Court File No. CV-20-00634911-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE WITH RESPECT TO CELADON GROUP, INC. AND THE AFFILIATED DEBTORS LISTED IN FOOTNOTE "1" HERETO

APPLICATION OF CELADON GROUP, INC. PURSUANT TO PART XIII OF THE *BANKRUPTCY AND INSOLVENCY ACT* AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.-43, AS AMENDED

MOTION RECORD
(returnable January 23, 2020)

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Court File No. CV-20-00634911-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

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TAB 1

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NOTICE OF APPLICATION

TO THE RESPONDENT(S)

A LEGAL PROCEEDING HAS BEEN COMMENCED BY THE APPLICANT. This claim made by the Applicant appears on the following pages.

THIS APPLICATION will come on for a hearing before a Judge presiding over the Commercial List at 330 University Avenue, Toronto on Thursday, January 23, 2020 at 10:00 a.m. or as soon after that time as the matter can be heard.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the Application, or to be served with any documents in the Application, you or an Ontario lawyer acting or you must forthwith prepare a Notice of Appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your Notice of Appearance, serve a copy of the evidence on the Applicant's lawyer and file it, with proof of service, in the court office where the Application is to be heard as soon as possible, but at least 2 days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: January 22, 2020

Issued by: C. Irwin
Registra

Address of Court Office:

330 University Avenue, 9th Floor
Toronto, ON M5G 1R7

TO: THE ATTACHED SERVICE LIST

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SERVICE LIST

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APPLICATION

1. The Applicant, Celadon Group Inc. ("**Celadon**"), in its capacity as foreign representative on behalf of itself as well as its direct and indirect subsidiaries (collectively, the "**Chapter 11 Debtors**"[1]), makes this application seeking orders substantially in the form included in the Application Record at Tabs 3 and 4 granting, *inter alia*, the following relief:

(i) **Initial Recognition Order (Foreign Main Proceeding)**

(a) declaring that Celadon is a "foreign representative" pursuant to section 268(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and is entitled to bring this application pursuant to section 269 of the BIA and appointing Celadon as the foreign representative (the "**Foreign Representative**") of the Debtors;

(b) declaring that the centre of main interest for each of the Chapter 11 Debtors is the United States of America and recognizing the proceedings commenced in respect of the Debtors under Chapter 11 of the United States Bankruptcy Code (the "**Chapter 11 Proceedings**") before the United States Bankruptcy Court for the

[1] In addition to Celadon, the Chapter 11 Debtors are A R Management Services, Inc., Bee Line, Inc., Celadon Canadian Holdings, Limited ("**CCHL**"), Celadon E-Commerce, Inc., Celadon International Corporation, Celadon Logistics Services, Inc., Celadon Mexicana, S.A. de C.V., Celadon Realty, LLC, Celadon Trucking Services, Inc., Distribution, Inc., Eagle Logistics Services Inc., Hyndman Transport Limited ("**Hyndman**"), Jaguar Logistics, S.A. de C.V., Leasing Servicios, S.A. de C.V., Osborn Transportation, Inc., Quality Companies LLC, Quality Equipment Leasing, LLC, Quality Insurance LLC, Servicios Corporativos Jaguar, S.C., Servicios de Transportacion Jaguar, S.A. de C.V., Stinger Logistics, Inc., Strategic Leasing, Inc., Taylor Express, Inc., Transportation Insurance Services Risk Retention Group, Inc. and Vorbas, LLC.

District of Delaware (the "**US Court**") as a "foreign main proceeding" for the purposes of section 270 of the BIA; and

(c) granting a stay of proceedings in respect of the Chapter 11 Debtors and their property located in Canada (the "**Property**"), until otherwise ordered by this Court;

(ii) **Supplemental Order (Foreign Main Proceeding)**

(a) recognizing and enforcing pursuant to section 272(1) of the BIA the terms of the Foreign Representative Order and Final DIP Order (as defined herein) granted by the US Court;

(b) granting a stay of proceedings staying and enjoining any claims, rights, liens or proceedings against or in respect of the Chapter 11 Debtors or their Property;

(c) appointing KSV Kofman Inc. as receiver (in such capacity, the "**Receiver**") of the Property pursuant to section 272(1)(d) of the BIA and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended (the "**CJA**"), and entrusting the administration and realization of the Property to the Receiver;

(d) granting a charge in the maximum amount of $350,000 over the Property located in Canada in favour of the Receiver and the Receiver's counsel to secure their fees and disbursements in respect of these proceedings (the "**Receiver's Charge**");

(e) granting a charge over the Property in favour of Blue Torch Finance LLC, in its capacity as Agent for the debtor-in-possession ("**DIP**") lenders (the "**DIP Lenders**"), on the Property located in Canada, which charge shall be consistent with the liens and charges created by the Final DIP Order with respect to the Property in Canada (the "**DIP Charge**");

(f) authorizing the Receiver to apply from time to time to this Honourable Court for advice and directions; and

(g) such further and other relief as counsel may advise and this Honourable Court deems just.

THE GROUNDS FOR THE APPLICATION ARE:

2. the Chapter 11 Debtors were one of the largest providers of international truckload service in North America, offering point-to-point shipping and providing long haul, regional, local, dedicated, temperature-protect and expedited freight services across the United States, Canada and Mexico;

3. headquartered in Indianapolis, Indiana, the Chapter 11 Debtors, with the exception of CCHL, Hyndman and certain Mexican corporations, are incorporated or established under the laws of the United States;

4. Hyndman was the Chapter 11 Debtors' sole operating company in Canada and operated out of logistics facilities located in Ayr and Wroxeter, Ontario and Winnipeg, Manitoba. Acquired by Celadon in 2015, Hyndman specialized in inter- and intra-provincial shipping along the Highway 401 corridor in addition to cross-border shipping;

5. the Chapter 11 Debtors operated on an integrated operational, financial and managerial basis. They used a company-wide cash management system comprised of integrated bank accounts that were designed to collect, transfer and disburse funds generated from their operations and to manage disbursements to fund their operations. The Chapter 11 Debtors also reported their financial information on a condensed, consolidated basis;

6. all major business decisions were made and corporate services provided from Celadon's Indianapolis headquarters - in Hyndman's case, all but one of its directors are the same US-based directors of Celadon;

7. from an operational perspective, Hyndman's operations were fully integrated with the Chapter 11 Debtors since its acquisition, with most shipments carried by Hyndman in 2019 being initiated by Celadon. Hyndman was dependant upon the Chapter 11 Debtors' infrastructure to such an extent that it did not have any substantial customers of its own;

8. during the summer of 2019, the trucking freight market began to soften with a decline in overall freight tonnage and excessive truck capacity leading to a significant decline in freight rates and a corresponding decline in the Chapter 11 Debtors' liquidity;

9. in July 2019, the Chapter 11 Debtors entered into a new term loan agreement with, among others, Blue Torch Finance, LLC and Luminus Energy Partners Master Fund, Ltd., pursuant to which the indebtedness under their existing term loan agreement was refinanced. In connection with the refinancing, the Chapter 11 Debtors also entered into a revolving asset based credit agreement with MidCap Financial Trust ("**MidCap**");

10. the Chapter 11 Debtors engaged in discussions with key stakeholders in an effort to formulate a plan that would allow the Chapter 11 Debtors' business to continue, however, those discussions were unsuccessful and on December 2, 2019, MidCap delivered a Notice of Default and Reservation of Rights under the revolving credit agreement with Celadon, terminating the availability of any further credit thereunder;

11. on December 8, 2019 (the "**Petition Date**"), the Debtors commenced the Chapter 11 Proceedings by filing voluntary petitions for relief pursuant to Chapter 11 of the United States Bankruptcy Code and commenced an orderly wind down of their business;

12. as at the Petition Date, the Chapter 11 Debtors operated a fleet of approximately 3,300 tractors and 10,000 trailers and had approximately 3,800 employees (with Hyndman accounting for approximately 310 tractor/trailers and approximately 357 employees);

13. on December 9, 2019, Celadon's management terminated the employment of all but three of Hyndman's employees. On December 29, 2019, Celadon terminated the employment of those remaining employees and entered into agreements with two of Hyndman's former employees to provide administrative support during the Chapter 11 Proceedings;

Recognition of Foreign Main Proceeding

14. the Chapter 11 Proceedings constitute "foreign proceedings" and Celadon has been appointed as Foreign Representative of the Chapter 11 Debtors as defined under section 268 of the BIA;

15. pursuant to section 269(1) of the BIA, the Foreign Representative may apply to the Court for recognition of the Chapter 11 Proceedings;

16. provided that the Court is satisfied that the application for recognition relates to a foreign proceeding as defined under the BIA and that the applicant is a foreign representative in respect of that foreign proceeding, the Court shall make an order recognizing the foreign proceeding pursuant to section 270(1);

17. in the instant case, the Chapter 11 Debtors' centre of main interest is located in the United States and, as such, the Chapter 11 Proceedings constitute a "foreign main proceeding" as defined under section 268 of the BIA;

18. pursuant to sections 271 and 272 of the BIA, on the making of an order by the Court recognizing a foreign proceeding that is specified to be a foreign main proceeding, the Court may exercise its jurisdiction in granting a stay of proceedings prohibiting the commencement or continuation of any action, execution or other proceedings concerning the Chapter 11 Debtors or their Property;

