUST FOLLOW THE PROCEDURES DESCRIBED BELOW:

(a) Insert the face amount of Notes you own in Item 1. Do not include any accrued but unpaid interest.

(b) Cast ONE vote to accept or reject the Plan by checking the proper box in Item 2.

(c) You may elect to opt-out of Section 10.01(c) of the Plan, the third party release provision, by checking the box in Item 3.

(d) You may elect to exercise the Note Cash–Out Option in Item 4. If you elect to exercise the Note Cash-Out Option in Item 4, you must (i) check the box in Item 4 and (ii) instruct your Nominee to deliver notification of such elections through DTC's ATOP prior to the Voting Deadline. Please see the Note Cash-Out Option Tendering Instructions below.

(e) Sign and date the Ballot in Item 5.

(f) If you are completing the Ballot on behalf of another entity, indicate your relationship with such entity and the capacity in which you are signing, and submit satisfactory evidence of your authority to so act (e.g., a power of attorney or a certified copy of board resolutions authorizing you to so act).

(g) If the claimholder name and address information appearing on the Ballot label indicates the joint tenancy of a claim or security, both parties to that claim or security must sign the Beneficial Owner Ballot in order for it to be counted.

(h) Return each Beneficial Owner Ballot per the instructions above. **ONLY BENEFICIAL OWNER BALLOTS WITH ORIGINAL SIGNATURES WILL BE COUNTED. PHOTOCOPY OR FACSIMILE BENEFICIAL OWNER BALLOTS WILL NOT BE COUNTED. ANY BENEFICIAL OWNER BALLOT THAT IS NOT SIGNED WILL NOT BE COUNTED. ANY BENEFICIAL OWNER BALLOT THAT IS VALIDLY EXECUTED BUT DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN, OR INDICATES BOTH AN ACCEPTANCE AND REJECTION OF THE PLAN, WILL NOT BE COUNTED.**

(i) No Beneficial Owner Ballot should be sent to the Debtors, the Creditors' Committee, the Indenture Trustee or any of their financial or legal advisors. The Beneficial Owner Ballot is not a letter of transmittal and may not be used for any purpose other than to vote to accept or reject the Plan and make certain elections provided therein. The Beneficial Owner Ballot does not constitute, and shall not be deemed to be, a proof of claim or equity interest or an assertion or admission of a Claim or Interest.

(j) You must vote all of your claims within a single class to either accept or reject the Plan. A Beneficial Owner Ballot that partially rejects and partially accepts the Plan will not be counted.

(k) If you hold Claims or Interests in more than one Class under the Plan, you may receive more than one Ballot, each coded for a different Class. Each Beneficial Owner Ballot votes only your Claims or Interests indicated on that Beneficial Owner Ballot. Please complete and return each Beneficial Owner Ballot you receive.

(l) If multiple Beneficial Owner Ballots are received from a holder of Claims or Interests with respect to the same Claims or Interests, the last Beneficial Owner Ballot timely received or otherwise accepted will supersede and revoke any earlier received Beneficial Owner Ballot.

NOTE CASH-OUT OPTION TENDERING INSTRUCTIONS:

Nominees must tender through DTC's ATOP system the Notes of Beneficial Owners that make the Note Cash-Out Election, after which tender of such Notes may not be withdrawn from ATOP.

1. For those Beneficial Owners that make the Note Cash-Out Election, DTC participants must electronically transmit the Beneficial Owner's Notes by causing DTC to transfer the Notes to the account established for that purpose by the ATOP agent in accordance with DTC's ATOP procedures for transfer DTC will then send an Agent's Message to the ATOP agent

   i. The term "Agent's Message" means a message transmitted by DTC to, and received by, the ATOP agent and forming a part of the Book-Entry Confirmation.

   ii The term "Book-Entry Confirmation" means the confirmation of a book-entry transfer into the ATOP's agent's account at DTC, as described above.

2. Any financial institution that is a participant in the DTC system may make book-entry delivery of the Notes by causing DTC to transfer such Notes into the appropriate account, in accordance with DTC's procedures for transfer **Timely book-entry delivery of the Notes pursuant to the Plan, however, requires the receipt of a Book-Entry Confirmation prior to the Voting Deadline.**

3. If you have any questions regarding the transfer of the Notes through DTC, please contact the Voting Agent

PLEASE COMPLETE, SIGN AND DATE THE BENEFICIAL OWNER BALLOT AND RETURN IT TO YOUR NOMINEE IN THE ENVELOPE PROVIDED, SO THAT THE NOMINEE MAY PROCESS YOUR VOTE BY COMPLETING A MASTER BALLOT AND RETURNING THE MASTER BALLOT TO THE VOTING AGENT PRIOR TO THE 4:00 P.M. (PREVAILING EASTERN TIME) MARCH 2, 2007 VOTING DEADLINE.

IF YOU HAVE ANY QUESTIONS REGARDING THIS BENEFICIAL OWNER BALLOT OR THE VOTING PROCEDURES, PLEASE CALL THE VOTING AGENT TOLL FREE AT 1-888-909-0100.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS MASTER BALLOT OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	**Chapter 11**
HOME PRODUCTS INTERNATIONAL, INC. and HOME PRODUCTS INTERNATIONAL-NORTH AMERICA, INC.,	**Case No. 06-11457 (CSS) (Jointly Administered)**
Debtors.	

MASTER BALLOT FOR CLASS 5 NOTEHOLDER CLAIMS FOR ACCEPTING OR REJECTING SECOND AMENDED PLAN OF REORGANIZATION PROPOSED BY HOME PRODUCTS INTERNATIONAL, INC. AND HOME PRODUCTS INTERNATIONAL – NORTH AMERICA, INC.

9 5/8% SENIOR SUBORDINATED NOTES DUE 2008
CUSIP 437305AC9

THE VOTING DEADLINE IS MARCH 2, 2007 AT 4:00 P.M., PREVAILING EASTERN TIME. FOR THE VOTES OF YOUR BENEFICIAL OWNERS TO BE COUNTED, YOUR MASTER BALLOT MUST BE RECEIVED BY THE VOTING AGENT BY THE VOTING DEADLINE, OR THE VOTES REPRESENTED BY YOUR MASTER BALLOT WILL NOT BE COUNTED.

This Master Ballot is to be used by you as (a) a bank, broker or other nominee, (b) the agent of a bank, broker or other nominee (each of the foregoing, a "Nominee") or (c) a proxy holder of a beneficial owner or Nominee (the "Beneficial Owner") of a Class 5 Noteholder Claim against Home Products International, Inc. ("HPI") or Home Products International – North America, Inc. ("HPI-NA" and together with HPI, the "Debtors") to transmit to the Voting Agent the votes of such Beneficial Owners to accept or reject the Second Amended Chapter 11 Plan of Reorganization of Home Products International, Inc. and Home Products International – North America, Inc. dated as of January 29, 2007 (as may be amended, the "Plan"). The Beneficial Owners' rights are described in the Second Amended Disclosure Statement with Respect to Plan of Reorganization of Home Products International, Inc. and Home Products International-North America, Inc. (as it may be amended, the "Disclosure Statement") and the Plan, copies of which are included herein. All capitalized terms not defined herein shall have the meanings set forth in the Disclosure Statement and the Plan. This Master Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain related elections and certifications.

You are required to deliver the Beneficial Owner ballot (each a "Beneficial Owner Ballot") to the Beneficial Owner for whom you hold a Note entitled to a Class 5 Noteholder Claim and take any action required to enable such Beneficial Owner to timely vote its Claim to accept or reject the Plan. With regard to any Beneficial Owner Ballots returned to you, you must (1) execute the Master Ballot so as to reflect the voting instructions and elections given to you in the Beneficial Owner Ballots by the Beneficial Owners for whom you hold such Notes and (2) forward such Master Ballots to the Voting Agent. If you are both the registered or record holder and Beneficial Owner of any Note and you wish to vote such claim, you may return a Beneficial Owner Ballot or a Master Ballot.

PLEASE READ THE ATTACHED VOTING INSTRUCTIONS (APPENDIX A) BEFORE COMPLETING THIS MASTER BALLOT

PLEASE COMPLETE ITEMS 1, 2, AND 3. IF THIS MASTER BALLOT IS NOT RECEIVED BY THE VOTING DEADLINE, YOUR BENEFICIAL OWNERS' VOTES WILL NOT COUNT AS EITHER ACCEPTANCE OR REJECTION OF THE PLAN, AND ANY ELECTIONS WILL NOT BE RECOGNIZED. IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT, IT WILL BE BINDING ON YOUR BENEFICIAL OWNERS WHETHER OR NOT THEIR VOTES ARE COUNTED.

ITEM 1. CERTIFICATION OF AUTHORITY TO VOTE. The undersigned certifies that as of January __, 2007 (the "Voting Record Date"), the undersigned (please check the applicable box):

☐ Is a bank, broker, or other nominee for the Beneficial Owners of the aggregate amount of Notes listed in Item 2 below, and is the registered holder of such securities, or

☐ Is acting under a power of attorney and/or agency (a copy of which is attached) granted by a bank, broker, or other nominee that is the registered holder of the aggregate amount of Notes listed in Item 2 below, or

☐ Has been granted a proxy (an original of which is annexed hereto) from a bank, broker, or other nominee, or a Beneficial Owner, that is the registered holder of the aggregate amount of Notes listed in Item 2 below, and accordingly, has full power and authority to vote to accept or reject the Plan on behalf of the Beneficial Owners of the Notes described in Item 3.

ITEM 2. VOTE.

The undersigned transmits the following votes and elections of the Beneficial Owners in respect of their Class 5 Noteholder Claims and certifies that the following Beneficial Owners of the Notes as identified by their customer account numbers set forth below, are Beneficial Owners of such Notes as of the Voting Record Date and have delivered to the undersigned, as nominee, originally executed Beneficial Owners Ballots casting such votes. Indicate, in the appropriate column, the aggregate number of Notes voted for each account or attach such information to this Master Ballot, in the form of the following table. In addition, in the appropriate column, indicate whether a Beneficial Owner has elected to participate in the Note Cash-Out Option. The Beneficial Owners must comply with Depository Trust Company's Automated Tender Offer Program by giving appropriate instructions to you. The Note Cash-Out Option Tendering Instructions are included in Appendix A hereto. Further, in the appropriate column, indicate whether a Beneficial Owner has elected to opt-out of Section 10.01(c) of the Plan, the third party release provision.

Customer Name and/or Account Number For Each Beneficial Owner of Class 5 Noteholder Claims	Amount of Notes Held		To Elect the Note Cash-Out Option	To Opt-Out of Section 10.01(c) of the Plan
	To Accept (for) the Plan	To Reject (Against) the Plan		
1.	$	$		
2.	$	$		
3.	$	$		
4.	$	$		
5.	$	$		
6.	$	$		
7.	$	$		
8.	$	$		

TOTALS	$	$		

Please note that each Beneficial Owner of Notes who votes must vote all of the Notes owned by such Beneficial Owner. For purposes of tabulating the vote, each Beneficial Owner who votes should be deemed to have voted the full amount of Notes owned by such Beneficial Owner according to your records. A Beneficial Owner may not split the vote, and, accordingly, a Beneficial Owner Ballot received from a Beneficial Owner that partially accepts and partially rejects will not be counted either as a vote to accept or reject the Plan.

THE PLAN PROVIDES THAT IF THE PLAN IS CONFIRMED, A CLASS 5 NOTEHOLDER CLAIMHOLDER'S TREATMENT SHALL BE DEEMED TO HAVE BEEN IN EXCHANGE FOR SATISFACTION, SETTLEMENT, DISCHARGE AND RELEASE OF ALL CLAIMS AGAINST THE DEBTORS AND CERTAIN PARTIES UPON THE EFFECTIVE DATE OF THE PLAN.

ITEM 3. SIGNATURE. By signing this Master Ballot, the undersigned certifies that each Beneficial Owner of Notes whose votes are being transmitted by this Master Ballot has been provided with a copy of the Disclosure Statement (including the exhibits thereto). The undersigned also acknowledges that the solicitation of votes to accept or reject the Plan and the elections are subject to all the terms and conditions set forth in the Disclosure Statement and the Plan.

This Master Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain related elections.

Date Completed:_____, 2007

DTC Participant # _____

Name of Bank, Broker, or Other Nominee:

Name of Proxy Holder or Agent for Bank, Broker, or Other Nominee (if applicable)

Signature:

Print Name:

Title:

Street Address:

City, State Zip:

Phone:

IF YOU HAVE ANY QUESTIONS REGARDING THIS MASTER BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED ADDITIONAL COPIES OF THE BENEFICIAL OWNER BALLOTS OR THE OTHER ENCLOSED MATERIALS, PLEASE CALL THE VOTING AGENT AT 1-888-909-0100.

APPENDIX A
INSTRUCTIONS FOR COMPLETING THE MASTER BALLOT

The Debtors are soliciting your customers' votes on the Debtors' Plan described in the Disclosure Statement accompanying this Master Ballot. Please review the Disclosure Statement and Plan carefully before you complete this Master Ballot. Unless otherwise defined, capitalized terms used herein and in the Master Ballot have the meanings ascribed to them in the Disclosure Statement and the Plan.

VOTING DEADLINE:

To have the votes and elections of your customers count, you must complete, sign and return this Master Ballot so that it is RECEIVED by the Voting Agent, by 4:00 p.m., prevailing Eastern Time, on March 2, 2007 (the "Voting Deadline"). **Unsigned Master Ballots will not be counted. Master Ballots that are signed and returned, but do not expressly indicate a vote for acceptance or rejection of the Plan will not be counted as either a vote to accept or reject the Plan. A Beneficial Owner Ballot or a Master Ballot accepting or rejecting the Plan may not be revoked after the Voting Deadline. Similarly elections to participate in the Note Cash-Out Option may not be revoked after the Voting Deadline.**

HOW TO VOTE:

1. If you are both the registered or record holder and Beneficial Owner of any Notes and you wish to vote such Notes, you must return your completed Beneficial Owner Ballot or Master Ballot to the Voting Agent by the Voting Deadline.