19. a stay of proceedings in favour of the Chapter 11 Debtors is essential to protect their Property as they undertake an orderly wind down of their business as part of the Chapter 11 Proceedings and the proceeding before this Court;

Recognition of Foreign Orders and Granting DIP Charge

20. Celadon is seeking the Court's recognition of the terms of the US Court Orders dated December 16, 2019 and January 7, 2020 appointing Celadon as the "foreign representative" of the Chapter 11 Debtors (the "**Foreign Representative Order**") and authorizing the Chapter 11 Debtors to obtain senior secured debtor-in-possession financing (the "**Final DIP Order**");

21. without access to the DIP facility made available to the Chapter 11 Debtors by the DIP Lenders, they would be unable to wind-down their business in an orderly fashion and their ability to preserve and maximize the value of the Property would be irreparably harmed;

22. the DIP Charge is a requirement under the terms of the DIP facility and the DIP funding was used to pay certain amounts owing to Hyndman employees pursuant to the terms of the US Court's Order dated January 3, 2020 authorizing the payment of prepetition wages, which amounts would not have otherwise been available to the terminated Canadian employees;

Appointment of Receiver and Granting of Receiver's Charge

23. the appointment of the Receiver is just and convenient in the circumstances and necessary to effect an orderly wind down of the Chapter 11 Debtors' business in Canada, specifically the administration of and realization upon Hyndman's assets;

24. KSV has consented to act as Receiver and, in addition to overseeing the administration of and realization upon the Chapter 11 Debtors' Canadian assets, will assist the Court in providing information and updates with respect to the Chapter 11 Proceedings;

25. pursuant to the endorsement of the Honourable Mr. Justice Hainey dated January 20, 2020, no further funds were to be transferred from Hyndman's bank accounts to, among others, any other Chapter 11 Debtor without approval of the Court;

26. Celadon is seeking the Court's authorization to reinstate the cash sweeping of Hyndman's bank accounts in accordance with the Midcap loan and security documentation;

27. Part XIII of the BIA;

28. Section 101 of the CJA;

29. Rules 1.04, 2.01, 2.03, 3.02, 14.05, 16, 38 and 40.01 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

30. such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Application:

(a) the Affidavit of Kathryn Wouters sworn January 22, 2020; and

(b) such further and other materials as counsel may advise and this Honourable Court may permit.

January 22, 2020

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Lawyers for the Chapter 11 Debtors and the Foreign Representative

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

NOTICE OF APPLICATION
(returnable January 23, 2020)

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Lawyers for the Chapter 11 Debtors and the Foreign Representative

TAB 2

Court File No. CV-20-00634911-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

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APPLICATION OF CELADON GROUP, INC. PURSUANT TO PART XIII OF THE *BANKRUPTCY AND INSOLVENCY ACT* AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.-43, AS AMENDED

AFFIDAVIT OF KATHRYN WOUTERS
(Sworn January 22, 2020)

I, KATHRYN WOUTERS, of the City of Indianapolis, in the State of Indiana, of the United States of America, make oath and say as follows:

1. I am Senior Vice President of Finance and Treasurer of Celadon Group, Inc. ("**Celadon**") and certain subsidiaries listed in Footnote 1 below (together with Celadon, the "**Debtors**"), including Celadon Canadian Holdings Limited ("**Celadon Canada**") and Hyndman Transport Limited ("**Hyndman**"), both of which are Ontario corporations (together, the

[1] Celadon Group, Inc.; A R. Management Services, Inc.; Bee Line, Inc.; Celadon Canadian Holdings, Limited; Celadon E-Commerce, Inc.; Celadon International Corporation; Celadon Logistics Services, Inc.; Celadon Mexicana, S.A. de C.V.; Celadon Realty, LLC; Celadon Trucking Services, Inc.; Distribution, Inc.; Eagle Logistics Services Inc.; Hyndman Transport Limited; Jaguar Logistics, S.A. de C.V.; Leasing Servicios, S.A. de C.V.; Osborn Transportation, Inc.; Quality Companies LLC; Quality Equipment Leasing, LLC; Quality Insurance LLC; Servicios Corporativos Jaguar, S.C.; Servicios de Transportacion Jaguar, S.A. de C.V.; Stinger Logistics, Inc.; Strategic Leasing, Inc.; Taylor Express, Inc.; Transportation Insurance Services Risk Retention Group, Inc.; Vorbas, LLC;

"**Canadian Debtors**"), and as such have knowledge of the matters hereinafter deposed to. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Declaration (as hereinafter defined).

2. This affidavit is sworn in support of Celadon's motion, as foreign representative of the Debtors (the "**Foreign Representative**"), for an Order, *inter alia*: (i) declaring that Celadon is a "foreign representative" pursuant to section 268(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and entitled to bring this application; (ii) recognizing the proceedings commenced in respect of the Debtors before the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**") as a "foreign main proceeding" (the "**Chapter 11 Proceedings**"); and (iii) granting a stay of proceedings in respect of the Debtors and their property located in Canada (the "**Property**"), until otherwise ordered by this Court; and a further supplemental Order, *inter alia*: (i) recognizing and enforcing pursuant to section 272(1) of the BIA the terms of the Foreign Representative Order and the Final DIP Order (as defined herein) granted by the U.S. Court; (ii) appointing KSV Kofman Inc. ("**KSV**") receiver (in such capacity, the "**Receiver**") of the Property pursuant to section 272(1)(d) of the BIA and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended (the "**CJA**"); and (iii) granting the Receiver's Charge and DIP Charge in favour of the Receiver and its counsel and the DIP Agent, respectively (all terms as defined hereinafter).

Background

3. On December 8, 2019 (the "**Petition Date**"), the Debtors initiated the chapter 11 Proceedings by filing petitions under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The overall purpose of the Chapter 11 Proceedings is to preserve the business of one Debtor entity, Taylor Express, Inc., so that it can be sold as a going-concern, and to effect an orderly wind down and liquidation of the remaining businesses of the Debtors in the United States, Canada and Mexico.

4. The chapter 11 cases in respect of Celadon Canadian Holdings Limited and Hyndman Transport Limited are currently pending before the U.S. Court as Case Nos. 19-12609

and 19-12618, respectively. The cases of the Canadian Debtors are jointly administered for procedural purposes only with the cases of all of the other Debtors as Case. No. 19-12606. I am not aware of any other foreign recognition insolvency proceedings involving the Debtors. To date, no similar proceedings have been commenced in the court of Mexico.

5. Attached hereto as Exhibit "**A**" is a copy of the Declaration which I made on behalf of the Debtors in support of the chapter 11 petitions and the motions for certain First Day Orders (as defined herein) sought by the Debtors before the U.S. Court (the "**Declaration**"). In the Declaration, I describe (i) the history of the Debtors; (ii) the Debtors' current corporate structure and business operations; (iii) the Debtors' capital structure, and (iv) the circumstances leading to the commencement of the Chapter 11 Proceedings. Attached as Exhibit "A" to the Declaration is the corporate chart of the Debtors.

6. As set out in the Declaration, Hyndman is a wholly-owned subsidiary of Celadon Canada and is the sole Canadian operating company within the Debtor group. Celadon Canada is wholly-owned by Celadon Trucking Services Inc. a New Jersey Corporation, which is the main trucking unit of Celadon.

7. Hyndman operated out of logistics facilities located in Ayr and Wroxeter, Ontario and Winnipeg, Manitoba (collectively, the "**Canadian Real Properties**"). Acquired by Celadon in 2015, Hyndman specialized in inter- and intra-provincial shipping along the Highway 401 corridor in addition to cross-border shipping,

8. Since acquiring Hyndman in 2015, Celadon has fully integrated the day-to-day business operations of Hyndman into the Celadon group. Although Hyndman maintains a registered office in Ontario, all of its material corporate governance, finance, treasury and managerial decisions are made from Celadon's corporate headquarters in Indianapolis, Indiana.

9. Hyndman's management is similarly integrated with Celadon's operations in the United States. As such, two of its three directors are United States residents and hold directorships of Debtor entities in the United States. The corporate officers of both Hyndman and Celadon Canada are also based in the United States and hold similar roles within Celadon's operating

companies in the United States. As a result of this integration, Hyndman has operated primarily in support of Celadon's operations and no longer has material customers of its own in Canada.

10. The vast majority of the Debtors are incorporated or formed under United States law, have their registered head offices and corporate headquarters in the United States, carry out their business in the United States, and have all, or substantially all, of their assets located in the United States. While the Canadian Debtors, through Hyndman, provide transport segment services to the Debtors' customers throughout Canada, only minimal administrative functions are carried out in Canada. As noted above, Hyndman is, for all intents and purposes, administered and managed out of the United States.

11. As of the Petition Date, the Debtors' workforce was composed of approximately 3,800 employees, including approximately 357 in Canada. Approximately 2,500 of the Debtors' employees were truck drivers (265 in Canada), and approximately 1,300 non-driver employees performed administrative functions from the Debtors' headquarters in Indianapolis, Indiana and other operating locations across North America, including 92 administrative employees located in Canada.

12. In addition to the employees, the Debtors supplemented their workforce with approximately 380 independent contractors (collectively, the "**Independent Contractors**"), including 61 in Canada.