2. If you are transmitting the votes of any Beneficial Owners of Notes other than yourself, you must: deliver the Beneficial Owner Ballot to each Beneficial Owner for whom you hold Notes, along with the Disclosure Statement and other materials requested to be forwarded (collectively, the "Solicitation Package") and take any action required to enable each such Beneficial Owner to (a) complete and execute a Beneficial Owner Ballot and (b) return the completed, executed Beneficial Owner Ballot to you in sufficient time to enable you to complete the Master Ballot and deliver it to the Voting Agent prior to the Voting Deadline. With regard to any Beneficial Owner Ballots returned to you, you must (1) execute the Master Ballot so as to reflect the voting and election instructions given to you in the Beneficial Owner Ballots by the Beneficial Owners for whom you hold Notes and (2) forward such Master Ballots to the Voting Agent.

3. To complete the Master Ballot properly, take the following steps:

(i) Provide appropriate information for each of the items on the Master Ballot Vote to accept (for) or reject (against) the Plan for the Notes held by you as the Nominee or proxy holder on behalf of the Nominee or the Beneficial Owners. In addition, if applicable, indicate if an election is being made with respect to the Note Cash-Out Option. Further, if applicable, indicate if a Beneficial Owner is electing to opt-out of Section 10.01(c) of the Plan. Please provide information for each individual Beneficial Owner for whom you are voting Notes in your name. If you are unable to disclose the identity of such Beneficial Owners, please use the customer account number assigned by you to each such Beneficial Owner or, if no such customer account number exists, please use the sequential numbers provided (making sure to retain a separate list of each Beneficial Owner and his or her assigned sequential number).

(ii) Sign and date your Master Ballot.

(iii) Provide your name and mailing address.

(iv) Deliver your Master Ballot to the Voting Agent prior to the Voting Deadline.

NOTE CASH-OUT OPTION TENDERING INSTRUCTIONS:

Nominees must tender through DTC's ATOP system the Notes of Beneficial Owners that make the Note Cash-Out Election, after which tender of such Notes may not be withdrawn from ATOP.

1. For those Beneficial Owners that make the Note Cash-Out Election, DTC participants must electronically transmit the Beneficial Owner's Notes by causing DTC to transfer the Notes to the account established for that purpose by the ATOP agent in accordance with DTC's ATOP procedures for transfer. DTC will then send an Agent's Message to the ATOP agent.

   i. The term "Agent's Message" means a message transmitted by DTC to, and received by, the ATOP agent and forming a part of the Book-Entry Confirmation

   ii. The term "Book-Entry Confirmation" means the confirmation of a book-entry transfer into the ATOP's agent's account at DTC, as described above.

2. Any financial institution that is a participant in the DTC system may make book-entry delivery of the Notes by causing DTC to transfer such Notes into the appropriate account, in accordance with DTC's procedures for transfer. **Timely book-entry delivery of the Notes pursuant to the Plan, however, requires the receipt of a Book-Entry Confirmation prior to the Voting Deadline.**

3. If you have any questions regarding the transfer of the Notes through DTC, please contact the Voting Agent.

PLEASE NOTE:

No Beneficial Owner Ballot or Master Ballot shall constitute or be deemed to constitute (a) a proof of claim or equity interest or (b) an admission by the Debtors of the nature, validity, or amount of any claim or equity interest.

This Master Ballot is not a letter of transmittal and may not be used for any other purpose than to cast votes to accept or reject the Plan and make certain related elections.

No fees or commissions or other remuneration will be payable to any broker, dealer or other person for soliciting Beneficial Owner Ballots accepting the Plan. The Debtors will, however, upon request, reimburse you for customary mailing and handling expenses incurred by you in forwarding the Beneficial Owner Ballots and other enclosed materials to your clients.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL DEEM YOU OR ANY OTHER PERSON AN AGENT OF THE DEBTORS, OR AUTHORIZE YOU OR ANY OTHER 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 DOCUMENTS ENCLOSED HEREWITH.

Ballots should be returned to the Voting Agent as follows:

IF BY MAIL	IF BY COURIER/HAND DELIVERY
The BMC Group Attention: HPI Voting Agent PO Box 1066 El Segundo, CA 90245-1066	The BMC Group Attention: HPI Voting Agent 1330 E. Franklin Avenue El Segundo, CA 90245

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS BENEFICIAL OWNER BALLOT OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	**Chapter 11**
HOME PRODUCTS INTERNATIONAL, INC. and HOME PRODUCTS INTERNATIONAL-NORTH AMERICA, INC.,	**Case No. 06-11457 (CSS)** **(Jointly Administered)**
Debtors.	

BENEFICIAL OWNER BALLOT FOR CLASS 6 HPI INTERESTS FOR ACCEPTING OR REJECTING SECOND AMENDED PLAN OF REORGANIZATION PROPOSED BY HOME PRODUCTS INTERNATIONAL, INC. AND HOME PRODUCTS INTERNATIONAL – NORTH AMERICA, INC.

HPI INTERESTS
CUSIP 437305105

THE VOTING DEADLINE IS MARCH 2, 2007 AT 4:00 P.M., PREVAILING EASTERN TIME. IF YOU HAVE A NOMINEE, YOU MUST RETURN YOUR BENEFICIAL OWNER BALLOT TO THE NOMINEE IN SUFFICIENT TIME FOR THE NOMINEE TO COMPLETE THE MASTER BALLOT AND RETURN SUCH MASTER BALLOT TO THE VOTING AGENT SO AS TO BE RECEIVED BY THE VOTING DEADLINE. IF YOU DO NOT HAVE A NOMINEE, YOU MUST RETURN YOUR BENEFICAL OWNER BALLOT TO THE VOTING AGENT DIRECTLY PRIOR TO THE VOTING DEADLINE.

This Beneficial Owner Ballot is being sent to you because our records indicate that you are an owner of a Class 6 HPI Interest in Home Products International, Inc. ("HPI"). Accordingly, you have a right to vote to accept or reject the Second Amended Chapter 11 Plan of Reorganization of Home Products International, Inc. and Home Products International – North America, Inc. dated as of January 29, 2007 (as may be amended, the "Plan"). Your rights are described in the Second Amended Disclosure Statement with Respect to Plan of Reorganization of Home Products International, Inc. and Home Products International-North America, Inc. (as may be amended, the "Disclosure Statement") and the Plan, copies of which are included herein. All capitalized terms not defined herein shall have the meanings set forth in the Disclosure Statement and the Plan. This Beneficial Owner Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain related elections and certifications. The Debtors recommend that you accept the Plan by checking the "To Accept the Plan" box.

The Disclosure Statement provides information to assist you in deciding how to vote your Beneficial Owner Ballot. You should carefully and thoroughly review the Disclosure Statement and the Plan before you vote. You may wish to seek legal advice concerning the Plan and the classification and treatment of your HPI Interest under the Plan. If you do not have a Disclosure Statement, you may obtain a copy from the Voting Agent at the address and phone number set forth below. Bankruptcy Court approval of the Disclosure Statement does not indicate approval of the Plan by the Bankruptcy Court.

PLEASE READ THE ATTACHED VOTING INSTRUCTIONS (APPENDIX A) BEFORE COMPLETING THIS BENEFICIAL OWNER BALLOT

PLEASE COMPLETE ITEMS 1, 2, AND 5. PLEASE COMPLETE ITEMS 3 AND 4 ONLY IF YOU WISH TO EXERCISE THE RELEASE OPT-OUT OR STOCK ELECTION OPTION. ANY BENEFICIAL OWNER BALLOT WHICH IS EXECUTED BY THE HOLDER OF AN ALLOWED HPI INTEREST BUT WHICH DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OR WHICH INDICATES AN ACCEPTANCE AND A REJECTION OF THE PLAN SHALL NOT BE COUNTED AS EITHER A VOTE TO ACCEPT OR REJECT THE PLAN.

ITEM 1. AMOUNT OF YOUR CLASS 6 HPI INTEREST.

Number of Shares held in HPI: _____ Shares

ITEM 2. VOTE – ACCEPTANCE OR REJECTION OF THE PLAN.

The undersigned holder of the Class 6 HPI Interest set forth above votes (please check one):	
❑ **TO ACCEPT THE PLAN**	❑ **TO REJECT THE PLAN**

ITEM 3. RELEASE OPT-OUT.

Section 10.01(c) of the Plan provides:

Upon the Effective Date, except as otherwise specifically provided by this Plan, and except to the extent that a holder of a Class 5 Claim or the holder of a Class 6 Interest elects on its ballot to opt-out of this Section 10.01(c), each of (i) the Debtors, the Reorganized Debtors and their Related Parties, (ii) each holder of a Noteholder Claim and their Related Parties and (iii) each holder of an Allowed Interest and their Related Parties, hereby release each other from any and all claims, debts, obligations, rights, suits, damages, actions, causes of action, remedies, and liabilities of every kind and nature, whether known or unknown, foreseen or unforeseen, derivative or direct, from the beginning of time through the Effective Date, in law, at equity or otherwise, whether for tort, fraud, contract, violations of federal or state securities laws or otherwise, based in whole or in part upon any act or omission, transaction or other occurrence, or circumstances existing or taking place prior to or on the Effective Date arising from, in connection with, or related in any way to the Debtors including, without limitation, their businesses, operations or financing (including, without limitation, the Noteholder Claims).

You have the option to opt-out of the foregoing release provision. To do so, you must check the box below. If you do not check the box below, the Plan provides that if the Plan is confirmed, a Class 6 Interestholder's treatment shall be deemed to have been in exchange for satisfaction, settlement, discharge and release of all Interests against certain parties upon the Effective Date of the Plan.

❑ **The undersigned elects to opt-out of Section 10.01(c) of the Plan.**

ITEM 4. ELECTION – STOCK ELECTION OPTION.

Section 3.04(b) of the Plan provides that each holder of HPI Interests may elect the Stock Election Option pursuant to which it will receive shares of New HPI Stock in lieu of Cash it would otherwise receive under the Plan, subject to certain limitations. In order to elect the Stock Election Option, the holder of a Class 6 HPI Interest must (a) check the box below and (b) instruct your nominee, if any, to deliver notification of such election through Depository Trust Company's ("DTC") Automated Tender Offer Program ("ATOP"), as specified in Appendix A, prior to the Voting Deadline.

☐ **THE UNDERSIGNED HOLDER ELECTS THE STOCK ELECTION OPTION WITH RESPECT TO ITS CLASS 6 HPI INTERESTS**

ITEM 5. CERTIFICATIONS.

By signing and returning this Beneficial Owner Ballot, the undersigned certifies to the Bankruptcy Court and the Debtors that:

(a) as of January ___, 2007 (the "Voting Record Date"), such person or entity is (i) the Beneficial Owner of the Interests to which this Beneficial Owner Ballot pertains; or (ii) an authorized signatory of a Beneficial Owner. An authorized signatory of an eligible Beneficial Owner may execute this Beneficial Owner Ballot, but must provide the name and address of the Beneficial Owner on this Beneficial Owner Ballot and may be required to submit evidence to the Bankruptcy Court demonstrating such signatory's authorization to vote on behalf of the Beneficial Owner. Authorized signatories voting on behalf of more than one Beneficial Owner must complete a separate Beneficial Owner Ballot for each Beneficial Owner;

(b) it understands that to the extent that it is the Beneficial Owner or authorized signatory, the undersigned hereby authorizes and instructs the Nominee (if any) to execute a master ballot reflecting this Beneficial Owner Ballot;

(c) all authority conferred or agreed to be conferred pursuant to this Beneficial Owner Ballot, and every obligation of the undersigned hereunder, shall be binding upon the transferees, successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the undersigned and shall not be affected by, and shall survive, the death or incapacity of the undersigned;

(d) the undersigned has been provided with a copy of the Disclosure Statement relating to the Plan and all related materials.

You must provide all of the information requested by this Beneficial Owner Ballot. Failure to do so may result in the disqualification of your vote. To the extent an authorized signatory of an eligible Beneficial Owner is executing this Beneficial Owner Ballot, such authorized signatory may be required to submit evidence to the Bankruptcy Court demonstrating such signatory's authorization to vote on behalf of the Beneficial Owner.

Dated: _____, 2007

Name of Holder: _____

Social Security or Federal Tax I.D. No.: _____

Signature: _____

By: _____
(If Appropriate)

Title: _____
(If Appropriate)

Telephone Number: _____

Street Address: _____

City, State and Zip Code: _____

PLEASE COMPLETE, SIGN AND DATE THE BENEFICIAL OWNER BALLOT AND EITHER (1) IF YOU HAVE A NOMINEE, RETURN THE BENEFICIAL OWNER BALLOT TO THE NOMINEE IN THE ENVELOPE PROVIDED, SO THAT THE NOMINEE MAY PROCESS YOUR VOTE BY COMPLETING A MASTER BALLOT AND RETURNING THE MASTER BALLOT TO THE VOTING AGENT PRIOR TO THE VOTING DEADLINE (MARCH 2, 2007 AT 4:00 P.M. (PREVAILING EASTERN TIME)) OR (2) IF YOU DO NOT HAVE A NOMINEE, RETURN YOUR BALLOT DIRECTLY TO THE VOTING AGENT AT THE ADDRESS BELOW PRIOR TO THE VOTING DEADLINE.

IF BY MAIL
The BMC Group
Attention: HPI Voting Agent
PO Box 1066
El Segundo, CA 90245-1066

IF BY COURIER/HAND DELIVERY
The BMC Group
Attention: HPI Voting Agent
1330 East Franklin Avenue
El Segundo, CA 90245

IF YOU HAVE ANY QUESTIONS REGARDING THIS BENEFICIAL OWNER BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED ADDITIONAL COPIES OF THE BENEFICIAL OWNER BALLOT OR THE OTHER ENCLOSED MATERIALS, PLEASE CALL THE VOTING AGENT AT 1-888-909-0100.

APPENDIX A

VOTING INSTRUCTIONS FOR COMPLETING THE BENEFICIAL OWNER CLASS 6 BALLOT

The Debtors are soliciting your vote with respect to their Plan. TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE, SIGN AND RETURN THE ATTACHED BENEFICIAL OWNER BALLOT PER THE INSTRUCTIONS ON THE BENEFICIAL OWNER BALLOTS.

All capitalized terms not defined herein shall have the meanings set forth in the Disclosure Statement or the Plan. Please review the Disclosure Statement and the Plan carefully and thoroughly before you vote. If you do not have a copy of the Disclosure Statement or the Plan you may obtain copies from the Voting Agent at 1-888-909-0100 or via the internet at www.bmcgroup.com/hpi

The Plan can be confirmed by the Bankruptcy Court and thereby made binding on you if (1) it is accepted by the holders of at least two-thirds in amount and more than one-half in number of the Claims in each impaired Class containing Claims who vote on the Plan, (2) it is accepted by the holders of at least two-thirds in amount of the Interests in each impaired Class containing Interests who vote on the Plan and (3) the Plan otherwise satisfies the applicable requirements of § 1129(a) of the Bankruptcy Code. If the requisite acceptances are not obtained, the Bankruptcy Court nonetheless may confirm the Plan if it finds that the Plan (a) provides fair and equitable treatment to, and does not unfairly discriminate against, the Class or Classes rejecting the Plan and (b) otherwise satisfies the requirements of § 1129(b) of the Bankruptcy Code.

The attached Beneficial Owner Ballot may not be used for any purpose other than to cast votes to accept or reject the Plan and make certain elections provided therein.

If your Beneficial Owner Ballot is received after the Voting Deadline, it will not be counted. Except as otherwise provided herein, delivery of Beneficial Owner Ballots will be deemed made only when the original executed Beneficial Owner Ballot is **actually** timely **received** by the Voting Agent. In all cases, sufficient time should be allowed to assure timely delivery.

TO COMPLETE THE BENEFICIAL OWNER BALLOT PROPERLY, YOU MUST FOLLOW THE PROCEDURES DESCRIBED BELOW:

(a) Insert in Item 1 the number of shares held in HPI that you own.

(b) Cast ONE vote to accept or reject the Plan by checking the proper box in Item 2.

(c) You may elect to opt-out of Section 10.01(c) of the Plan, the third party release provision, by checking the box in Item 3.

(d) You may elect to exercise the Stock Election Option in Item 4. If you elect to exercise the Stock Election Option in Item 4, you must (i) check the box in Item 4 and (ii) if appropriate, deliver notification to your nominee of such elections through DTC's ATOP prior to the Voting Deadline. Please see the Stock Election Option Tendering Instructions below.

(e) Sign and date the Beneficial Owner Ballot in Item 5.

(f) If you are completing the Beneficial Owner Ballot on behalf of another entity, indicate your relationship with such entity and the capacity in which you are signing, and submit satisfactory evidence of your authority to so act (e.g., a power of attorney or a certified copy of board resolutions authorizing you to so act);

(g) If the interestholder name and address information appearing on the Beneficial Owner Ballot label indicates the joint tenancy of a claim or security, both parties to that claim or security must sign the Beneficial Owner Ballot in order for it to be counted;

(h) Return each Beneficial Owner Ballot per the instructions above. **ONLY BENEFICIAL OWNER BALLOTS WITH ORIGINAL SIGNATURES WILL BE COUNTED. PHOTOCOPY OR FACSIMILE BALLOTS WILL NOT BE COUNTED. ANY BENEFICIAL OWNER BALLOT THAT IS NOT SIGNED WILL NOT BE COUNTED. ANY BENEFICIAL OWNER BALLOT THAT IS VALIDLY EXECUTED BUT DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN, OR INDICATES BOTH AN ACCEPTANCE AND REJECTION OF THE PLAN, WILL NOT BE COUNTED.**

(i) No Beneficial Owner Ballot should be sent to the Debtors, the Creditors' Committee, the Indenture Trustee or any of their financial or legal advisors. The Beneficial Owner Ballot is not a letter of transmittal and may not be used for any purpose other than to vote to accept or reject the Plan and make certain elections provided therein. The Beneficial Owner Ballot does not constitute, and shall not be deemed to be, a proof of claim or equity interest or an assertion or admission of a Claim or Interest.

(j) You must vote all of your Interests within a single class to either accept or reject the Plan. A Beneficial Owner Ballot that partially rejects and partially accepts the Plan will not be counted.

(k) If you hold Claims or Interests in more than one Class under the Plan, you may receive more than one Ballot, each coded for a different Class. Each Beneficial Owner Ballot votes only your Claims or Interests indicated on that Beneficial Owner Ballot. Please complete and return each Beneficial Owner Ballot you receive.

(l) If multiple Beneficial Owner Ballots are received from a holder of Claims or Interests with respect to the same Claims or Interests, the last Beneficial Owner Ballot timely received or otherwise accepted will supersede and revoke any earlier received Beneficial Owner Ballot.

STOCK ELECTION OPTION TENDERING INSTRUCTIONS (IF APPLICABLE):

Nominees must tender through DTC's ATOP system the shares of Old HPI Stock of Beneficial Owners that make the Stock Option Election, after which tender of such shares may not be withdrawn from ATOP.

1. For those Beneficial Owners that make the Stock Election Option, DTC participants must electronically transmit the Beneficial Owner's shares of Old HPI Stock by causing DTC to transfer such shares to the account established for that purpose by the ATOP agent in accordance with DTC's ATOP procedures for transfer. DTC will then send an Agent's Message to the ATOP agent.

   i. The term "Agent's Message" means a message transmitted by DTC to, and received by, the ATOP agent and forming a part of the Book-Entry Confirmation.

   ii. The term "Book-Entry Confirmation" means the confirmation of a book-entry transfer into the ATOP's agent's account at DTC, as described above.

2. Any financial institution that is a participant in the DTC system may make book-entry delivery of the shares of Old HPI Stock by causing DTC to transfer such shares of Old HPI Stock into the appropriate account, in accordance with DTC's procedures for transfer. **Timely book-entry delivery of the shares of Old HPI Stock pursuant to the Plan, however, requires the receipt of a Book-Entry Confirmation prior to the Voting Deadline.**

3. If you have any questions regarding the transfer of the Old HPI Stock through DTC, please contact the Voting Agent.

PLEASE COMPLETE, SIGN AND DATE THE BENEFICIAL OWNER BALLOT AND EITHER (1) IF YOU HAVE A NOMINEE, RETURN THE BENEFICIAL OWNER BALLOT TO THE NOMINEE IN THE ENVELOPE PROVIDED SO THAT THE NOMINEE MAY PROCESS YOUR VOTE BY COMPLETING A MASTER BALLOT AND RETURNING THE MASTER BALLOT TO THE VOTING AGENT PRIOR TO THE VOTING DEADLINE (MARCH 2, 2007 AT 4:00 P.M. (PREVAILING EASTERN TIME)) OR (2) IF YOU DO NOT HAVE A NOMINEE, RETURN YOUR BALLOT DIRECTLY TO THE VOTING AGENT AT THE ADDRESS BELOW PRIOR TO THE VOTING DEADLINE.

IF BY MAIL	IF BY COURIER/HAND DELIVERY
The BMC Group Attention: HPI Voting Agent PO Box 1066 El Segundo, CA 90245-1066	The BMC Group Attention: HPI Voting Agent 1330 E. Franklin Avenue El Segundo, CA 90245

IF YOU HAVE ANY QUESTIONS REGARDING THIS BENEFICIAL OWNER BALLOT OR THE VOTING PROCEDURES, PLEASE CALL THE VOTING AGENT TOLL FREE AT 1-888-909-0100.

MASTER BALLOT – CLASS 6
(HPI INTERESTS)

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS MASTER BALLOT OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	**Chapter 11**
HOME PRODUCTS INTERNATIONAL, INC. and HOME PRODUCTS INTERNATIONAL-NORTH AMERICA, INC.,	**Case No. 06-11457 (CSS)** **(Jointly Administered)**
Debtors.	

MASTER BALLOT FOR CLASS 6 HPI INTERESTS FOR ACCEPTING OR REJECTING SECOND AMENDED PLAN OF REORGANIZATION PROPOSED BY HOME PRODUCTS INTERNATIONAL, INC. AND HOME PRODUCTS INTERNATIONAL – NORTH AMERICA, INC.

CLASS 6 HPI INTERESTS
CUSIP 437305105

THE VOTING DEADLINE IS MARCH 2, 2007 AT 4:00 P.M., PREVAILING EASTERN TIME. FOR THE VOTES OF YOUR BENEFICIAL OWNERS TO BE COUNTED, YOUR MASTER BALLOT MUST BE RECEIVED BY THE VOTING AGENT BY THE VOTING DEADLINE, OR THE VOTES REPRESENTED BY YOUR MASTER BALLOT WILL NOT BE COUNTED.

This Master Ballot is to be used by you as (a) a bank, broker or other nominee, (b) the agent of a bank, broker or other nominee (each of the foregoing, a "Nominee") or (c) a proxy holder of a beneficial owner or Nominee (the "Beneficial Owner") of a Class 6 HPI Interest in Home Products International, Inc. ("HPI" and together with Home Products International – North America, Inc. the "Debtors") to transmit to the Voting Agent the votes of such Beneficial Owners to accept or reject the Second Amended Chapter 11 Plan of Reorganization of Home Products International, Inc. and Home Products International – North America, Inc. dated as of January 29, 2007 (as may be amended, the "Plan"). The Beneficial Owners' rights are described in the Second Amended Disclosure Statement with Respect to Plan of Reorganization of Home Products International, Inc. and Home Products International-North America, Inc. (as may be amended, the "Disclosure Statement") and the Plan, copies of which are included herein. All capitalized terms not defined herein shall have the meanings set forth in the Disclosure Statement and the Plan. This Master Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain related elections and certifications.

You are required to deliver the Beneficial Owner ballot (each a "Beneficial Owner Ballot") to the Beneficial Owner for whom you hold Old HPI Stock entitled to a Class 6 HPI Interest and take any action required to enable such Beneficial Owner to timely vote its Interest to accept or reject the Plan. With regard to any Beneficial Owner Ballots returned to you, you must (1) execute the Master Ballot so as to reflect the voting instructions and elections given to you in the Beneficial Owner Ballots by the Beneficial Owners for whom you hold such Old HPI Stock and (2) forward such Master Ballots to the Voting Agent. If you are both the registered or record holder and Beneficial Owner of any Old HPI Stock and you wish to vote such interests, you may return a Beneficial Owner Ballot or a Master Ballot.

PLEASE READ THE ATTACHED VOTING INSTRUCTIONS (APPENDIX A) BEFORE COMPLETING THIS MASTER BALLOT

PLEASE COMPLETE ITEMS 1, 2, AND 3. IF THIS MASTER BALLOT IS NOT RECEIVED BY THE VOTING DEADLINE, YOUR BENEFICIAL OWNERS' VOTES WILL NOT COUNT AS EITHER ACCEPTANCE OR REJECTION OF THE PLAN, AND ANY ELECTIONS WILL NOT BE RECOGNIZED. IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT, IT WILL BE BINDING ON YOUR BENEFICIAL OWNERS WHETHER OR NOT THEIR VOTES ARE COUNTED.

ITEM 1. CERTIFICATION OF AUTHORITY TO VOTE. The undersigned certifies that as of January __, 2007 (the "Voting Record Date"), the undersigned (please check the applicable box):

☐ Is a bank, broker, or other nominee for the Beneficial Owners of the aggregate number of shares of Old HPI Stock listed in Item 2 below, and is the registered holder of such securities, or

☐ Is acting under a power of attorney and/or agency (a copy of which is attached) granted by a bank, broker, or other nominee that is the registered holder of the aggregate number of shares of Old HPI Stock listed in Item 2 below, or

☐ Has been granted a proxy (an original of which is annexed hereto) from a bank, broker, or other nominee, or a Beneficial Owner, that is the registered holder of the aggregate number of shares of Old HPI Stock listed in Item 2 below, and accordingly, has full power and authority to vote to accept or reject the Plan on behalf of the Beneficial Owners of the Old HPI Stock described in Item 3.

ITEM 2. VOTE.

The undersigned transmits the following votes and elections of the Beneficial Owners in respect of their Class 6 HPI Interests and certifies that the following Beneficial Owners of the Old HPI Stock as identified by their customer account numbers set forth below, are Beneficial Owners of such Old HPI Stock as of the Voting Record Date and have delivered to the undersigned, as nominee, originally executed Beneficial Owner Ballots casting such votes Indicate, in the appropriate column, the aggregate number of shares of Old HPI Stock voted for each account or attach such information to this Master Ballot, in the form of the following table In addition, in the appropriate column, indicate whether a Beneficial Owner has elected to participate in the Stock Election Option. The Beneficial Owners must comply with Depository Trust Company's Automated Tender Offer Program by giving appropriate instructions to you. The Stock Election Option Tendering Instructions are included in Appendix A hereto. Further, in the appropriate column, indicate whether a Beneficial Owner has elected to opt-out of Section 10.01(c) of the Plan, the third party release provision

Customer Name and/or Account Number For Each Beneficial Owner of Class 6 Interests	Number of Shares of Old HPI Stock Held		To Elect the Note Cash-Out Option	To Opt-Out of Section 10.01(c) of the Plan
	To Accept (for) the Plan	To Reject (Against) the Plan		
1	$	$		
2.	$	$		
3.	$	$		
4.	$	$		
5	$	$		
6.	$	$		
7.	$	$		

8.	$	$		
TOTALS	$	$		

Please note that each Beneficial Owner of Old HPI Stock who votes must vote all of the shares of Old HPI Stock owned by such Beneficial Owner. For purposes of tabulating the vote, each Beneficial Owner who votes should be deemed to have voted the full number of shares of Old HPI Stock owned by such Beneficial Owner according to your records. A Beneficial Owner may not split the vote, and, accordingly, a Beneficial Owner Ballot received from a Beneficial Owner that partially accepts and partially rejects will not be counted either as a vote to accept or reject the Plan.