13. Following the commencement of the Chapter 11 Proceedings, Celadon terminated the employment of all but three of Hyndman's employees. On December 29, 2019, Celadon terminated the employment of those remaining employees and entered into agreements with two of Hyndman's former employees to provide administrative support during the Chapter 11 Proceedings.

The Chapter 11 Proceedings

14. On December 10, 2019, the Debtors sought the following orders (excluding D below, the "**First Day Orders**"):

a. *Order Directing the Joint Administration of the Debtors' Chapter 11 Cases*;

b. *Order Authorizing the Debtors (i) to file a consolidated list of Creditors in Lieu of Submitting a Separate Mailing Matrix for each Debtor; and (ii) to file a Consolidated List of Debtors' 50 Largest Unsecured Creditors*;

c. *Order Authorizing the Debtors' to File Under Seal Portions of the Debtors' Consolidated Creditor Matrix Containing Certain Individual Creditor Information*;

d. *Order Limiting Service of the Notice of Commencement and Limiting Notice of Certain Pleadings in the Debtors Chapter 11 Cases*;[2]

e. *Order Extending the Time to File Schedules of Assets and Liabilities and Statements of Financial Affairs and Granting Related Relief*;

f. *Order Appointing Kurtzman Carson Consultants LLC as Claims and Noticing Agent Effective Nunc Pro Tunc to the Petition Date*;

g. *Interim Orders Approving the Continued Use of the Debtors' Cash Management System and related matters, and Permitting Continued Intercompany Transfers and Granting Administrative Priority Status to Claims Held by a Debtor against One or More Other Debtors, and Schedule a Final Hearing on the Motion*;

h. *Order authorizing the Debtors to Pay Certain Prepetition Wages and Compensation and Maintain Continue Employee Benefits Programs for the Continuing Employees and Authorizing, and Directing Comdata to Honor and Process Checks and Transfers Related to Such Employee Obligations*; and

i. *Interim Order Authorizing the Debtors to (i) Obtain Senior Secured Superpriority Postpetition Financing; (ii) Granting (A) Liens and Superpriority Administrative Expense Claims and (B) Adequate Protection to Certain Prepetition Lenders, (iii)*

[2] The motion in support of the Order Limiting Service of the Notice of Commencement and Limiting Notice of Certain Pleadings in the Debtors Chapter 11 Cases was denied on December 11, 2019.

Authorizing Use of Cash Collateral, (iv) Modifying the Automatic Stay, (v) Scheduling the Final Hearing and (vi) Granting Related Relief.

15. On December 16, 2019, the Debtors obtained the *Order Authorizing Celadon Group Inc. to act as Foreign Representative* (the "**Foreign Representative Order**"), a copy of which is attached hereto as Exhibit "**B**".

16. The Foreign Representative Order authorizes Celadon to act as the foreign representative on behalf of the Debtors' estates in connection with any other judicial or other proceedings in a foreign country, including the instant proceedings before the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**") and (i) seek recognition of the Chapter 11 Proceedings by the Canadian Court, (ii) request that the Canadian Court lend assistance to the U.S. Court in protecting the Debtors' property, and (iii) seek any other appropriate relief from the Canadian Court in furtherance of the protection of the Debtors' estates.

17. On January 7, 2020, the Debtors obtained the *Final Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503, and 507 (I) Authorizing the Debtors to Obtain Senior Secured Superpriority Postpetition Financing; (II)* Granting *(A) Liens and Superpriority Administrative Expense Claims and (B) Adequate Protection to Certain Prepetition Lenders; (III) Authorizing Use of Cash Collateral; (IV) Modifying the Automatic Stay; and (V) Granting Related Relief* (the "**Final DIP Order**"). Attached hereto as Exhibit "**C**" is a copy of the Final DIP Order.

18. The Final DIP Order authorizes the Debtors to, among other things, obtain post-petition financing pursuant to a secured super-priority multi-draw term loan credit facility (the "**DIP Facility**") with Blue Torch LLC, as agent (the "**DIP Agent**"), and the lenders party thereto from time to time (the "**DIP Lenders**", and together with the DIP Agent, the "**DIP Secured Parties**"), in an aggregate principal amount of up to $11.25 million USD (the "**DIP Loan Agreement**"), and grants the DIP Secured Parties valid, enforceable, non-avoidable, automatically and fully perfected security interests in and liens upon all property and assets of the Debtors, to secure their obligations under the DIP Loan Agreement.

19. The Debtors have determined in the exercise of their business judgment, that the terms of the DIP Facility are reasonable and appropriate in the circumstances and that the funds available under the DIP Facility are necessary to effect the orderly, efficient and safe wind down of the Debtors' operations and to generate the most value possible for the benefit of their estates and creditors, including Canadian creditors.

20. On December 10, 2019, the Debtors obtained the *Interim Order (I) Authorizing the Debtors to Pay Certain Prepetition Wages and Compensation and Maintain and Continue Employee Benefit Programs for the Continuing Employees and (II) Authorizing and Directing Banks and Comdata to Honor Process Checks and Transfers Related to Such Employee Obligations* (the "**Interim Employee Wage Order**"). On January 3, 2020, the Debtors obtained the *Final Order (I) Authorizing the Debtors to Pay Certain Prepetition Wages and Compensation and Maintain and Continue Employee Benefit Programs for the Continuing Employees and (II) Authorizing and Directing Banks and Comdata to Honor Process Checks and Transfers Related to Such Employee Obligations* (together with the Interim Employee Wage Order, the "**Employee Wage Orders**"). Attached hereto as Exhibit "**D**" are copies of the Employee Wage Orders.

21. The Employee Wage Orders authorized the Debtors to, among other things, pay certain prepetition obligations to their employees, independent contractors and other third parties (the "**Prepetition Workforce Obligations**") that were unpaid and to maintain and continue, solely with respect to those employees continuing to assist during the wind down of operations in accordance with the Chapter 11 Proceedings Cases, the Debtors' various employment benefit plans and policies, including, without limitation, medical plans, dental plans, vision plans, life insurance plans, short term and long term disability plans (the "**Employee Benefit Programs**").

22. Pursuant to the Employee Wage Orders, the payment of Prepetition Workforce Obligations is subject to an aggregate maximum of $4,600,000.00USD as reflected below, including any processing costs that have accrued and remain unpaid (including those amounts that remain unpaid as a result of dishonoring of checks due to the filing of the Chapter 11 Proceedings) as of the Petition Date.

Prepetition Workforce Obligations	**Amount**
Unpaid Compensation and Termination Benefits	$3,400,000USD
Independent Contractors	$900,000USD
Employee Benefit Programs	$300,000USD
Total	**$4,600,000USD**

23. The payment of the Prepetition Workforce Obligations serves to alleviate the severe hardship on the Debtors' employees and Independent Contractors resulting from the filing of the Chapter 11 Proceedings and the wind down of the Debtors' operations.

24. Approximately $556,000CAD has been directed towards payment obligations relating to employees of the Canadian Debtors since the Employee Wage Orders were granted, the vast majority of which related to Prepetition Workforce Obligations owed to or on behalf of employees of the Canadian Debtors, including withholdings owed at the national and provincial level. As of the date of this affidavit, under the Employee Wage Orders, approximately $275,000CAD has been paid directly to terminated employees of the Canadian Debtors; the remaining $281,000CAD was remitted to applicable taxing authorities.

Recognition of Foreign Main Proceedings and U.S. Court Orders

25. Under the Bankruptcy Code, the Debtors obtained the benefit of a stay of proceedings upon commencing the Chapter 11 Proceedings. A corresponding stay of proceedings in Canada is essential to protect the Debtors' efforts to proceed with the Chapter 11 Proceedings and to conduct a safe, efficient and orderly wind down and liquidation of the Debtors' assets.

26. At this time, Celadon is only seeking the Canadian Court's recognition of the Foreign Representative Order and the Final DIP Order. On January 13, 2020 and January 16,

2020, the Debtors filed motions before the U.S. Court seeking approval of private sales of the Ayr and Winnipeg properties, respectively (the "**Canadian Private Sale Motions**"). The Canadian Private Sale Motions are returnable in the U.S. Court on January 30, 2020. In the event that the orders sought by the Debtors are granted at that time, the Debtors expect that the Receiver (if appointed) will seek the Canadian Court's approval of the proposed private sales prior to the closing of either transaction. The Debtors also expect that the Receiver would seek further recognition of additional relief of the U.S. Court relating to the disposition of the assets of the Canadian Debtors, as and when such orders may be entered by the U.S. Court.

27. Further to the recognition of the Final DIP Order, Celadon is seeking the Court's approval of a charge in favour of the DIP Agent (the "**DIP Charge**") over the Debtor's assets in Canada which would rank in priority to all security interests and encumbrances, except with respect to (i) the Receiver's Charge (as defined below); (ii) any vehicle-specific liens and charges in favour of financiers and lessors of vehicles to Hyndman, solely with respect to and as against such vehicles (the "**Vehicle Lessor Liens**"); and (iii) the ABL Priority Collateral (as defined the Declaration).

28. It is just and appropriate that the DIP Charge be granted over the Debtor's Canadian assets to secure the funding that has been provided under the DIP Facility to Hyndman and its remaining and former employees, and to secure the ongoing funding from the DIP lender necessary to assist the Debtors and the Receiver in the orderly wind down of the Debtors' businesses in Canada.