THE PLAN PROVIDES THAT IF THE PLAN IS CONFIRMED, A CLASS 6 INTERESTHOLDER'S TREATMENT SHALL BE DEEMED TO HAVE BEEN IN EXCHANGE FOR SATISFACTION, SETTLEMENT, DISCHARGE AND RELEASE OF ALL INTERESTS AGAINST THE DEBTORS AND CERTAIN PARTIES UPON THE EFFECTIVE DATE OF THE PLAN.

ITEM 3. SIGNATURE. By signing this Master Ballot, the undersigned certifies that each Beneficial Owner of Old HPI Stock whose votes are being transmitted by this Master Ballot has been provided with a copy of the Disclosure Statement (including the exhibits thereto). The undersigned also acknowledges that the solicitation of votes to accept or reject the Plan and the elections are subject to all the terms and conditions set forth in the Disclosure Statement and the Plan.

This Master Ballot may not be used for any purpose other than for casting votes to accept or reject the Plan and making certain related elections.

Date Completed:_____, 2007

DTC Participant # _____

_____
Name of Bank, Broker, or Other Nominee:

_____
Name of Proxy Holder or Agent for Bank, Broker, or Other Nominee (if applicable)

_____
Signature:

_____
Print Name:

_____
Title:

_____
Street Address:

_____
City, State Zip:

_____
Phone:

_____

IF YOU HAVE ANY QUESTIONS REGARDING THIS MASTER BALLOT OR THE VOTING PROCEDURES, OR IF YOU NEED ADDITIONAL COPIES OF THE BENEFICIAL OWNER BALLOT OR THE OTHER ENCLOSED MATERIALS, PLEASE CALL THE VOTING AGENT AT 1-888-909-0100.

APPENDIX A
INSTRUCTIONS FOR COMPLETING THE MASTER BALLOT

The Debtors are soliciting your customers' votes on the Debtors' Plan described in the Disclosure Statement accompanying this Master Ballot. Please review the Disclosure Statement and Plan carefully before you complete this Master Ballot. Unless otherwise defined, capitalized terms used herein and in the Master Ballot have the meanings ascribed to them in the Disclosure Statement and the Plan

VOTING DEADLINE:

To have the votes and elections of your customers count, you must complete, sign and return this Master Ballot so that it is RECEIVED by the Voting Agent, by 4:00 p.m., prevailing Eastern Time, on March 2, 2007 (the "Voting Deadline") **Unsigned Master Ballots will not be counted. Master Ballots that are signed and returned, but do not expressly indicate a vote for acceptance or rejection of the Plan will not be counted as either a vote to accept or reject the Plan. A Beneficial Owner Ballot or Master Ballot accepting or rejecting the Plan may not be revoked after the Voting Deadline. Similarly elections to participate in the Stock Election Option may not be revoked after the Voting Deadline.**

HOW TO VOTE:

1. If you are both the registered or record holder and Beneficial Owner of any shares of Old HPI Stock and you wish to vote such shares of Old HPI Stock, you must return your completed Beneficial Owner Ballot or Master Ballot to the Voting Agent by the Voting Deadline.

2. If you are transmitting the votes of any Beneficial Owners of Old HPI Stock other than yourself, you must: deliver the Beneficial Owner Ballot to each Beneficial Owner for whom you hold Old HPI Stock, along with the Disclosure Statement and other materials requested to be forwarded (collectively, the "Solicitation Package") and take any action required to enable each such Beneficial Owner to (a) complete and execute a Beneficial Owner Ballot and (b) return the completed, executed Beneficial Owner Ballot to you in sufficient time to enable you to complete the Master Ballot and deliver it to the Voting Agent prior to the Voting Deadline. With regard to any Beneficial Owner Ballots returned to you, you must (1) execute the Master Ballot so as to reflect the voting and election instructions given to you in the Beneficial Owner Ballots by the Beneficial Owners for whom you hold Old HPI Stock and (2) forward such Master Ballots to the Voting Agent

3. To complete the Master Ballot properly, take the following steps:

(i) Provide appropriate information for each of the items on the Master Ballot Vote to accept (for) or reject (against) the Plan for the Old HPI Stock held by you as the Nominee or proxy holder on behalf of the Nominee or the Beneficial Owners. In addition, if applicable, indicate if an election is being made with respect to the Stock Election Option. Further, if applicable, indicate if a Beneficial Owner is electing to opt-out of Section 10.01(c) of the Plan. Please provide information for each individual Beneficial Owner for whom you are voting Old HPI Stock in your name. If you are unable to disclose the identity of such Beneficial Owners, please use the customer account number assigned by you to each such Beneficial Owner or, if no such customer account number exists, please use the sequential numbers provided (making sure to retain a separate list of each Beneficial Owner and his or her assigned sequential number)

(ii) Sign and date your Master Ballot.

(iii) Provide your name and mailing address

(iv) Deliver your Master Ballot to the Voting Agent prior to the Voting Deadline.

STOCK ELECTION OPTION TENDERING INSTRUCTIONS:

Nominees must tender through DTC's ATOP system the shares of Old HPI Stock of Beneficial Owners that make the Stock Option Election, after which tender of such shares may not be withdrawn from ATOP.

1 For those Beneficial Owners that make the Stock Election Option, DTC participants must electronically transmit the Beneficial Owner's shares of Old HPI Stock by causing DTC to transfer such shares to the account established for that purpose by the ATOP agent in accordance with DTC's ATOP procedures for transfer DTC will then send an Agent's Message to the ATOP agent.

   i. The term "Agent's Message" means a message transmitted by DTC to, and received by, the ATOP agent and forming a part of the Book-Entry Confirmation.

   ii. The term "Book-Entry Confirmation" means the confirmation of a book-entry transfer into the ATOP's agent's account at DTC, as described above.

2 Any financial institution that is a participant in the DTC system may make book-entry delivery of the shares of Old HPI Stock by causing DTC to transfer such shares of Old HPI Stock into the appropriate account, in accordance with DTC's procedures for transfer. **Timely book-entry delivery of the shares of Old HPI Stock pursuant to the Plan, however, requires the receipt of a Book-Entry Confirmation prior to the Voting Deadline.**

3. If you have any questions regarding the transfer of the shares of Old HPI Stock through DTC, please contact the Voting Agent.

PLEASE NOTE:

No Beneficial Owner Ballot or Master Ballot shall constitute or be deemed to constitute (a) a proof of claim or equity interest or (b) an admission by the Debtors of the nature, validity, or amount of any claim or equity interest.

This Master Ballot is not a letter of transmittal and may not be used for any other purpose than to cast votes to accept or reject the Plan and make certain related elections.

No fees or commissions or other remuneration will be payable to any broker, dealer or other person for soliciting Beneficial Owner Ballots accepting the Plan. The Debtors will, however, upon request, reimburse you for customary mailing and handling expenses incurred by you in forwarding the Beneficial Owner Ballots and other enclosed materials to your clients.

NOTHING CONTAINED HEREIN OR IN THE ENCLOSED DOCUMENTS SHALL DEEM YOU OR ANY OTHER PERSON AN AGENT OF THE DEBTORS, OR AUTHORIZE YOU OR ANY OTHER 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 DOCUMENTS ENCLOSED HEREWITH.

Ballots should be returned to the Voting Agent as follows:

IF BY MAIL
The BMC Group
Attention: HPI Voting Agent
PO Box 1066
El Segundo, CA 90245-1066

IF BY COURIER/HAND DELIVERY
The BMC Group
Attention: HPI Voting Agent
1330 E. Franklin Avenue
El Segundo, CA 90245

EXHIBIT B

UNIMPAIRED NOTICE

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:	)	Chapter 11
HOME PRODUCTS INTERNATIONAL, INC. and HOME PRODUCTS INTERNATIONAL-NORTH AMERICA, INC.,	)	Case Nos. 06-11457(CSS)
	)	Jointly Administered
Debtors.	)	

NOTICE OF (1) FILING OF PLAN OF REORGANIZATION, (2) TREATMENT OF UNIMPAIRED CLAIMS UNDER THE PLAN, (3) HEARING ON CONFIRMATION OF PLAN OF REORGANIZATION, AND (4) DEADLINE AND PROCEDURES FOR FILING OBJECTIONS THERETO

TO: ALL CREDITORS AND INTERESTHOLDERS OF HOME PRODUCTS INTERNATIONAL, INC. AND HOME PRODUCTS INTERNATIONAL – NORTH AMERICA, INC. WHOSE CLAIMS OR INTERESTS HAVE BEEN CLASSIFIED AS UNIMPAIRED UNDER THE PLAN PROPOSED BY THE DEBTORS:

PLEASE TAKE NOTICE THAT on December 20, 2006, Home Products International, Inc. and Home Products International – North America, Inc. (collectively, the "**Debtors**") each filed with the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") a voluntary petition under chapter 11 of title 11 of the United States Code.

PLEASE TAKE FURTHER NOTICE THAT on January 29, 2007, the Debtors filed with the Bankruptcy Court the Second Amended Disclosure Statement With Respect To Plan of Reorganization of Home Products International, Inc. and Home Products International-North America, Inc. dated as of January 29, 2007 (the "**Disclosure Statement**"), Exhibit A to which is the Debtors' Plan of Reorganization of Home Products International, Inc. and Home Products International-North America, Inc. dated as of January 29, 2007 (as may be amended, the "**Plan**"). Capitalized terms used but not defined herein have the meanings ascribed to them in the Plan.

PLEASE TAKE FURTHER NOTICE that holders of certain Claims and Interests under the Plan are unimpaired as defined by § 1124 of chapter 11 of Title 11 of the Unites States Code (the "**Bankruptcy Code**"). Such unimpaired claims are identified in the Plan as Class 1 Claims (Priority Non-Tax Claims), Class 2 Claims (Prepetition Lender Secured Claims), Class 3 Claims (Miscellaneous Secured Claims), Class 4 Claims (General Unsecured Claims) and Class 7 Interests (Interests in HPI-NA).

PLEASE TAKE FURTHER NOTICE that the Plan provides for the following treatment of the Unimpaired Claims and Interests:

Class 1 Claims (Priority Non-Tax Claims). On the later of (i) the Effective Date, (ii) the date on which such Priority Non-Tax Claim becomes an Allowed Claim and (iii) the date on which the Debtors or the Reorganized Debtors, as the case may be, and the holder of such Allowed Priority Non-Tax Claim otherwise agree, each holder of an Allowed Priority Non-Tax Claim shall be entitled to receive

Cash in an amount sufficient to render such Allowed Priority Non-Tax Claim Unimpaired; provided, however, that Allowed Priority Non-Tax Claims representing obligations incurred in the ordinary course shall be paid in full or otherwise satisfied, consistent with past practice.

Class 2 Claims (Prepetition Lender Secured Claims). Class 2 Claims shall be allowed in an amount equal to the principal amount outstanding as of the Effective Date plus accrued and unpaid interest, costs and attorneys' fees and expenses through the Effective Date. Reorganized HPI-NA shall pay such Allowed Claims in Cash on the Effective Date or the date such Claims are allowed, whichever is later, or treat such Claims as HPI-NA, the Creditors' Committee and the Class 2 Claimholders otherwise agree, rendering such Allowed Prepetition Lender Secured Claims Unimpaired.

Class 3 Claims (Miscellaneous Secured Claims). As of the Effective Date, at the sole option of the Reorganized Debtors, (i) the legal, equitable and contractual rights of each holder of a Class 3 Claim shall remain unaltered by the Plan so as to leave such Claims Unimpaired, and such Unimpaired Claims shall not be discharged upon confirmation of the Plan or (ii) the Reorganized Debtors shall provide such other treatment as the Reorganized Debtors and such holder agree.

Class 4 Claims (General Unsecured Claims). As of the Effective Date, at the sole option of the Reorganized Debtors, (i) the legal, equitable and contractual rights of each holder of a Class 4 Claim shall remain unaltered by the Plan so as to leave such Claims Unimpaired, and such Unimpaired Claims shall not be discharged upon confirmation of the Plan or (ii) the Reorganized Debtors shall provide such other treatment as the Reorganized Debtors and such holder agree.

Class 7 Interests (HPI-NA Interests). Class 7 Interestholders shall retain their Interests. Old HPI-NA Stock shall not be canceled.

PLEASE TAKE FURTHER NOTICE that the Plan contains release, exculpation and injunction provisions set forth in Attachment 1 hereto.

PLEASE TAKE FURTHER NOTICE that you have been identified as the holder of an Unimpaired Claim or Unimpaired Interest under the Plan. Pursuant to § 1126(f) of the Bankruptcy Code, with respect to your Unimpaired Claim or Unimpaired Interest, you will (a) be deemed to have accepted the Plan, and (b) not be entitled to vote on the Plan. The Debtors therefore will not solicit your vote, and you will not receive a Ballot with respect to your Unimpaired Claim or Unimpaired Interest. Accordingly, this may be the final notice you receive with respect to the Plan and with respect to your Unimpaired Claim or Unimpaired Interest. Although you will not be entitled to vote on the Plan with respect to your Unimpaired Claim or Unimpaired Interest, you are a party in interest in the Debtors' Chapter 11 Cases. Accordingly, you are entitled to participate in the Chapter 11 Cases, including filing objections to the Plan pursuant to the procedures outlined below.

1. Confirmation Hearing. A hearing to consider confirmation of the Plan (the "**Confirmation Hearing**"), will be held at 10:00 a.m. (Eastern Time) on March 8, 2007, before the Honorable Christopher S. Sontchi in the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801. The Confirmation Hearing may be continued from time to time by announcing such continuance in open court, and the Plan may be further modified, if necessary, pursuant to 11 U.S.C. § 1127, prior to, during, or as a result of the Confirmation Hearing, without further notice to parties in interest.