The Need for the Appointment of a Receiver

29. As part of its application, Celadon is seeking to appoint KSV as receiver in this proceeding to facilitate with the liquidation of the Debtors' assets located in Canada, particularly the Canadian Real Properties. KSV is a licensed trustee in bankruptcy in Canada and its principals have acted as court appointed Receiver and Information Officer in numerous proceedings before the Canadian Court. KSV has significant experience in cross-border proceedings.

30. The appointment of the Receiver is necessary to aid and assist the Debtors in realizing upon their Canadian assets, to oversee the orderly marshalling of proceeds from the disposition of those assets pending further order of the Canadian Court and to act as the Canadian Court's officer in respect of the foreign recognition proceedings, and the Chapter 11 Proceedings generally.

31. In addition, the Receiver will also undertake the statutory obligations of a Receiver under the *Wage Earner Protection Program Act* in respect of terminated Hyndman employees.

32. The information regarding these proceedings will be provided to the Debtors' Canadian stakeholders by and through the Receiver. If the Orders sought are granted, Celadon proposes that a notice of the recognition orders be published by the Receiver, in place of the Foreign Representative doing so under section 276(b) of the BIA, and all Canadian court materials in these proceedings, together with a link to the Chapter 11 Proceedings, will be made available on the Receiver's website.

33. The Debtors propose to grant the Receiver and its legal counsel an administration charge with respect to their fees and disbursements in the maximum amount of CAD$350,000 (the "**Receiver's Charge**") on the Debtors' property located in Canada. I believe the amount of the charge to be reasonable in the circumstances, having regard to the size and complexity of these proceedings and the roles that will be required of the proposed Receiver and its legal counsel. The proposed Receiver's Charge would rank in priority to all security interests, including the Vehicle Lessor Liens and the DIP Charge. The Debtors understand that in accordance with the proposed Order sought, the Receiver may pay itself and its counsel from time-to-time from the proceeds of realization of the Canadian assets, subject to the ultimate approval of the fees and costs of the Receiver and its counsel by the Canadian Court.

34. I swear this Affidavit in support of Celadon's application for the relief set out in its Notice of Application dated January 22, 2020.

Sworn before me at the City of New York, in the State of New York, this 22nd day of January, 2020.)
)
)
)

Notary Public/Commissioner for Taking Affidavits

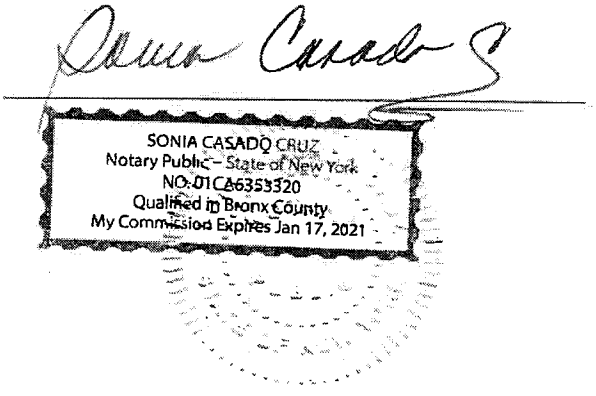
SONIA CASADO CRUZ
Notary Public – State of New York
NO. 01CA6353320
Qualified in Bronx County
My Commission Expires Jan 17, 2021

KATHRYN WOUTERS

EXHIBIT "A"

This is Exhibit "A"

referred to in the Affidavit of Kathryn Wouters
sworn before me this 22nd day of January, 2020



IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
CELADON GROUP, INC., *et al.*,[1]	:	Case No. 19-_____ (___)
Debtors.	:	(Joint Administration Requested)

DECLARATION OF KATHRYN WOUTERS IN SUPPORT OF CHAPTER 11 FILINGS AND FIRST DAY PLEADINGS

I, Kathryn Wouters, hereby declare (this "Declaration") under penalty of perjury that the following is true to the best of my knowledge, information and belief:

1. These chapter 11 cases are intended to preserve the business of Taylor Express, Inc., as a going concern by providing separate funding to support its business, including retaining its drivers, certain administrative employees, customers and certain vendors. The remaining businesses of the Debtors will cease operations and wind down during the administration of these chapter 11 cases.

2. I am Senior Vice President of Finance and Treasurer of Celadon Group, Inc. (with its predecessors-in-interest, "Celadon"), a corporation formed under the laws of the state of Delaware, and one of the above-captioned debtors (collectively, the "Debtors" or the "Company").

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celadon Group, Inc. (1050); A R Management Services, Inc. (3604); Bee Line, Inc. (5403); Celadon Canadian Holdings, Limited (2539); Celadon E-Commerce, Inc. (2711); Celadon International Corporation (5246); Celadon Logistics Services, Inc. (0834); Celadon Mexicana, S.A. de C.V. (6NL7); Celadon Realty, LLC (2559); Celadon Trucking Services, Inc. (6138); Distribution, Inc. (0488); Eagle Logistics Services Inc. (7667); Hyndman Transport Limited (3249); Jaguar Logistics, S.A. de C.V. (66D1); Leasing Servicios, S.A. de C.V. (9MUA); Osborn Transportation, Inc. (7467); Quality Companies LLC (4073); Quality Equipment Leasing, LLC (2403); Quality Insurance LLC (7248); Servicios Corporativos Jaguar, S.C. (78CA); Servicios de Transportación Jaguar, S.A. de C.V. (5R68); Stinger Logistics, Inc. (3860); Strategic Leasing, Inc. (7534); Taylor Express, Inc. (9779); Transportation Insurance Services Risk Retention Group, Inc. (7197); Vorbas, LLC (8936). The corporate headquarters and the mailing address for the Debtors listed above is 9503 East 33rd Street, One Celadon Drive, Indianapolis, IN 46235.

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In my role as Senior Vice President of Finance and Treasurer, I am the primary contact for the Company's senior lenders, was heavily involved in the processes to refinance the Company's debt over the recent years, manage the Company's relationship with lessors with respect to approximately $300 million in equipment leases and maintain responsibility for cash flow management. I have been employed by Celadon for eight (8) years and am based at the Debtors' corporate headquarters in Indianapolis, Indiana. I have nearly a decade of experience in the trucking and logistics industry, and graduated from Purdue University in 2011 with a degree in accounting and a concentration in finance.

3. I am over the age of eighteen (18) and am authorized by the Debtors to submit this Declaration. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge, my discussions with other members of the Debtors' management team, the Debtors' employees or the Debtors' advisors, my review of the relevant documents and information concerning the Debtors' operations, financial affairs and restructuring initiatives, or my opinions based upon my experience and knowledge. If called as a witness, I could and would competently testify to the facts set forth in this Declaration.

4. I am generally familiar with the Debtors' day-to-day operations, business affairs, books and records, as well as the Debtors' restructuring efforts. I submit this Declaration (a) to assist the Court and all parties in interest in understanding, among other things, the Debtors' operations, their corporate structure, and the circumstances that led to the commencement of these chapter 11 cases and (b) in support of the Debtors' petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") filed on December 8, 2019 (the "Petition Date") and the relief that the Debtors request from the Court pursuant to the motions and applications described in this Declaration (collectively, the "First Day Pleadings").

5. To familiarize the Court with the Debtors and the relief sought in the First Day Pleadings filed in these chapter 11 cases, this Declaration is organized into four parts as follows:

- **Part I** provides an introduction to the Debtors and information on their history, corporate structure and business operations;
- **Part II** provides an overview of the Debtors' capital structure;
- **Part III** provides a description of the circumstances leading to the commencement of these chapter 11 cases, including a description of the Debtors' restructuring efforts; and
- **Part IV** provides an overview of the relief requested in the First Day Pleadings and sets forth the relevant facts in support of each.

I. DESCRIPTION OF THE DEBTORS' HISTORY, CORPORATE STRUCTURE AND BUSINESS OPERATIONS

A. The Corporate History of the Debtors

6. Founded in 1985 by Steve Russell and Leonard Bennett, Celadon began its operations as a small, dry van carrier with just fifty (50) leased trucks and 100 leased trailers by transporting automotive parts on behalf of Chrysler Corporation to a new Chrysler plant located in Mexico. The Company was one of the first US-based trucking companies to take trailers into Mexico. Before Celadon, trailers were delivered to the border, where cargo would be stored in a warehouse until it was reloaded on Mexican trucks. Because of this, Celadon is considered a pioneer of the commerce trail between the United States and Mexico.

7. The Company experienced early success and expanded rapidly, purchasing Randy International, an international freight-forwarding company that arranged for door-to-door cargo transportation in 1990. In 1994, Celadon completed an initial public offering, which put approximately thirty-six percent of the company for sale on the public markets and raised

approximately $30 million of capital. After going public, Celadon expanded its freight-forwarding services through an acquisition of United Kingdom-based Guestair Limited. After the passing of the National American Free Trade Act in 1995, the Company established strong relationships with Mexican trucking companies and became known as the primary NAFTA carrier. Following 1995, the Company made thirty-six (36) additional trucking company acquisitions, which account for the Company's expansion into the refrigerated and flatbed transportation industry, the logistics industry, and the trucking industry in Mexico and Canada.