2. Objections. **ANY PARTY IN INTEREST OBJECTING TO THE PLAN MAY FILE AN OBJECTION ("OBJECTION") NO LATER THAN MARCH 2, 2007 AT 4:00 P.M. (PREVAILING EASTERN TIME) (THE "OBJECTION DEADLINE")**. Any Objection

must (a) be in writing, (b) comply with the Bankruptcy Rules and the Local Rules; (c) set forth the name of the objector, and the nature and amount of any claim or interest asserted by the objector against or in the Debtors, their estates or their properties, (d) state with particularity the legal and factual bases for the Objection, and (e) be filed with the Bankruptcy Court, together with proof of service, and served by personal service, overnight delivery or first-class mail as to be RECEIVED no later than 4:00 p.m. (Prevailing Eastern Time) on March 2, 2007, by the following parties:

> (a) *Counsel to the Debtors*, Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd., 55 East Monroe Street, Suite 3700, Chicago, Illinois 60603, Attn: Kathryn A. Pamenter, Esq. and *Local Counsel to the Debtors*, Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attn: Mark D. Collins, Esq.; (b) *Counsel to Bank of America, N.A.*, Vedder Price Kaufman & Kammholz PC, 222 North LaSalle Street, Suite 2600, Chicago, Illinois 60601, Attn: John McEnroe, Esq.; (c) *Counsel to the Creditors' Committee*, Fried, Frank, Harris, Shriver & Jacobson, LLP, One New York Plaza, New York, New York 10004, Attn: Gary L. Kaplan, Esq. and *Local Counsel to the Creditors' Committee*, Pachulski Stang Ziehl Young Jones & Weintraub LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19801; and (d) *the United States Trustee*, District of Delaware, 844 King Street, Suite 2313, Wilmington, Delaware 19801-3519, Attn: David L. Buchbinder, Esq.

OBJECTIONS NOT TIMELY FILED AND SERVED IN THE MANNER SET FORTH ABOVE MAY NOT BE CONSIDERED AND MAY BE DEEMED OVERRULED.

Information and Documents. Copies of the Plan, the Disclosure Statement, the Solicitation Procedures Order and pleadings and orders in the Debtors' Chapter 11 Cases are publicly available, for review at the Debtors' Voting Agent's website, http://www.bmcgroup.com/hpi. Copies of the Disclosure Statement (with the Plan attached thereto as Exhibit A) and the Solicitation Procedures Order also may be obtained, at the Debtors' expense, by contacting, Goldberg, Kohn, Bell, Black, Rosenbloom & Moritz, Ltd., 55 East Monroe Street, Suite 3700, Chicago, Illinois 60603, Attn: Kathryn A. Pamenter, (312) 201-4000.

ATTACHMENT 1

The following are the release, exculpation and injunction provisions set forth in Sections 10.01(c), 10.02 and 10.03 of the Plan:

A. Release

Upon the Effective Date, except as otherwise specifically provided by the Plan, and except to the extent that a holder of a Class 5 Claim or the holder of a Class 6 Interest elects on its Ballot to opt-out of this Section 10.01(c), (i) each of the Debtors, the Reorganized Debtors and their Related Parties, (ii) each holder of a Noteholder Claim and their Related Parties and (iii) each holder of an Allowed Interest and their Related Parties, hereby release each other from any and all claims, debts, obligations, rights, suits, damages, actions, causes of action, remedies, and liabilities of every kind and nature, whether known or unknown, foreseen or unforeseen, derivative or direct, from the beginning of time through the Effective Date, in law, at equity or otherwise, whether for tort, fraud, contract, violations of federal or state securities laws or otherwise, based in whole or in part upon any act or omission, transaction or other occurrence, or circumstances existing or taking place prior to or on the Effective Date arising from, in connection with, or related in any way to the Debtors including, without limitation, their businesses, operations or financing (including, without limitation, the Noteholder Claims).

B. Exculpation.

The Debtors, the Reorganized Debtors, the Ad Hoc Committee, the Creditors' Committee, the Settling Noteholders, the Designated Persons, the Indenture Trustee and each of their respective Related Parties shall not have and shall not incur any liability to any Claimholder, Creditor, Interestholder, party-in-interest to the Chapter 11 Cases herein or any other Person for any act or omission ("*Plan Conduct*") in connection with or arising out of: (a) the filing, negotiating, prosecuting, administering, formulating, implementing, confirming or consummating the Plan or the Property to be distributed under the Plan; (b) all activities leading to the promulgation and confirmation of the Plan, the Plan Supplement, the Disclosure Statement (including any information provided or statements made in the Disclosure Statement or omitted therefrom), or any contract, instrument, release or other agreement or document created in connection with or related to the Plan or the administration of the Debtors or the Chapter 11 Cases; (c) actions taken under the Plan in good faith, including, without limitation, failure to obtain confirmation of the Plan or to satisfy any condition or conditions, or refusal to waive any condition or conditions precedent to confirmation or to the occurrence of the Effective Date; (d) the management and operations or activities of the Debtors; (e) the implementation of any of the transactions provided for, or contemplated in, the Plan; (f) any action taken in connection with either the enforcement of the Debtors' rights against any Entities or the defense of Claims asserted against the Debtors with regard to the Chapter 11 Cases; (g)

the administration of the Chapter 11 Cases, the Plan or the assets and Property to be distributed pursuant to the Plan; or (h) any other act or omission during the administration of the Debtors' Estates or in contemplation of the Chapter 11 Cases, except for willful misconduct, gross negligence or bad faith as finally determined by a Final Order; provided, however, that any Claims for gross negligence or bad faith with respect to actions or inactions occurring prior to the Confirmation Date must be Filed by the Confirmation Date. The Debtors, the Reorganized Debtors, the Ad Hoc Committee, the Creditors' Committee, the Settling Noteholders, the Indenture Trustee and the Designated Persons and each of their respective Related Parties, in all respects, shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

C. Injunctions.

Sections 10.01 and 10.02 of the Plan shall also act as an injunction against any Entity commencing or continuing any action, employment of process, or act to collect, offset or recover any Claim or Cause of Action satisfied, released or discharged under the Plan.

Furthermore, except as otherwise expressly provided for in the Plan or the Confirmation Order and to the fullest extent authorized or provided by the Bankruptcy Code, including §§ 105, 524 and 1141 thereof, the entry of the Confirmation Order shall, provided that the Effective Date occurs, permanently enjoin all Entities that have held, currently hold or may hold a Claim or other Cause of Action, right, debt or liability that is subject to the Plan or who have held, currently hold or may hold or may be a member of an Entity that holds or may be the beneficiary of an Interest that is subject to the Plan from taking any of the following actions in respect of such Claim, debt, liability or Interest: (a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, Cause of Action or other proceeding of any kind against the Debtors, or the Reorganized Debtors, or with respect to Plan Conduct, the Designated Persons, the Ad Hoc Committee, the Creditors' Committee, the Settling Noteholders or the Indenture Trustee and each of their respective Related Parties; (b) enforcing, levying, attaching, collecting or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree or order against the Debtors or the Reorganized Debtors; (c) creating, perfecting or enforcing in any manner directly or indirectly, any Lien or encumbrance of any kind against the Debtors or the Reorganized Debtors; (d) asserting any setoff, offset, right of subrogation or recoupment of any kind, directly or indirectly, against any debt, liability or obligation due to the Debtors or the Reorganized Debtors; and (e) proceeding in any manner in any place whatsoever, including employing any process, that does not conform to or comply with or is inconsistent with the provisions of the Plan.

EXHIBIT C

CONFIRMATION HEARING NOTICE

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:	)	Chapter 11
HOME PRODUCTS INTERNATIONAL, INC. and HOME PRODUCTS INTERNATIONAL-NORTH AMERICA, INC.,	)	Case Nos. 06-11457(CSS)
	)	Jointly Administered
Debtors.	)	

NOTICE OF (I) HEARING ON CONFIRMATION OF THE PLAN, (II) DEADLINE TO FILE OBJECTIONS TO THE PLAN, (III) DEADLINE TO SUBMIT BALLOTS TO VOTE TO ACCEPT OR REJECT THE PLAN AND (IV) OTHER PROCEDURES

PLEASE TAKE NOTICE THAT on December 20, 2006, Home Products International, Inc. and Home Products International – North America, Inc. (collectively, the "**Debtors**") each filed with the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**") a voluntary petition under chapter 11 of title 11 of the United States Code.

PLEASE TAKE FURTHER NOTICE THAT on January 29, 2007, the Debtors filed with the Bankruptcy Court the Second Amended Disclosure Statement With Respect To Plan of Reorganization of Home Products International, Inc. and Home Products International-North America, Inc. dated as of January 29, 2007 (the "**Disclosure Statement**"), Exhibit A to which is the Second Amended Debtors' Plan of Reorganization of Home Products International, Inc. and Home Products International-North America, Inc. dated as of January 29, 2007 (as may be amended, the "**Plan**"). Capitalized terms used but not defined herein have the meanings ascribed to them in the Plan.

PLEASE TAKE FURTHER NOTICE THAT the Honorable Christopher S. Sontchi, United States Bankruptcy Judge, will hold a hearing (the "**Confirmation Hearing**") on March 8, 2007 at 10:00 a.m. (Prevailing Eastern Time) in Courtroom 6, United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801, on confirmation of the Plan. The Court approved the Disclosure Statement on _____, which date serves as the voting record date for voting to accept or reject the Plan. The Confirmation Hearing may be continued from time to time by announcing such continuance in open court, and the Plan may be further modified, if necessary, pursuant to 11 U.S.C. § 1127, prior to, during, or as a result of the Confirmation Hearing, without further notice to parties in interest.

PLEASE TAKE FURTHER NOTICE THAT March 2, 2007 at 4:00 p.m. (prevailing Eastern time) is fixed as the last date and time for filing and serving written objections to the confirmation of the Plan or proposed modifications to the Plan. Objections, if any, must: (a) be in writing, (b) comply with the Bankruptcy Rules and the Local Rules, (c) set forth the name of the objector, and the nature and amount of any Claim or Interest asserted by the objector against or in the Debtors, their estates or their property, (d) state with particularity the legal and factual bases for the Objection, and (e) on or before **March 2, 2007 at 4:00 p.m. (prevailing Eastern Time)** (the "**Objection Deadline**"), be filed with the Clerk of Court at the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, Wilmington, Delaware 19801 or electronically at the Court's website: http://www.deb.uscourts.gov/, and served so as to be received on or before the Objection Deadline by:

(a) Counsel to the Debtors, Goldberg Kohn Bell Black Rosenbloom & Moritz, Ltd., 55 East Monroe Street, Suite 3700, Chicago, Illinois 60603, Attn: Kathryn A. Pamenter, Esq. and *Local Counsel to the Debtors*, Richards, Layton & Finger, P.A., One Rodney Square, 920 North King Street, Wilmington, Delaware 19801, Attn: Mark D. Collins, Esq.; (b) *Counsel to Bank of America, N.A.*, Vedder Price Kaufman & Kammholz PC, 222 North LaSalle Street, Suite 2600, Chicago, Illinois 60601, Attn: John McEnroe, Esq.; (c) *Counsel to the Creditors' Committee*, Fried, Frank, Harris, Shriver & Jacobson, LLP, One New York Plaza, New York, New York 10004, Attn: Gary L. Kaplan, Esq. and *Local Counsel to the Creditors' Committee*, Pachulski Stang Ziehl Young Jones & Weintraub LLP, 919 North Market Street, 17th Floor, Wilmington, Delaware 19801; and (d) *the United States Trustee*, District of Delaware, 844 King Street, Suite 2313, Wilmington, Delaware 19801-3519, Attn: David L. Buchbinder, Esq. **Objections not timely filed and served in the manner set forth above may not be considered and may be deemed overruled.**

PLEASE TAKE FURTHER NOTICE THAT to the extend you are entitled to vote on the Plan, in order for your vote to be counted, **BALLOTS ACCEPTING OR REJECTING THE PLAN MUST BE PROPERLY COMPLETED, EXECUTED AND RECEIVED BY MARCH 2, 2007 AT 4:00 P.M. (PREVAILING EASTERN TIME) (THE "VOTING DEADLINE")** by the Voting Agent at the address set forth on the Ballot. Ballots may not be cast by facsimile or electronic transmission. **BALLOTS THAT ARE NOT RECEIVED BY THE VOTING DEADLINE WILL NOT BE COUNTED**. All instructions set forth on the Ballots should be reviewed carefully.

PLEASE TAKE FURTHER NOTICE THAT copies of the Disclosure Statement, the Plan, the Solicitation Procedures Order and pleadings and orders in the Debtors' Chapter 11 Cases are available for downloading at the Debtors' Voting Agent's website at http://www.bmcgroup.com/hpi.

PLEASE TAKE FURTHER NOTICE THAT if you fail to respond in accordance with this Notice, the Court may grant the relief requested by the Debtors with respect to the Plan without further notice or hearing, and 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.

PLEASE TAKE FURTHER NOTICE THAT the Plan contains certain release, exculpation and injunction provisions as set forth in Attachment 1 hereto.

Information regarding the Debtors' Chapter 11 Cases may also be obtained by contacting:

COUNSEL FOR THE DEBTORS:
Kathryn A. Pamenter
GOLDBERG KOHN BELL BLACK
ROSENBLOOM & MORITZ, LTD.
55 East Monroe Street, Suite 3700
Chicago, Illinois 60603
Telephone: (312) 201-4000

LOCAL COUNSEL FOR THE DEBTORS
Michael J. Merchant
RICHARDS, LAYTON & FINGER, P.A.
One Rodney Square
920 North King Street
Wilmington, Delaware 19801
Telephone: (302) 651-7700

ATTACHMENT 1

The following are the release, exculpation and injunction provisions set forth in Sections 10.01(c), 10.02 and 10.03 of the Plan:

A. Release

Upon the Effective Date, except as otherwise specifically provided by the Plan, and except to the extent that a holder of a Class 5 Claim or the holder of a Class 6 Interest elects on its Ballot to opt-out of this Section 10.01(c), (i) each of the Debtors, the Reorganized Debtors and their Related Parties, (ii) each holder of a Noteholder Claim and their Related Parties and (iii) each holder of an Allowed Interest and their Related Parties, hereby release each other from any and all claims, debts, obligations, rights, suits, damages, actions, causes of action, remedies, and liabilities of every kind and nature, whether known or unknown, foreseen or unforeseen, derivative or direct, from the beginning of time through the Effective Date, in law, at equity or otherwise, whether for tort, fraud, contract, violations of federal or state securities laws or otherwise, based in whole or in part upon any act or omission, transaction or other occurrence, or circumstances existing or taking place prior to or on the Effective Date arising from, in connection with, or related in any way to the Debtors including, without limitation, their businesses, operations or financing (including, without limitation, the Noteholder Claims).