8. Over the course of the last thirty-five (35) years, the Company has vastly expanded its footprint, currently operating a fleet of approximately 3,300 tractors and 10,000 trailers with approximately 3,800 employees. Today, the Company specializes in international service between the United States and its largest trading partners, Canada and Mexico. The Debtors currently offer point-to-point shipping and, specifically, provide long haul, regional, local, dedicated, temperature-protect, and expedited freight services across the United States, Canada and Mexico. The Company is one of the largest providers of international truckload service in North America and serves a number of corporate customers, including Lowes, Philip Morris, Wal-Mart, Chrysler Group, Procter & Gamble and Honda, among others.

B. The Corporate Structure of the Debtors

9. The Debtors in these chapter 11 cases are Celadon Group, Inc. and certain of its wholly-owned direct and indirect subsidiaries. A chart depicting the prepetition organizational structure of the Company, including Debtors and non-Debtors, is attached to this Declaration at Exhibit A. A brief overview of each of the Debtors, including their business operations, follows:

a. Celadon Group, Inc. ("Celadon"), a Delaware corporation, is the ultimate parent company of the Debtors and is a public holding company.

b. A R Management Services, Inc., a Delaware corporation, is a wholly-owned subsidiary of Celadon that performed billing and accounts receivable processing for third parties.

c. Bee Line, Inc. ("Bee Line"), an Ohio corporation, is a wholly-owned subsidiary of CTSI (defined below), which was acquired on December 12, 2014. Bee Line is an operating trucking and logistics company that provides dry van trucking services.

d. Celadon Canadian Holdings, Limited ("Celadon Canada"), an Ontario, Canada limited company, is a wholly-owned subsidiary of CTSI and holding company of all Canadian entities.

e. Celadon E-Commerce, Inc. ("E-Commerce"), a Delaware corporation, is a wholly-owned, non-operating subsidiary of Celadon. It operated as a business to business platform to pool small trucking companies in order to increase buying power and achieve discounts on fuel, tires and other products.

f. Celadon International Corporation ("Celadon Int'l"), a Delaware corporation, is a wholly-owned subsidiary of Celadon created to manage Celadon trucking operations in Kuwait during the post-Iraq war period.

g. Celadon Logistics Services, Inc. ("Celadon Logistics"), a Delaware corporation, is a wholly-owned subsidiary of CTSI and managing company of much of the logistics business line through and including April 2019. The Company's trucking business revenue flows through Celadon Logistics.

h. Celadon Mexicana S.A. de C.V. ("Celadon Mexicana"), a Mexican corporation ("Sociedad Anonima de Capital Variable"), is a wholly-owned subsidiary of Celadon and a Celadon-owned trucking business based in Mexico, hauling both cross-border and domestic Mexico freight.

i. Celadon Realty, LLC ("Celadon Realty"), a Delaware limited liability company, is a wholly-owned subsidiary of Celadon and owner of a majority of the Company's owned real property.

j. Celadon Trucking Services, Inc. ("CTSI"), a New Jersey corporation, is a wholly-owned subsidiary of Celadon and the main trucking unit of Celadon.

k. Distribution Inc., d.b.a. FTL ("FTL"), an Oregon corporation, is a wholly-owned subsidiary of CTSI, which Celadon acquired as of November 11, 2015. FTL provides dry van, refrigerated, intermodal and super chassis tracking services on the west coast and in the Pacific Northwest.

l. Eagle Logistics Services, Inc. ("Eagle"), an Indiana corporation, is a wholly-owned subsidiary of CTSI and an operating trucking and logistics company.

m. Hyndman Transport Limited ("Hyndman"), an Ontario, Canada limited company, is a wholly-owned subsidiary of Celadon Canada. Hyndman is the Canadian-operated arm of the Company, providing seamless transition for cross-border loads and specializes in inter- and intra-provincial moves along the Route 401 corridor, handling local, regional and dedicated business, as well as cross-border movements.

n. Jaguar Logistics, S.A. de C.V. ("Jaguar Logistics") a Mexican corporation ("Sociedad Anonima de Capital Variable"), is a subsidiary of Celadon

Mexicana responsible for providing logistics and support to the Company's Mexican business, Jaguar, a Celadon-owned carrier based in Mexico, hauling both cross-border and domestic Mexico freight.

o. Leasing Servicios S.A. de C.V. ("Leasing Services") a Mexican corporation ("Sociedad Anonima de Capital Variable"), is a subsidiary of Celadon Mexicana responsible for providing leasing services on behalf of the Company's Mexican business, Jaguar.

p. Osborn Transportation, Inc. ("Osborn"), an Alabama corporation, is a wholly-owned subsidiary of CTSI acquired by the Company on November 1, 2013 to expand the Company's dry-van offerings. Osborn is an operating trucking and logistics company.

q. Quality Companies LLC ("Quality Companies"), an Indiana limited liability company, is a wholly-owned subsidiary of CTSI and the parent company of the Quality Companies business unit, which offers "tractors under management" to independent contractors, motor carrier fleets and financing sources and, through its subsidiaries, tractor purchasing and sales, driver recruiting, lease payment remittance, insurance, maintenance and other services.

r. Quality Equipment Leasing, LLC ("Quality Equipment"), a Delaware limited liability company, is a wholly-owned subsidiary of Quality Companies and a member of the Quality Companies business unit, which offers tractor purchasing and sales, driver recruiting, lease payment remittance, maintenance and other services.

s. Quality Insurance LLC ("Quality Insurance"), an Indiana limited liability company, is a wholly-owned subsidiary of Quality Companies and a member of the Quality Companies business unit, which offers insurance and other services.

t. Servicios Corporativos Jaguar, S.C. ("Corporativos Jaguar"), a Mexican company ("Sociedad Civil"), is a subsidiary of Celadon Mexicana and company within the Jaguar business unit, a Celadon-owned carrier based in Mexico, hauling both cross-border and domestic Mexico freight.

u. Servicio de Transportation Jaguar, S.A. de C.V. ("Servicio Jaguar"), a Mexican corporation ("Sociedad Anonima de Capital Variable"), is a subsidiary of Celadon Mexicana and company within the Jaguar business unit, a Celadon-owned carrier based in Mexico, hauling both cross-border and domestic Mexico freight.

v. Stinger Logistics, Inc. ("Stinger"), an Ohio corporation, is a wholly-owned subsidiary of CTSI that managed the brokerage business for Bee Line.

w. Strategic Leasing, Inc. ("Strategic"), an Ohio corporation, is a wholly-owned subsidiary of CTSI that held and managed tractors and trailers for Bee Line.

x. Taylor Express, Inc. ("Taylor"), a North Carolina corporation, is a wholly-owned subsidiary of CTSI, acquired on January 20, 2015. Taylor, a dry van and dry bulk for-hire services and dedicated truckload career, serves principally the tire and retail industry primarily in the South and Southeast regions.

y. Transportation Insurance Services Risk Retention Group, Inc. ("TISRRG"), a South Carolina corporation, is a wholly-owned subsidiary of CTSI. TISRRG is a risk retention group providing auto insurance for the trucking operations of the CTSI subsidiaries.

z. Vorbas, LLC ("Vorbas"), an Ohio limited liability company, is a wholly-owned subsidiary of CTSI and owner of certain of the Company's real estate in Ohio.

C. The Business Operations of the Debtors

10. As set forth above, the Company is a truckload freight transportation provider, providing point-to-point shipping for major customers within the United States, between the United States and Mexico, and between the United States and Canada.

11. The Company operates its business as an "asset-based" carrier, in which services are provided using owned tractors, trailers and other assets. Therefore, it requires significant ongoing capital expenditures.

12. The Debtors' primary asset-based services include United States domestic dry van service, cross-border service between the United States and each of Mexico and Canada, intra-Mexico and intra-Canada service, dedicated contract service, and regional service. The Debtors generate a substantial portion of their asset-based revenue from services provided in Mexico, in Canada or cross-border, and believe the size of the Company's international operations and expertise with the unique regulatory and logistical requirements of each North American country provide a competitive advantage in the international trucking marketplace.

II. THE DEBTORS' CAPITAL STRUCTURE

13. The Company reports its financial information on a condensed, consolidated basis. As of September 30, 2019, the Company had total assets of approximately $427 million on a net book basis. The Company's current liabilities totaled approximately $98 million as of September 30, 2019. The Company's long-term liabilities, comprising approximately $138 million in long-term debt net of current maturities, $115 million in capital lease obligations, $33 million in accrued liability owed to the United States Department of Justice and $7 million in deferred income taxes payable, totaled approximately $293 million. The Company's primary sources of liquidity and capital resources have been cash provided by operations and asset sales and credit available under its Term Loan Agreement and Revolving Credit Agreement, both as defined and described below. As of the Petition Date, a total of approximately $136.4 million was owed to the Debtors' prepetition lenders under Term Loan Agreement and Revolving Credit Agreement.

A. The Term Loan Agreement

14. On July 31, 2019 in connection with the entry into several agreements with the principal purpose of refinancing (the "Refinancing Transactions") that certain Amended and Restated Credit Agreement dated December 12, 2014, by and among Celadon, as term loan borrower, certain of its subsidiaries, as term loan guarantors, Bank of America, N.A., as lender and administrative agent, and Wells Fargo Bank, N.A. and Citizens Bank, N.A. as lenders (the "Former Credit Agreement"), the Debtors entered into that certain Second Amended and Restated Credit Agreement (as amended, the "Term Loan Amendment") dated July 31, 2019 among Celadon, certain of its subsidiaries as guarantors thereto, Blue Torch Finance, LLC, as administrative agent (the "Term Loan Agent"), and BTC Holdings Fund I, LLC, BTC Holdings Fund I-B, LLC, BTC Holdings SC Fund LLC (collectively with the Term Loan Agent, "Blue

Torch"), and Luminus Energy Partners Master Fund, Ltd. ("Luminus"), each as lenders (with BTC Holdings Fund I, LLC, BTC Holdings Fund I-B, LLC, BTC Holdings SC Fund LLC, the "Term Loan Lenders").