B. Exculpation.

The Debtors, the Reorganized Debtors, the Ad Hoc Committee, the Creditors' Committee, the Settling Noteholders, the Designated Persons, the Indenture Trustee and each of their respective Related Parties shall not have and shall not incur any liability to any Claimholder, Creditor, Interestholder, party-in-interest to the Chapter 11 Cases herein or any other Person for any act or omission ("*Plan Conduct*") in connection with or arising out of: (a) the filing, negotiating, prosecuting, administering, formulating, implementing, confirming or consummating the Plan or the Property to be distributed under the Plan; (b) all activities leading to the promulgation and confirmation of the Plan, the Plan Supplement, the Disclosure Statement (including any information provided or statements made in the Disclosure Statement or omitted therefrom), or any contract, instrument, release or other agreement or document created in connection with or related to the Plan or the administration of the Debtors or the Chapter 11 Cases; (c) actions taken under the Plan in good faith, including, without limitation, failure to obtain confirmation of the Plan or to satisfy any condition or conditions, or refusal to waive any condition or conditions precedent to confirmation or to the occurrence of the Effective Date; (d) the management and operations or activities of the Debtors; (e) the implementation of any of the transactions provided for, or contemplated in, the Plan; (f) any action taken in connection with either the enforcement of the Debtors' rights against any Entities or the defense of Claims asserted against the Debtors with regard to the Chapter 11 Cases; (g)

the administration of the Chapter 11 Cases, the Plan or the assets and Property to be distributed pursuant to the Plan; or (h) any other act or omission during the administration of the Debtors' Estates or in contemplation of the Chapter 11 Cases, except for willful misconduct, gross negligence or bad faith as finally determined by a Final Order; provided, however, that any Claims for gross negligence or bad faith with respect to actions or inactions occurring prior to the Confirmation Date must be Filed by the Confirmation Date. The Debtors, the Reorganized Debtors, the Ad Hoc Committee, the Creditors' Committee, the Settling Noteholders, the Indenture Trustee and the Designated Persons and each of their respective Related Parties, in all respects, shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

C. Injunctions.

Sections 10.01 and 10.02 of the Plan shall also act as an injunction against any Entity commencing or continuing any action, employment of process, or act to collect, offset or recover any Claim or Cause of Action satisfied, released or discharged under the Plan.

Furthermore, except as otherwise expressly provided for in the Plan or the Confirmation Order and to the fullest extent authorized or provided by the Bankruptcy Code, including §§ 105, 524 and 1141 thereof, the entry of the Confirmation Order shall, provided that the Effective Date occurs, permanently enjoin all Entities that have held, currently hold or may hold a Claim or other Cause of Action, right, debt or liability that is subject to the Plan or who have held, currently hold or may hold or may be a member of an Entity that holds or may be the beneficiary of an Interest that is subject to the Plan from taking any of the following actions in respect of such Claim, debt, liability or Interest: (a) commencing, conducting or continuing in any manner, directly or indirectly, any suit, Cause of Action or other proceeding of any kind against the Debtors, or the Reorganized Debtors, or with respect to Plan Conduct, the Designated Persons, the Ad Hoc Committee, the Creditors' Committee, the Settling Noteholders or the Indenture Trustee and each of their respective Related Parties; (b) enforcing, levying, attaching, collecting or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree or order against the Debtors or the Reorganized Debtors; (c) creating, perfecting or enforcing in any manner directly or indirectly, any Lien or encumbrance of any kind against the Debtors or the Reorganized Debtors; (d) asserting any setoff, offset, right of subrogation or recoupment of any kind, directly or indirectly, against any debt, liability or obligation due to the Debtors or the Reorganized Debtors; and (e) proceeding in any manner in any place whatsoever, including employing any process, that does not conform to or comply with or is inconsistent with the provisions of the Plan.

EXHIBIT D

ELECTION NOTICE

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
HOME PRODUCTS INTERNATIONAL, INC. and HOME PRODUCTS INTERNATIONAL-NORTH AMERICA, INC.,	:	Case Nos. 06-11457 (CSS)
	:	Jointly Administered
Debtors.	:	

NEW CONVERTIBLE NOTES ELECTION OPTION
FORM AND INSTRUCTIONS IN CONNECTION WITH THE DEBTORS'
PLAN OF REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

To Holders of Noteholder Claims and/or HPI Interests:

On January 29, 2007, Home Products International, Inc. ("**HPI**"), together with its direct subsidiary, Home Products International – North America, Inc. (collectively, the "**Debtors**"), filed their Second Amended Disclosure Statement With Respect to Plan of Reorganization of Home Products International, Inc. and Home Products International – North America, Inc. (as it may be further amended, the "**Disclosure Statement**"), Exhibit A to which is the Second Amended Plan of Reorganization of Home Products International, Inc. and Home Products International – North America, Inc. (as it may be further amended, the "**Plan**"). Pursuant to the Plan, holders of Class 5 Noteholder Claims and holders of Class 6 HPI Interests, to the extent that Class 6 accepts the Plan, (the "**Eligible Holders**") have the right to purchase New Convertible Notes to be issued under the New Convertible Notes Facility. You have received the attached Election Form because you are a holder of HPI's 9.625% Senior Subordinated Notes due 2008 (the "**Notes**") or a holder of an Interest in HPI, and thus are an Eligible Holder eligible to purchase New Convertible Notes.

Accompanying this form are the New Convertible Notes Election Option Procedures, which include a complete description of the New Convertible Notes Election Option and should be read in their entirety. Capitalized terms used herein, but not otherwise defined, have the meanings given to them in the New Convertible Notes Election Option Procedures.

In order to exercise your right to elect the New Convertible Notes Election Option and purchase New Convertible Notes, on or before the Facility Election Deadline, _____, 2007, you must (a) complete the attached Election Form and you or your Nominee, as applicable, must return the Election Form to the Election Agent so that it is received, and (b) wire payment of your Purchase Price (the "**Purchase Payment**") in accordance with the payment instructions attached hereto as Exhibit A.

You or, if applicable, your Nominee must forward your Election Form to the Election Agent and wire your Purchase Payment by the Facility Election Deadline or the election shall be void, and your rights to elect to purchase New Convertible Notes will terminate and be cancelled.

To exercise the New Convertible Notes Election Option:

1. **Insert** the principal amount of Notes or shares of Old HPI Stock you held on the Distribution Record Date, in Item 1. If a Nominee holds your Notes or shares of Old HPI Stock on your behalf, please contact your Nominee with any questions you have about the principal amount of Notes or shares of Old HPI Stock held by you.

2. **Complete** the calculation in Item 2, indicating your pro rata share of the New Convertible Notes.

3. **Complete** the calculation in Item 3, indicating your total Purchase Price.

4. **Read and Complete** the certification in Item 4.

5. **Return the Election Form** to the Election Agent or to your Nominee, as applicable, in sufficient time for it to be received by the Election Agent on or before the Facility Election Deadline.

6. **Wire Payment** of your Purchase Price to the Election Agent by following the payment instructions attached hereto as Exhibit A in sufficient time for it to be received by the Election Agent on or before the Facility Election Deadline.

Before electing to purchase any New Convertible Notes, Eligible Holders should read the Disclosure Statement, including the sections entitled "III. OVERVIEW OF THE DEBTORS AND THE PLAN – C. Summary of Certain Other Plan Provisions – 2. New Convertible Notes Election Option," "VIII. MEANS FOR IMPLEMENTATION OF THE PLAN – RESTRUCTURING TRANSACTIONS – A. Restructuring Transactions – 2. New Convertible Notes Election Option" and "XXII. TAX CONSEQUENCES".

FACILITY ELECTION DEADLINE

The Facility Election Deadline for exercising the New Convertible Notes Election Option is 4:00 p.m. (prevailing Eastern Time) _____, 2007.
Please leave sufficient time for your Election Form and your Purchase Payment to reach the Election Agent and be processed by this deadline.

Please consult the New Convertible Notes Election Option Procedures for additional information with respect to this Election Form.

Questions. If you have any questions about the attached Election Form or the procedures described herein, please contact the Election Agent – The BMC Group at (888) 909-0100.

NEW CONVERTIBLE NOTES ELECTION FORM
IN CONNECTION WITH THE DEBTORS' PLAN OF REORGANIZATION
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

HOLDERS OF NOTEHOLDER CLAIMS AND/OR HPI INTERESTS: PLEASE COMPLETE THIS ELECTION FORM IF YOU WANT TO EXERCISE THE NEW CONVERTIBLE NOTES ELECTION OPTION.

NOMINEES: UPON RECEIPT FROM A BENEFICIAL OWNER, PLEASE RETURN THIS ELECTION FORM TO THE ELECTION AGENT BY THE FACILITY ELECTION DEADLINE, 4:00 P.M. (PREVAILING EASTERN TIME) ON MARCH __, 2007.

ITEM 1. AMOUNT OF SECURITIES.

FOR HOLDERS OF NOTES

1a. Principal Amount of Notes. I certify that, as of the Distribution Record Date of March __, 2007, I held Notes in the following principal amount (upon stated maturity) or that I am the authorized signatory of that Beneficial Owner. (If a Nominee holds your Notes on your behalf and you do not know the principal amount, please contact your Nominee immediately). For purposes of this Election Form, do not adjust the principal amount for any accrued or unmatured interest or any accretion factor:

$_____

FOR HOLDERS OF SHARES OF OLD HPI STOCK

1b. Number of Shares of Old HPI Stock. I certify that, as of the Distribution Record Date of March __, 2007, I held shares of Old HPI Stock in the following amount or that I am the authorized signatory of that Beneficial Owner. (If a Nominee holds your Interests in HPI on your behalf and you do not know the amount, please contact your Nominee immediately):

_____ shares of Old HPI Stock

ITEM 2. NEW CONVERTIBLE NOTES.

Pursuant to the Plan and the accompanying New Convertible Notes Election Option Procedures, each Eligible Holder is entitled to purchase its pro rata share of New Convertible Notes by electing the New Convertible Notes Election Option. To elect the New Convertible Notes Election Option and to calculate your pro rata share of the New Convertible Notes you are entitled to purchase, read and complete the following:

FOR HOLDERS OF NOTES

_____ (Indicate the Principal Amount of Notes Held by You as of the Distribution Record Date (Item 1a))	/ $116,050,000	x .95	=	_____ (Indicate Your Pro Rata Share of the New Convertible Notes)

FOR HOLDERS OF SHARES OF OLD HPI STOCK

_____ (Indicate Your Interests in HPI as of the Distribution Record Date (Item 1b))	/ 8,154,587 shares	x .05	=	_____ (Indicate Your Pro Rata Share of the New Convertible Notes)

ITEM 3. PURCHASE PRICE

By completing the following, you are agreeing to purchase your Pro Rata Share of the New Convertible Notes on the terms of and subject to the conditions set forth in the New Convertible Notes Election Option Procedures, including the occurrence of the Effective Date.

_____ (Indicate Your Pro Rata Share of the New Convertible Notes (Item 2))	x $25,000,000	=	_____ (Indicate the Purchase Price)

PAYMENT OF THE TOTAL PURCHASE PRICE INDICATED IN THIS ITEM 3 MUST BE MADE SO THAT IT IS RECEIVED BY THE ELECTION AGENT ON OR BEFORE THE FACILITY ELECTION DEADLINE.

Item 4. CERTIFICATIONS.

(1) I certify that I was the holder, or the authorized signatory of the holder, of the amount of Notes or Interests in HPI listed under Item 1 above on the Distribution Record Date, (2) by exercising the New Convertible Notes Election Option, I hereby (a) irrevocably commit to purchase my pro rata share of the New Convertible Notes for the Purchase Price set forth in Items 2 and 3 above by following the payment instructions attached hereto as Exhibit A, and (b) waive and release, to the fullest extent permitted under applicable law, all rights, claims or causes of action against the Debtors, the Reorganized Debtors, the Backstop Lenders, the Creditors' Committee, the Ad Hoc Committee, the Settling Noteholders, the Designated Persons, the Indenture Trustee and the Election Agent arising from or related to the election to purchase New Convertible Notes, the distribution of the New Convertible Notes or otherwise with respect to the New Convertible Notes Facility.

Date: _____, 2007

Name of Holder: _____
(Print or Type)

Social Security or Federal Tax I.D. No.: _____

Signature: _____

Name of Person Signing: _____
(If other than holder)

Title (if corporation, partnership or LLC): _____

Street Address: _____

City, State, Zip Code: _____

Telephone Number: _____

Nominee/Participant: _____

Account Number: _____

THIS FORM SHOULD BE RETURNED TO THE ELECTION AGENT OR TO YOUR NOMINEE, AS APPLICABLE, IN ACCORDANCE WITH THE NEW CONVERTIBLE NOTES ELECTION OPTION PROCEDURES. IN ORDER FOR YOU TO EXERCISE THE NEW CONVERTIBLE NOTES ELECTION OPTION AND PURCHASE NEW CONVERTIBLE NOTES, YOU OR YOUR NOMINEE, AS APPLICABLE, MUST RETURN THIS ELECTION FORM TO THE ELECTION AGENT SO THAT IT IS RECEIVED BY THE FACILITY ELECTION DEADLINE, AND ARRANGE FOR PAYMENT OF THE PURCHASE PRICE INDICATED IN ITEM 3 ABOVE TO THE ELECTION AGENT SO THAT IT IS RECEIVED BY THE FACILITY ELECTION DEADLINE.

EXHIBIT A

WIRE TRANSFER INSTRUCTIONS

Bank: **Wells Fargo Bank, N.A.**
Bank Address: 420 Montgomery Street
San Francisco, CA 94104
206-394-3463

Account #: 412-1482939
Account Name: BMC Group ITF HPI New Notes Offerings

ABA/Routing #: 121000248

SWIFT BIC #: WFBIUS6S
(for international wire transfers, if applicable)

EXHIBIT E

NEW NOTES ELECTION OPTION PROCEDURES

THE FOLLOWING IS BEING PROVIDED TO YOU FOR YOUR INFORMATION REGARDING THE NEW CONVERTIBLE NOTES FACILITY AS PART OF THE DISCLOSURE STATEMENT. ELECTION FORMS WILL NOT BE MADE AVAILABLE UNTIL AFTER THE CONFIRMATION DATE.

NEW CONVERTIBLE NOTES
ELECTION OPTION PROCEDURES

Reference is made to the Second Amended Disclosure Statement With Respect to the Plan of Reorganization of Home Products International, Inc. and Home Products International – North America, Inc. dated January 29, 2007 (as may be further amended, the "**Disclosure Statement**"). To the extent that you do not have a copy of the Disclosure Statement, you may contact the Election Agent (*see* Section 7 below). Capitalized terms used, but not defined herein, shall have the meanings ascribed to them in the Disclosure Statement.

1. INTRODUCTION

On January 29, 2007, Home Products International, Inc. ("**HPI**"), together with its direct subsidiary, Home Products International – North America, Inc. (collectively, the "**Debtors**"), filed the Disclosure Statement and the Second Amended Plan of Reorganization of Home Products International, Inc. and Home Products International – North America, Inc. (as it may be further amended, the "**Plan**"). Pursuant to the Plan, holders of Class 5 Noteholder Claims and holders of Class 6 HPI Interests (the "**Eligible Holders**") have the right to purchase New Convertible Notes to be issued under the New Convertible Notes Facility. Eligible Holders have the right, but not the obligation, to purchase their pro rata share of the New Convertible Notes to be issued in the principal aggregate amount of $25,000,000. The formula for calculating such pro rata share of the New Convertible Notes is set forth in the summary of terms in Section 2 below and in the New Convertible Notes Election Form (the "**Election Form**"). Eligible Holders who wish to purchase New Convertible Notes must complete and return the Election Form so that it is received by the Election Agent (as defined below) on or before 4:00 p.m. (prevailing Eastern Time) _____, 2007 (the "**Facility Election Deadline**").

Before electing to exercise the New Convertible Notes Election Option, Eligible Holders should read the Disclosure Statement, including the sections entitled "III. OVERVIEW OF THE DEBTORS AND THE PLAN – C. Summary of Certain Other Plan Provisions – 2. New Convertible Notes Election Option," "VIII. MEANS FOR IMPLEMENTATION OF THE PLAN – RESTRUCTURING TRANSACTIONS – A. Restructuring Transactions – 2. New Convertible Notes Election Option" and "XXII. TAX CONSEQUENCES."

Eligible Holders should consult their own attorney, financial advisor and tax advisor for legal, investment and tax advice. None of the Debtors, the Reorganized Debtors, the Creditors' Committee, the Indenture Trustee, the Designated Persons, or any Related Parties of, or advisors to, the foregoing make any recommendation to the Eligible Holders regarding whether they should purchase New Convertible Notes.

2. SUMMARY TERMS OF THE NEW CONVERTIBLE NOTES FACILITY

The following is a summary of the terms of the New Convertible Notes Facility. **The New Convertible Notes Facility remains subject to definitive documentation and ongoing negotiation. As such, the following summary terms of the New Convertible Notes Election Option do not include all terms and conditions of the New Convertible Notes, which terms may be modified. Eligible Holders will have the right to subscribe for their share of the New Convertible Notes once documentation for the New Convertible Notes Facility has been substantially completed. Each Eligible Holder must complete the New Convertible Notes Election Option and comply in all respects with the terms contained therein and herein to purchase their share of the New Convertible Notes.**

Issuer:	Reorganized Home Products International, Inc. ("**Reorganized HPI**").
Lenders:	Pursuant to the Plan, Eligible Holders, consisting of holders of HPI's 9.625% Senior Subordinated Notes due 2008 and holders of Old HPI Stock, in each case electing to purchase New Convertible Notes.
Purpose:	To fund transactions and distributions contemplated by the Plan and for post-confirmation business operations.
Guarantor:	Reorganized HPI-NA.
Principal Amount of New Convertible Notes Facility:	$25,000,000.

Interest:	The notes will bear payable-in-kind ("**PIK**") interest from the date of issuance of such New Convertible Notes at the rate of 6% per annum, accruing semiannually. Interest will be payable on March 15 and September 15 of each year, commencing September 15, 2007, to the persons in whose name the notes are registered at the close of business on the March 1 or September 1, whether or not a business day, immediately preceding the relevant interest payment date. Each interest payment shall be paid through the issuance of additional New Convertible Notes in a principal amount equal to such interest payment. Interest on the notes will be computed on the basis of a 360-day year comprised of twelve 30-day months. If interest or principal is payable on a day that is not a business day, Reorganized HPI will make the payment on the next business day, and no interest will accrue as a result of the delay in payment. For these purposes, a business day is any day other than a Saturday or Sunday or other day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close (a "**Business Day**").
Maturity:	The New Convertible Notes will mature on the 10th anniversary of the Effective Date, unless converted, repurchased or redeemed earlier.
Security:	The New Convertible Notes will be secured by a second priority security interest in all of the collateral securing the senior facility extended to the Reorganized Debtors pursuant to the Exit Credit Agreement (the "**Exit Facility**"). Such lien shall be second only to the liens securing the Exit Facility. The sharing of collateral and other intercreditor terms shall be governed by an intercreditor agreement in a customary form to be entered into among the Exit Lenders, Reorganized HPI and the holders of the New Convertible Notes (the "**New Noteholders**").
Calculation for Determining Pro Rata Share of New Convertible Notes for Eligible Class 5 Holders:	Each Eligible Class 5 Holder has the right to purchase a portion of the New Convertible Notes based upon (i) the ratio (expressed as a percentage) of the principal amount of Notes held by such holder as of the Distribution Record Date to the aggregate outstanding principal amount of Notes (namely $116,050,000) (ii) multiplied by 0.95.

Calculation for Determining Pro Rata Share of New Convertible Notes for Eligible Class 6 Holders:	Each Eligible Class 6 Holder has the right to purchase a portion of the New Convertible Notes based upon (i) the ratio (expressed as a percentage) of the number of shares of Old HPI Stock held by such holder as of the Distribution Record Date to the aggregate number of shares of Old HPI Stock (namely 8,154,587 shares) (ii) multiplied by 0.05.
Purchase Price:	The price to be paid by each Eligible Holder to receive its respective pro rata share of the New Convertible Notes as determined on the Election Form and in accordance with these New Convertible Notes Election Option Procedures (the "**Purchase Price**").
Ranking:	The New Convertible Notes represent senior obligations of Reorganized HPI *pari passu* in right of payment to the obligations under the Exit Facility and all other unsubordinated obligations of Reorganized HPI.
Guarantees:	The New Convertible Notes will be guaranteed by each subsidiary of Reorganized HPI. Each such guarantee shall be *pari passu* in right of payment to the guarantee provided to the Exit Facility and each other unsubordinated obligation of that subsidiary.
Affirmative and Restrictive Covenants:	To be the same as those in the Exit Facility.
Financial Covenants:	To be the same as those in the Exit Facility.

Conversion:

The New Convertible Notes will be convertible, at any time at the holder's option, into common stock of Reorganized HPI ("**New HPI Stock**").

Any shares of New HPI Stock issued upon conversion of the notes will be fully paid and non-assessable.

No other payment or adjustment for any dividends in respect of New HPI Stock will be made upon conversion. Holders of New HPI Stock issued upon conversion will not be entitled to receive any dividends payable to holders of New HPI Stock as of any record time or date before the close of business on the date such New Convertible Notes are converted into New HPI Stock.

In order for each holder of the New Convertible Notes to be able to exercise the right of conversion in advance of certain events, Reorganized HPI shall provide notice to the New Noteholders of:

- any dividend or distribution payments
- change of control events
- mergers, reorganizations or other similar events
- rights offerings and
- stock issuances.

Conversion Procedure:

Except as provided herein, a holder of the New Convertible Notes may convert all or part of any note it holds into New HPI Stock at any time prior to 5:00 p.m. (prevailing Eastern Time) on the maturity date.

A holder may convert fewer than all of such holder's notes so long as the principal amount converted is $1,000 or an integral multiple thereof.

If a New Convertible Note is called for redemption, the holder may convert such note at any time before the close of business on the tenth (10th) calendar day immediately preceding the redemption date, or, if such date is not a Business Day, then the close of business on the next succeeding day which is a Business Day.

Conversion Premium: To be set prior to the issuance of the New Convertible Notes. It is expected that the conversion price will be set at a 20% premium on the value of the New HPI Stock based on the valuation of Reorganized HPI as of the Effective Date as set forth in the Disclosure Statement.

Conversion Adjustments: The conversion price shall be adjusted from time to time upon certain events in a manner that is customary.

Optional Redemption: The New Convertible Notes will not be redeemable by Reorganized HPI until the fifth anniversary after the Effective Date. Thereafter, the New Convertible Notes will be redeemable, in whole or in part, at the following premiums:

- During year 6 - 105%
- During year 7 - 104%
- During year 8 - 103%
- During year 9 - 102%
- During year 10 - 101%

All or any portion of the New Convertible Notes may be redeemed for cash, at once or from time to time, upon at least 30 and not more than 60 days' notice, at a redemption price set forth above, together with accrued and unpaid interest thereon, up to, but not including, the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Election Period: The period in which Eligible Holders may elect to exercise the right to purchase the New Convertible Notes shall commence on the Commencement Date (as defined below) and shall expire on the Facility Election Deadline (the "**Election Period**"). The Election Period shall be for a period of twenty-one (21) days.

Change of Control: Upon a change of control, each holder of a New Convertible Note shall have the right to require Reorganized HPI to repurchase the New Convertible Notes at 101% of the principal amount plus accrued and unpaid interest.

Conditions Precedent:	All elections to exercise rights pursuant to the New Convertible Notes Election Option and the issuance of the New Convertible Notes are subject to and conditioned upon the occurrence of the Effective Date of the Plan.
Termination:	The Debtors or the Reorganized Debtors, as applicable, may terminate the New Convertible Notes Election Option if, at any time prior to the Effective Date, a judgment, order, decree, injunction, statute, law or regulation is entered, enacted, amended or held to be applicable to the New Convertible Notes Election Option that in the sole judgment of the Debtors or the Reorganized Debtors and the Backstop Lenders may cause the New Convertible Notes Election Option to be illegal or that may otherwise restrict or prohibit the New Convertible Notes Election Option. If the New Convertible Notes Election Option is terminated, such termination will not affect the allocation or distribution of New HPI Stock under the Plan, all rights to purchase the New Convertible Notes will expire without value, and Purchase Price payments made by Eligible Holders will be returned to such holders within ten (10) days, without interest.
Backstop Commitment:	Third Avenue will serve as the backstop purchaser for 85% of the New Convertible Notes, and SAC will serve as the backstop purchaser for up to 15% of the New Convertible Notes, both for a backstop fee equal to 2% of their respective backstop commitments.
Recapitalizations, Reclassifications and Changes of the Common Stock of Reorganized HPI:	In the case of any recapitalization, reclassification or change of the common stock of Reorganized HPI (other than changes resulting from a subdivision or combination), a consolidation, merger or combination involving Reorganized HPI, a sale or conveyance to a third party of substantially all of Reorganized HPI's assets, or any statutory share exchange, in each case as a result of which New HPI Stock would be converted into, or exchanged for, stock, other securities, other property or assets (including cash or any combination thereof), then, at the effective time of the transaction, the right to convert a New Convertible Note will be changed into a right to convert it into the kind and amount of shares of stock, other securities or other property or assets (including cash or any combination thereof) that a holder of a share of common stock would have owned or been entitled to receive upon such transaction.

In the event holders of New HPI Stock have the opportunity to elect the form of consideration to be received in such transaction, the type and amount of consideration that holders of notes would have been entitled to receive will be deemed to be the weighted average of the types and amounts of consideration received by the holders of New HPI Stock. Reorganized HPI will agree not to become a party to any such transaction unless its terms are consistent with the foregoing.

Events of Default and Remedies:

The following will be Events of Default for the New Convertible Notes:

• the same Events of Default as in the Exit Facility;

• failure to pay the principal amount, redemption price or repurchase price of any note for five (5) Business Days after such amount becomes due and payable on the New Convertible Notes; and

• failure to deliver when due all shares of New HPI Stock and any cash payable upon conversion with respect to the New Convertible Notes, which default continues for fifteen (15) days.

Registration Rights:

If Reorganized HPI completes an IPO or otherwise has listed its common stock on a national securities exchange, then Reorganized HPI shall as soon as practicable but no later than 90 days after such event effectuate a shelf registration that will permit the conversion of the New Convertible Notes into common stock and the subsequent resale of such common stock.

Governing Law:

New York.

3. PROCEDURES FOR ELECTING TO PURCHASE THE NEW CONVERTIBLE NOTES

a. Election Period.

The New Convertible Notes Election Option shall commence and be available on the day upon which the Election Forms are initially mailed to Eligible Holders on or promptly after the Confirmation Date (the "**Commencement Date**"). The Election Period shall be for a period of twenty-one (21) days. Each Eligible Holder intending to purchase New Convertible Notes must

affirmatively elect to purchase New Convertible Notes on or prior to the Facility Election Deadline in accordance with the provisions herein and on the Election Form.