15. Under the Term Loan Agreement, the Term Loan Lenders provided term loans to the Company and certain of its subsidiaries in the aggregate principal amount of $105 million. This amount comprised (i) approximately $77.1 million in debt that was outstanding under the Former Credit Agreement and was amended and restated into term loans pursuant to the Term Loan Agreement and (ii) approximately $27.9 million of new term loans. Of the $27.9 million, $7.0 million was used to fund an interest reserve account, which in turn funded initial interest payments under the Term Loan Agreement, $8.0 million was allocated to the lenders' closing fees and original issue discount, and approximately $12.9 million was advanced to the Debtors in cash, of which approximately $4.3 million was used to pay professional fees, expenses, and other closing costs.

16. Celadon's obligations under the Term Loan Agreement are guaranteed by Debtors Bee Line, Inc.; Celadon Canadian Holdings, Limited; Celadon E-Commerce, Inc.; Celadon Logistics Services, Inc.; Celadon Mexicana, S.A. de C.V.; Celadon Realty, LLC; Celadon Trucking Services, Inc.; Distribution, Inc.; Eagle Logistics Services Inc.; Hyndman Transport Limited; Jaguar Logistics, S.A. de C.V.; Leasing Servicios, S.A. de C.V.; Osborn Transportation, Inc.; Quality Companies LLC; Quality Equipment Leasing, LLC; Quality Insurance LLC; Servicios Corporativos Jaguar, S.C.; Servicios de Transportación Jaguar, S.A. de C.V.; Taylor Express, Inc.; and Vorbas, LLC (collectively, the "Debtor-Guarantors"), each of which, together with Celadon, granted to the Term Loan Agent, for the benefit of the Term Loan Lenders, a lien and senior security interest in substantially all of their assets in order to secure the prompt and

complete payment and performance when due of the obligations under the Term Loan Agreement and the related loan documents.

17. The Term Loan Agreement is senior in its security interest to all existing and future subordinated indebtedness of Celadon and secured by senior security interests in all Term Priority Collateral (as defined in the Intercreditor Agreement (as defined below)), which collateral includes rolling stock and real estate owned by Celadon and the Debtor-Guarantors, and all accounts receivable generated from the Mexican entities. Blue Torch holds a first position in right of payment on the Term Priority Collateral and Luminus holds a second position in right of payment on in the Term Priority Collateral pursuant to the Term Loan Agreement. MidCap (as defined below) has been granted a second priority security interest in the Term Priority Collateral and its interest is third in right of payment on the Term Priority Collateral, after that of Blue Torch and Luminus.

18. On October 4, 2019, Celadon and the Debtor-Guarantors entered into a First Amendment to the Term Loan Amendment, which amended the Term Loan Agreement to decrease the Company's minimum liquidity requirement under the Term Loan Agreement from $12.5 million to $10.0 million for the period of October 1, 2019 through and including October 15, 2019.

19. On October 15, 2019, Celadon and the Debtor-Guarantors entered into a Second Amendment to the Term Loan Amendment, which amendment decreased the minimum liquidity requirement under the Term Loan Agreement to $8 million for the period of October 1, 2019 through and including November 15, 2019.

20. On November 15, 2019, the Debtors entered into a Third Amendment to the Term Loan Amendment (the "Third Amendment"), which amended the Term Loan Agreement to (i) increase the interest rate under the Term Loan Agreement by two percent per annum, (ii) eliminate

the Lease Adjusted Leverage Ratio and the Fixed Charge Coverage Ratio (as defined in the Third Amendment) financial covenants for all periods prior to February 29, 2020, (iii) decrease the minimum liquidity requirement to $5 million for the period from November 15, 2019 through and including February 29, 2020 and provide that liquidity must be composed of an amount of revolving loan availability not less than $150,000 on January 1, 2020 and increasing by $150,000 a week thereafter to a maximum of $1,500,000, (iv) permit a specified trailer sale and leaseback transaction and provides that proceeds of such transaction exceeding $10 million need not be used to repay indebtedness under the Term Loan Agreement; (v) waive defaults relating to the Company's failure to comply with the Lease Adjusted Leverage Ratio required for the period ended September 30, 2019, the Company's failure to timely deliver certain deposit account control agreements, and cross-defaults arising from defaults under the Revolving Credit Agreement; and (vi) require, among other things, the company to prepare and deliver certain budgets, projections, and cash flow reporting materials, including a plan to obtain additional capital prior to February 29, 2020.

B. The Revolving Credit Agreement

21. On July 31, 2019, also in connection with the Refinancing Transactions, the Debtors entered into that certain Credit and Security Agreement dated July 31, 2019 (as amended, the "Revolving Credit Agreement") among Celadon, certain of its subsidiaries, and MidCap Financial Trust, as administrative agent and lender ("MidCap Financial Trust"). Under the Revolving Credit Agreement, the borrowers are Celadon; Bee Line, Inc.; Celadon Canadian Holdings, Limited; Celadon E-Commerce, Inc.; Celadon Logistics Services, Inc.; Celadon Realty, LLC; Celadon Trucking Services, Inc.; Distribution, Inc.; Eagle Logistics Services Inc.; Hyndman Transport Limited; Osborn Transportation, Inc.; Quality Companies LLC; Quality Equipment

Leasing, LLC; Quality Insurance LLC; Taylor Express, Inc.; and Vorbas, LLC (collectively, the "Revolving Credit Agreement Borrowers"). Under the Canadian Security Agreement dated as of July 31, 2019, Celadon Canadian Holdings, Limited and Hyndman Transport Limited granted to MidCap Financial Trust as administrative agent a security interest in substantially all of their assets in order to secure the prompt and complete payment and performance when due of the obligations of the Revolving Credit Agreement Borrowers. On or about July 31, 2019, MidCap Financial Trust assigned to MidCap Funding IV Trust ("MidCap"), all of its right, title and interest as administrative agent and lender under the Revolving Credit Agreement and related collateral and ancillary loan documents.

22. The Revolving Credit Agreement provides a $60.0 million revolving credit facility intended to fund the Debtors' working capital requirements. Under the Revolving Credit Agreement, the borrowing availability is determined based on a "borrowing base" equal to 90% of the aggregate net amount of eligible US and Canadian accounts receivable, with a borrowing base of approximately $42.3 million on the closing date on or about July 31, 2019. The Revolving Credit Agreement Borrowers borrowed approximately $31 million under the Revolving Credit Agreement on the closing date, approximately $30 million of which was used to fund the cash-collateralization of the Company's outstanding letter of credit obligations under the Former Credit Agreement.

23. The facility pursuant to the Revolving Credit Agreement is senior in lien rights to all existing and future subordinated indebtedness of the Revolving Credit Agreement Borrowers in the ABL Priority Collateral and is also secured by a lien on all other Prepetition Collateral. MidCap holds a first priority security interest in the ABL Priority Collateral (as defined in the

Intercreditor Agreement). The Term Loan Agent holds a first priority lien on the Term Priority Collateral and a second priority lien on the ABL Priority Collateral.

24. On October 4, 2019, the Revolving Credit Agreement Borrowers and MidCap entered into an Amendment No. 1 to Credit and Security Agreement, which amended the Revolving Credit Agreement to decrease the Company's minimum liquidity requirement under the Credit Agreements from $12.5 million to $10.0 million for the period of October 1, 2019 through and including October 15, 2019

25. In addition, on October 15, 2019, the Revolving Credit Agreement Borrowers and MidCap entered into an Amendment No. 2 to Credit and Security Agreement, which amended the Revolving Credit Agreement by lowering the minimum liquidity requirement under the Revolving Credit Agreement to $8 million from October 15, 2019 through and including November 15, 2019.

26. Finally, on November 15, 2019, the Revolving Credit Agreement Borrowers and MidCap entered into a Waiver and Amendment No. 3 to Credit and Security Agreement, which amended the Revolving Credit Agreement and (i) increased the interest rate under the Revolving Credit Agreement by two percent per annum; (ii) eliminated the Lease Adjusted Net Leverage Ratio and the Fixed Charge Coverage Ratio financial covenants for all periods prior to February 29, 2020; (iii) decreased the minimum liquidity requirement to $5 million for the period of November 15, 2019 through and including February 29, 2020 and provide that liquidity must be composed of an amount of revolving loan availability that is not less than $150,000 on January 1, 2020 and increasing by $150,000 a week to a maximum of $1,500,000; (iv) waived defaults relating to the Company's failure to comply with the Lease Adjusted Net Leverage Ratio required for the period ended September 30, 2019, the Company's failure to timely deliver financial statements and related items, and cross-defaults arising from defaults under the Term Loan

Agreement; and (v) required the company to, among other things, prepare and deliver certain budgets, projections, and cash flow reporting materials, including a plan to obtain additional capital prior to February 29, 2020.

27. Blue Torch Finance, LLC, as agent under the Term Loan Agreement, MidCap Financial Trust, as agent under the Revolving Credit Agreement and certain of the Debtors are party to that certain Intercreditor Agreement, dated as of July 31, 2019 (the "Intercreditor Agreement").

C. Letters of Credit

28. Pursuant to that certain Cash Collateral Agreement dated as of August 9, 2019 made by Celadon Group, Inc., as pledgor, to JPMorgan Chase Bank, N.A. (the "JPM Letter of Credit Agreement") and that certain Cash Collateral and Letter of Credit Reimbursement Agreement made and entered into as of July 31, 2019 by and among Celadon Group, Inc., as borrower, certain guarantors party thereto, Bank of America, N.A., as L/C issuer and Bank of America, N.A., Wells Fargo Bank, N.A. and Citizens Bank, N.A., as lenders, (the "BOFA Letter of Credit Agreement" and collectively, the "Letter of Credit Agreement"), JPMorgan Chase Bank, N.A. and Bank of America, N.A. agreed to issue letters of credit (as modified, amended, extended, renewed or restated from time to time, the "Letters of Credit") for the account of the Debtors. Pursuant to the BOFA Letter of Credit Agreement, letters of credit originally issued by Bank of America, N.A. under the Former Credit Agreement were cash collateralized at the closing of the Refinancing Transactions in an amount equal to 105% of the aggregate face amount of the outstanding Letters of Credit. In addition, Celadon was required to cause JPMorgan Chase Bank, N.A. to issue an $8 million backstop letter of credit in favor of Bank of America, N.A., on or before September 30, 2019.

D. Equipment Lessors

29. From time to time, the Debtors have entered into equipment lease agreements for the lease of the personal property such as tractors and trailers (each, an "Equipment Lease Agreement") with seventeen (17) lessors (each, a "Lessor"). As of the Petition Date, the Debtors are party to approximately $300 million in equipment leases and pay approximately $5 million per month to Lessors under the Equipment Lease Agreements. In or around June 2018, the Company extended maturities of approximately $150 million in equipment leases to allow for refinancing. Each of the Lessors owns, subject to a true lease, or has a security interest in, subject to a financing lease, the equipment that is the subject of its applicable Equipment Lease Agreement.

III. THE EVENTS LEADING TO THE COMMENCEMENT OF THESE CHAPTER 11 CASES

30. The need to file these chapter 11 cases was a result of a confluence of factors including industry-wide headwinds, former management bad acts, an unsustainable degree of balance sheet leverage and an inability to address significant liquidity constraints through asset sales and other restructuring strategies. In mid-2019, the trucking freight market began to soften. The combination of a decline in overall freight tonnage and excessive truck capacity in the market led to a significant decline in freight rates, and customers began to take bids at lower freight rates. Compared to the year immediately prior, 2019 showed a steady decline in freight rates, including spot freight rates and contractual rates. In addition to declining freight rates, volumes of loads in freight have experienced decreasing numbers for a significant portion of 2019.

31. In the several years preceding the filing of these chapter 11 cases, the Company experienced negative cash flow. In response to a stalled U.S. freight market in late 2015 and 2016, the Company began cost-cutting initiatives and scaled back its domestic truckload division's fleet

by approximately 20% and reducing the number of lanes served from nearly 5,000 to 1,000 in a little under a year.

32. The Company also began to sell assets through a series of transactions to pay down equipment lease debt and the revolving line of credit, including the sale of subsidiaries, A&S Kinard and Buckler Transport, and of all assets of Celadon Logistics. Pursuant to the Term Loan Agreement, the majority of sale proceeds from these sale transactions were delivered to the Former Lenders and equipment lessors to pay down their debt.

33. Further, Celadon faced significant costs associated with a multi-year investigation into the actions of former management. In 2017, Prescience Point Research Group alleged that the Company, under a prior senior management team, had overstated the value of trucks donated to equipment leasing Debtor Quality Companies LLC and held by 19th Capital Group, which subsidiary the Company has since divested. Shortly thereafter, the United States Department of Justice ("DOJ") and the United States Securities and Exchange Commission ("SEC") commenced criminal and civil investigations into the Company's prior financial statements and related events. The Company cooperated fully with the investigations, including conducting an internal investigation.

34. On April 3, 2018, the New York Stock Exchange suspended trading in Celadon and moved to remove the Company's stock listing following an announcement by the Company that the DOJ and SEC's internal investigation had identified accounting errors that will require it to restate financial results dating back to 2014.

35. On April 24, 2019, the Company announced that it had reached resolutions with the DOJ, Criminal Division, Fraud Section, the United States Attorney's Office for the Southern District of Indiana, and, separately, the SEC concerning their investigations. In resolution of the

investigations, the Company entered into a Deferred Prosecution Agreement (the "DPA") with the DOJ that was filed with the United States District Court, Southern District of Indiana on April 25, 2019. Pursuant to the DPA, which shall remain in effect through June 30, 2024 unless terminated or extended earlier (the "Term"), the DOJ filed a criminal information alleging a single-count of conspiracy to commit securities fraud and the falsification of books, records and accounts. Subject to the Company's compliance with the DPA, the DOJ has agreed to dismiss with prejudice the criminal information after expiration of the Term. The DPA requires the Company, over the course of the Term, to pay restitution in the amount of approximately $42.2 million (the "Restitution") in accordance with the schedule set forth in the DPA, which amount may be offset by payments made directly to shareholders pursuant to the Company's prior settlement of civil shareholder class action litigation.[2] In accordance with the terms of the DPA, the Company made an initial payment of $5 million on April 24, 2019 upon entry into the DPA.

36. The DPA also requires the Company to continue to implement a compliance and ethics program designed to prevent and deter violations of anti-fraud reporting, or books and records provisions of federal securities laws, and where necessary adopt a new compliance program, or modify its existing one, including internal controls, compliance policies, and procedures in order to ensure that the Company maintains an effective system of internal accounting controls designed to make and keep fair and accurate books, records and accounts, and a rigorous compliance program designed to detect and deter violations of anti-fraud reporting, or books and records provisions of the federal securities laws throughout the Company's operations.

[2] At the time the Company announced the DPA, the Company expected the amount of civil shareholder class action litigation settlements to range between $3.5 million and $3.75 million, depending on administrative costs, leaving a balance of the restitution payment amount of approximately $38.5 million.

The Company also is required to report to the DOJ annually during the Term of the DPA, regarding remediation and implementation of the compliance measures described in the DPA.

37. Additionally, on April 24, 2019, the Company agreed to settle with the SEC, by consenting to the entry of a final judgment (the "Consent"), which provides that upon entry by the United States District Court, Southern District of Indiana of the Consent, the Company (i) was permanently restrained and enjoined from violating Section 10(b), 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Securities Exchange Act of 1934 and applicable rules, and (ii) is liable for disgorgement of approximately $7.5 million, inclusive of prejudgment interest, which shall be deemed satisfied in full by the DPA's restitution order. Beyond the Restitution Amount, subject to its compliance with the DPA, the Consent and the related documents, the Company will not have any additional financial obligations.

38. During summer 2019, amid increased head winds and a U.S. freight market that continued to stall, the Company began to implement initiatives to boost liquidity, including discussions with its senior lenders, Bank of America, N.A., Wells Fargo Bank, N.A. and Citizens Bank, N.A. (collectively, the "Former Lenders"), each of which were lenders under the Former Credit Agreement. When discussions with its Former Lenders commenced, the Company had balance sheet cash of approximately $6.2 million, outstanding standby letters of credit of approximately $28.5 million, revolving borrowings of $94.0 million, and available borrowing capacity of zero.

39. On July 31, 2019, the Company announced the Refinancing Transactions, in which, the Company secured $165 million in new financing to help fund its turnaround efforts and retire the debt held by its Former Lenders through a refinancing of the Former Credit Agreement. In addition to entry into the Term Loan Agreement and the Revolving Credit Agreement, on July 31,

2019, Celadon entered into a Warrant Purchase Agreement (the "Warrant Purchase Agreement") with Luminus Energy Partners Master Fund Ltd. ("Luminus") pursuant to which Luminus acquired (i) an immediately exercisable warrant to purchase 16,000,000 shares of the Company's Common Stock, par value $0.033 per share (the "Common Stock"), or the Company's Series B Preferred Stock, par value $1.00 per share (the "Series B Preferred Stock"), convertible into Common Stock (the "Initial Warrant"), and (ii) a warrant to purchase 5,472,845 shares of Common Stock, or Series B Preferred Stock convertible into Common Stock, that becomes exercisable only upon a Change in Control, as defined in such Warrant Purchase Agreement. After giving effect to the Refinancing Transactions, the Company had balance sheet cash of approximately $52.4 million (including $7.0 million restricted for payment of interest on the term loans described below and approximately $30.0 million posted to cash collateralize letters of credit), revolving borrowings equal to the cash posted to secure letters of credit, $105.0 million of term loan borrowings, and approximately $11.3 million of available borrowing capacity. The Warrant Purchase Agreement increased the equity interest of Luminus in Celadon from approximately 17% to up to roughly 49.9%.

40. In furtherance of its turnaround efforts, on August 12, 2019, the Company engaged DPX Consulting LLC to oversee sales, operations and maintenance of CTSI in a bid to accelerate needed improvements. The Company also implemented efforts to refresh its fleet, many of the trucks of which had reached or surpassed the 5-year mark and had no warranty coverage. Through these efforts, the Company replaced approximately 500 of its 3,200 tractors and took delivery of 106 new trucks in the spring.