The election by an Eligible Holder pursuant to the New Convertible Notes Election Option Procedures shall be deemed an irrevocable commitment by an Eligible Holder to purchase such Eligible Holder's pro rata share of the New Convertible Notes subject to the occurrence of the Effective Date.

b. General Election Procedures by Eligible Holders

To exercise the New Convertible Notes Election Option and purchase New Convertible Notes, each Eligible Holder must: (i) deliver a duly completed Election Form to either such holder's Nominee (as described in 3.c. below) OR the Election Agent, so that such Election Form is actually received by the Election Agent on or before the Facility Election Deadline; and (ii) pay to the Election Agent (on behalf of HPI) on or before the Facility Election Deadline, the Purchase Price for such Eligible Holder's New Convertible Notes, in accordance with the wire instructions set forth on the Election Form. If, on or prior to the Facility Election Deadline, the Election Agent for any reason does not receive from an Eligible Holder both a duly completed Election Form and immediately available funds by wire transfer in an amount equal to the Purchase Price for such Eligible Holder's New Convertible Notes, such Eligible Holder shall be deemed to have relinquished and waived its rights to purchase New Convertible Notes.

c. Exercise by Beneficial Owners Holding Through Nominees

For an Eligible Class 5 Holder who holds its Notes, or an Eligible Class 6 Holder who holds its Interests in HPI, through a bank, broker, or other nominee or agent, to exercise the New Convertible Notes Election Option and purchase New Convertible Notes, such holder must provide its instruction to its bank, broker, or other nominee or to its agent. The bank, broker, or other nominee or agent, in turn, must then convey the instruction to the Election Agent.

To facilitate the exercise of the New Convertible Notes Election Option and the purchase of New Convertible Notes, on the Commencement Date, the Debtors will deliver Election Forms to the record holders of Noteholder Claims or Interests in HPI, including, without limitation, brokers, banks, dealers, or other agents or nominees (collectively, the "**Nominees**"). Each Nominee will be entitled to receive sufficient copies of the Election Form, New Convertible Notes Election Option Procedures and Disclosure Statements for distribution to the beneficial owners (the "**Beneficial Owners**") of the Noteholder Claims or Interests in HPI for whom such Nominee holds such Claims or Interests. The Nominees must then distribute the Election Forms to the Beneficial Owners for such Beneficial Owners to timely exercise the New Convertible Notes Election Option. To exercise the New Convertible Notes Election Option and purchase New Convertible Notes, each Beneficial Owner must then (i) deliver a duly completed Election Form to its Nominee in sufficient time for the Nominee to deliver the form to the Election Agent so that such form is actually received by the Election Agent on or before the Facility Election Deadline; and (ii) pay to the Election Agent (on behalf of HPI) on or before the Facility Election Deadline the Purchase Price for such Eligible Holder's New Convertible Notes, in accordance with the wire instructions set forth on the Election Form. If, on or prior to the Facility Election Deadline, the Election Agent for any reason does not receive both a duly completed Election

Form for an Eligible Holder and immediately available funds by wire transfer in an amount equal to the Purchase Price for such Eligible Holder's New Convertible Notes, such Eligible Holder shall be deemed to have relinquished and waived its rights to purchase New Convertible Notes.

d. The Purchase Price

The payment of the Purchase Price by each Eligible Holder that exercises its New Convertible Notes Election Option shall be deposited and held by the Election Agent in escrow in an account or accounts which shall be separate and apart from the Election Agent's general operating funds and any other funds subject to any lien or any cash collateral arrangements and which segregated account or accounts will be maintained for the purpose of holding the money for administration of the New Convertible Notes Facility until the Effective Date of the Plan, or such later date, at the option of Reorganized HPI, but in no event later than ten (10) days after the Facility Election Deadline. In the event that the Plan is revoked or withdrawn or the New Convertible Notes Election Option is terminated as provided below, no later than ten (10) days thereafter, the Election Agent shall return to each Eligible Holder such Eligible Holder's Purchase Price payment, without interest. On the Effective Date, which is anticipated to be prior to the Facility Election Deadline, the Reorganized Debtors will issue New Convertible Notes to all Eligible Holders who have duly exercised their New Convertible Notes Election Option and will have full access to and ownership and use of any funds paid by such exercising Eligible Holders that were held in escrow. Thereafter, the Reorganized Debtors will issue additional New Convertible Notes to exercising Eligible Holders who exercise after the Effective Date and prior to the Facility Election Deadline.

The Election Agent shall not use such funds for any other purpose prior to such date and shall not encumber or permit such funds to be encumbered with any lien or similar encumbrance.

In the event that an Eligible Holder has transmitted funds that exceed such Eligible Holder's Purchase Price, such excess funds will be returned to such Eligible Holder as promptly as practicable after the Facility Election Deadline, without interest.

Unless otherwise agreed to or waived by the Debtors, in the event that an Eligible Holder has transmitted funds to the Election Agent in accordance with these New Convertible Notes Election Option Procedures but fails to deliver or have its Nominee deliver a duly executed Election Form to the Election Agent so that the Election Form is received by the Facility Election Deadline, such Eligible Holder's election to purchase New Convertible Notes shall be void, and the Election Agent shall return the amount that such holder paid as a Purchase Price within ten (10) Business Days by regular mail, without interest.

e. Waiver

Each Eligible Holder that purchases New Convertible Notes shall be deemed by virtue of such purchase, to have waived and released, to the fullest extent permitted under applicable law, all rights, claims or causes of action against the Debtors, the Reorganized Debtors, the Backstop Lenders, the Creditors' Committee, the Ad Hoc Committee, the Settling Noteholders, the Designated Persons, the Indenture Trustee and the Election Agent arising from or related to the

election to purchase New Convertible Notes, the distribution of the New Convertible Notes or otherwise with respect to the New Convertible Notes Facility.

f. Notification of Subscription of New Convertible Notes

As promptly as practicable, and in any event no later than two (2) Business Days, following the Facility Election Deadline, the Reorganized Debtors will deliver, or cause to be delivered, to each Eligible Holder or each Eligible Holder's Nominee that has properly and timely exercised its New Convertible Notes Election Option, a written statement specifying the New Convertible Notes that were validly and effectively subscribed for by such Eligible Holder.

g. Termination of New Convertible Notes Election Option

The Debtors or the Reorganized Debtors, as applicable, may terminate the New Convertible Notes Election Option if, at any time prior to the Effective Date, a judgment, order, decree, injunction, statute, law or regulation is entered, enacted, amended or held to be applicable to the New Convertible Notes Election Option that in the sole judgment of the Debtors or the Reorganized Debtors and the Backstop Lenders may cause the New Convertible Notes Election Option or the New Convertible Notes Facility to be illegal or that may otherwise restrict or prohibit the New Convertible Notes Election Option. If the New Convertible Notes Election Option is terminated, such termination will not affect the allocation or distribution of New HPI Stock under the Plan, all rights to purchase New Convertible Notes will expire without value, and Purchase Price payments made by Eligible Holders will be returned to such holders within ten (10) days by regular mail, without interest.

h. Backstop Lenders

To ensure that the aggregate principal amount of the New Convertible Notes issued by Reorganized HPI is not less than $25,000,000, Third Avenue and SAC (the "**Backstop Lenders**") have agreed to "backstop" the New Convertible Notes Facility and acquire any of the New Convertible Notes that are not subscribed for by Eligible Holders pursuant to the New Convertible Notes Election Option before or on the Facility Election Deadline. Third Avenue has agreed to "backstop" 85% of the total New Convertible Notes Facility, and SAC has agreed to "backstop" 15% of the total New Convertible Notes Facility. In consideration therefor, the Debtors have agreed to pay each of the Backstop Lenders a fee equal to 2% of their respective Backstop Commitments (as defined in the Disclosure Statement).

4. CONDITIONS PRECEDENT; RESERVATION OF RIGHTS

All elections pursuant to the New Convertible Notes Election Option and the issuance of the New Convertible Notes are subject to and conditioned upon the occurrence of the Effective Date of the Plan. Notwithstanding anything contained in these New Convertible Notes Election Option Procedures, the Disclosure Statement or the Plan to the contrary, the Debtors and the Reorganized Debtors reserve the right, in consultation with the Backstop Lenders, to modify these New Convertible Notes Election Option Procedures in order to comply with applicable law. The Debtors or the Reorganized Debtors, as the case may be, with the approval of the Backstop Lenders, may extend the duration of the New Convertible Notes Election Option or

adopt additional detailed procedures to more efficiently administer the election to exercise the New Convertible Notes Election Option and the distribution of the New Convertible Notes.

5. QUESTIONS, WAIVERS, EXTENSIONS

All questions concerning the timeliness, viability, form and eligibility of any election to purchase the New Convertible Notes shall be determined by the Debtors or the Reorganized Debtors, as the case may be, in consultation with the Backstop Lenders, whose good faith determinations shall be final and binding. The Debtors or the Reorganized Debtors, as the case may be, in consultation with the Backstop Lenders, may waive any defect or irregularity, or permit a defect or irregularity to be corrected within such times as they may determine in good faith to be appropriate, or reject the purported election to purchase New Convertible Notes. The Debtors or the Reorganized Debtors, as the case may be, reserve the right, but are under no obligation, to give notice to any Eligible Holder regarding any defect or irregularity in connection with any purported election to purchase New Convertible Notes by such Eligible Holder and the Debtors or the Reorganized Debtors, as the case may be, may, but are under no obligation, permit such defect or irregularity to be cured within such time as they may determine in good faith, in consultation with the Backstop Lenders, to be appropriate; provided, however, that none of the Debtors, the Reorganized Debtors, the Election Agent or the Backstop Lenders shall incur any liability for failure to give such notification.

6. TRANSFER RESTRICTION; REVOCATION

Pursuant to the Plan, the right to elect to purchase New Convertible Notes is not transferable independently of the underlying Noteholder Claim or Interest in HPI, provided, however, that the right to elect to purchase the New Convertible Notes may only be exercised by or through the Eligible Holder entitled to exercise such rights on the Distribution Record Date.

To the extent an Eligible Holder properly elects on its Election Form to purchase New Convertible Notes, such election will not be permitted to be revoked by such Eligible Holder.

7. INQUIRIES AND TRANSMITTAL OF DOCUMENTS

The election instructions accompanying the Election Form should be carefully read and strictly followed.

Questions relating to the New Convertible Notes Election Option should be directed to the Election Agent at the following address and phone number:

The BMC Group Attn: HPI, Inc. Balloting Agent P.O. Box 1066 El Segundo, CA 90245-1066 (888) 909-0100	The BMC Group Attn: HPI, Inc. Balloting Agent 1330 East Franklin Avenue El Segundo, CA 90245 (888) 909-0100

The risk of delivery of all documents and payments is on the Eligible Holders and the Nominees, as applicable, electing to purchase New Convertible Notes, not the Debtors or the Election Agent. If mail is used, it is recommended that a reputable overnight courier or insured registered mail be used and that a sufficient number of days be allowed to ensure delivery to the Election Agent before the Facility Election Deadline.

8. EXEMPTION FROM REGISTRATION

In connection with consummation of the Plan, Reorganized HPI will rely on § 1145 of the Bankruptcy Code, to the extent it is applicable, to exempt the issuance of the New Convertible Notes issued pursuant to the New Convertible Notes Election Option from the registration requirements of the Securities Act and from any state securities or "blue sky" laws. Among other things, § 1145 of the Bankruptcy Code exempts from registration the offer or sale of a debtor's securities pursuant to a chapter 11 plan if such securities are offered or sold by a debtor or successor of a debtor in exchange for (or principally in exchange for) a claim against, or interest in a case concerning such debtor. In reliance upon this exemption, the Debtors believe the offer and sale of the New Convertible Notes to the Claimholders and Interestholders generally should be exempt from the registration requirements of the Securities Act.

Eligible Holders who elect to purchase the New Convertible Notes in connection with the Plan may be able to resell the New Convertible Notes without registration under the Securities Act and state securities or "blue sky" laws, whether because the transfer is excluded from registration or is pursuant to an applicable exemption under the Securities Act, unless the recipient is an "underwriter" with respect to such securities, within the meaning of § 1145(b) of the Bankruptcy Code. Section 1145(b) of the Bankruptcy Code defines an "underwriter" as one who:

- purchases a claim or interest with a view to distribution of any security to be received in exchange for the claim or interest; or
- offers to sell securities issued under a plan for the holders of such securities; or
- offers to buy securities issued under a plan from Persons receiving such securities, if the offer to buy is made with a view to distribution; or
- is an "issuer" of the relevant security, as such term is used in Section 2(11) of the Securities Act.

At this time, none of the Debtors or Reorganized HPI intend to list the New Convertible Notes or the HPI Stock on a securities exchange or to prepare or maintain public disclosure on Reorganized HPI. Statutory underwriters and Eligible Holders who otherwise might be able to sell the New HPI Stock and New Convertible Notes without registration, will not be eligible for an exemption under Section 1145 or under Rule 144 under the Securities Act.

Eligible Holders that elect to participate in the New Convertible Notes Facility that believe they may be statutory underwriters as defined in § 1145 of Bankruptcy Code are advised to consult with their own counsel as to the availability of any exemption from registration provided by the Securities Act.

BECAUSE OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A PARTICULAR HOLDER MAY BE AN UNDERWRITER, NONE OF THE DEBTORS, THE REORGANIZED DEBTORS, THE CREDITORS' COMMITTEE, THE SETTLING NOTEHOLDERS, THE INDENTURE TRUSTEE, THE BACKSTOP LENDERS OR THE DESIGNATED PERSONS MAKE ANY REPRESENTATION OR PROVIDE ANY GUIDANCE OR INSTRUCTIONS CONCERNING THE ABILITY OF ANY PERSON TO DISPOSE OF THE SECURITIES TO BE DISTRIBUTED PURSUANT TO THE NEW CONVERTIBLE NOTES ELECTION OPTION.