41. On or about November 14, 2019, the Company began discussions with its key stakeholders including TA Dispatch, LLC, purchaser of certain of the Debtors' transportation-logistics and brokerage-services assets pursuant to an Asset Purchase Agreement effective April

1, 2019, and senior lenders Blue Torch and MidCap. Discussions with its key stakeholders were not immediately successful. Instead, on December 2, 2019, TA Dispatch, LLC filed suit against Debtors Celadon, CTSI, Celadon Logistics and Hyndman seeking approximately $6.2 million in alleged amounts owed of proceeds of TA Dispatch's receivables collected by the Debtors.

42. Also on December 2, 2019, MidCap delivered a Notice of Event of Default and Reservation of Rights (the "Notice of Default") alleging that events of default under the Revolving Credit Agreement occurred and were continuing and, as a result, the Revolving Credit Agreement Agent and the Revolving Credit Agreement Lenders were under no obligation to make or allow any loans or other advances to or issue any letters of credit on behalf of the Revolving Credit Agreement Borrowers and are entitled to exercise all of their rights and remedies under the Revolving Credit Agreement. Thereafter, MidCap only made minimal advances to the Company with conjunction with Blue Torch for specific, lender-approved disbursements.

43. Upon and after notification of the Notice of Default, MidCap and Blue Torch agreed to advance certain funds to the Company for payment of payroll and payroll taxes and other critical payments necessary to continue operations. In the week immediately preceding the filing of these chapter 11 cases, the Company experienced severe liquidity constraints, which magnified the significant challenges to the business and their operations.

44. The Debtors, in conjunction with their advisors, continued to work diligently with their lender constituencies to develop a solution to the liquidity constraints and identify a path forward for the business. While these discussions have been ongoing right up to the filing of the chapter 11 petitions and are expected to continue thereafter, the Debtors have determined, in their business judgment, that given the severe liquidity constraints, it is in the best interest of the Debtors and their creditors to cease operations and commence an orderly wind down of certain of the

Debtors' businesses, while preserving the Taylor business as a going concern. The Debtors continue to engage in active conversations with their lenders and key stakeholders regarding providing sufficient liquidity to fund the Company for the immediate future.

IV. OVERVIEW OF FIRST DAY RELIEF

45. Contemporaneously with this Declaration, the Debtors have filed or expect to file a number of pleadings (the "First Day Pleadings") in these chapter 11 cases, seeking orders granting various forms of relief intended to stabilize the Debtors' business as best as possible to wind down their operations, facilitate the efficient administration of these chapter 11 cases, lessen the impact of these chapter 11 cases on the Debtors' day-to-day operations and employee morale, and facilitate their liquidation. In addition, the Debtors procured $8.25 million in postpetition, debtor-in-possession financing (the "DIP Facility") from lender affiliates (the "DIP Lenders") of Blue Torch Finance LLC (the "DIP Agent") to provide the Debtors with sufficient liquidity to fund the successful administration of these chapter 11 cases.

46. I believe that this Court's approval of the relief requested in the First Day Pleadings is essential to avoid immediate and irreparable harm to the Debtors and their estates, to provide the Debtors with an opportunity to meet their immediate obligations, preserve the Taylor business as a going concern and begin an orderly wind down of certain of the Debtors' businesses, to provide for a smooth transition into chapter 11 under the circumstances and to minimize loss of value of the Debtors' assets. A description of the relief requested, and the facts supporting each of the First Day Pleadings, is briefly set forth below:

A. Motion of the Debtors for the Entry of an Order Directing the Joint Administration of the Debtors' Chapter 11 Cases

47. Through the *Motion of the Debtors for the Entry of an Order Directing the Joint Administration of the Debtors' Chapter 11 Cases* (the "Joint Administration Motion"), the Debtors

seek entry of an order directing joint administration of these bankruptcy cases for procedural purposes only. I anticipate that many of the notices, motions, other pleadings, and orders in these cases will affect more than one Debtor. In addition, the Debtors share many of the same creditors. Therefore, I believe that joint administration will (i) save time and expenses for the Court and for the Debtors' estates, and (ii) avoid duplicative and potentially confusing filings by permitting counsel for all parties in interest to file all notices and pleadings on a single case docket, under a single caption. I understand that joint administration will also protect all parties in interest by ensuring that creditors in each of the Debtors' respective bankruptcy cases will be informed of the various matters before the Court in these cases.

48. I have been advised that the rights of the Debtors' respective creditors and stakeholders will not be adversely affected by the joint administration of these cases inasmuch as the relief sought is purely procedural and in no way intended to affect substantive rights or permit substantive consolidation of the separate Debtors' estates. Accordingly, on behalf of the Debtors, I respectfully submit that the Joint Administration Motion should be granted.

B. Motion of the Debtors for the Entry of an Order Authorizing the Debtors (i) to File a Consolidated List of Creditors in Lieu of Submitting a Separate Mailing Matrix for Each Debtor, and (ii) to File a Consolidated List of the Debtors' Fifty Largest Unsecured Creditors

49. Through the *Motion of the Debtors for the Entry of an Order Authorizing the Debtors (I) to File a Consolidated List of Creditors in Lieu of Submitting a Separate Mailing Matrix for Each Debtor, and (II) to File a Consolidated List of the Debtors' Fifty Largest Unsecured Creditors* (the "Consolidated Creditors' List Motion"), the Debtors are seeking authority to (i) prepare a consolidated list of creditors in the format currently maintained in the ordinary course of business in lieu of submitting a separate creditor matrix in the format required under Local Rule 1007-2(a) for each Debtor, and (ii) provide a consolidated list of the fifty largest

creditors of all Debtors, rather than separate lists of the largest twenty creditors for each Debtor. I believe that the relief requested by the Debtors is warranted because they have identified thousands of entities to which notice of certain proceedings in these chapter 11 cases must be provided. Although the Debtors maintain computerized records, certain Debtors do not presently maintain lists of the names and addresses of their creditors on a Debtor-specific basis. Conforming the Debtors' records into the creditor matrix format as required under Local Rule 1007-2(a) would be an unnecessarily burdensome task given the size and scope of these chapter 11 cases and the number of the Debtors' creditors. Furthermore, because many creditors are creditors of multiple Debtors, the Creditor Matrix will reduce administrative costs by ensuring that each party on the Creditor Matrix receives only one copy of each mailing. Accordingly, I respectfully submit that the Consolidated Creditors' List Motion should be granted.

C. Motion of the Debtors for the Entry of an Order Authorizing the Debtors to File Under Seal Portions of the Debtors' Consolidated Creditor Matrix Containing Certain Individual Creditor Information

50. By the *Motion of the Debtors for the Entry of an Order Authorizing the Debtors to File Under Seal Portions of the Debtors' Consolidated Creditor Matrix Containing Certain Individual Creditor Information* (the "Motion to Seal"), the Debtors seek entry of an order authorizing the Debtors to seal the portions of its creditor matrix that include its employees' and contractors' home addresses and other personally identifiable information. I believe that publicly disclosing the home address of each individual employee would create an undue risk of identity theft for the Debtors' employees and contractors, who will already be impacted by the news of these chapter 11 cases and winding down of certain of the Company's busniesses. The benefit of public access to the Debtors' employees' and contractors' home addresses is limited, if existent at all. Further, the address of the Debtors' headquarters in Indianapolis, Indiana is readily available.

Accordingly, I believe that the privacy concerns at issue here warrant sealing the Debtors' employees' and contractors' home addresses on its creditor matrix and the Court should grant the Motion to Seal.

D. Motion of the Debtors for Entry of an Order Limiting Service of the Notice of Commencement and Limiting Notice of Certain Pleadings in the Debtors' Chapter 11 Cases

51. By the *Motion of the Debtors for Entry of an Order Limiting Service of the Notice of Commencement and Limiting Notice of Certain Pleadings in the Debtors' Chapter 11 Cases* (the "Motion Limiting Service"), the Debtors seek entry of an order authorizing the Debtors' Claims Agent (defined below) to limit notice to electronic notices and a smaller subset of creditors and parties in interest. I understand that the Bankruptcy Code requires notice by U.S. postal mail on a large number of parties in interest and that because Celadon is publicly traded, the noticing requirements may include additional parties. The costs for noticing the wide range of parties in interest may be exorbitant in these cases. I believe it is in the best interest of the Debtors to limit notice as set forth in the Motion Limiting Service to achieve a more efficient and cost-effective administration of these chapter 11 cases.

E. Motion of the Debtors for the Entry of an Order (I) Extending the Time to File Schedules of Assets and Liabilities and Statements of Financial Affairs and (II) Granting Related Relief

52. Through the *Motion of the Debtors for the Entry of an Order (I) Extending the Time to File Schedules of Assets and Liabilities and Statements of Financial Affairs and (II) Granting Related Relief* (the "Schedules and Statements Motion") the Debtors seek an extension of time to file the required Schedules and Statements until February 7, 2019. In order to properly and accurately prepare the Schedules and Statements, the Debtors and their professionals must accumulate, review and analyze a significant amount of information. Given the number of Debtors and the diminished staff of the Debtors, this task requires an especially significant amount of time

and human resources. However, in the days leading up to the Petition Date, the Debtors and their professionals have been consumed by the multitude of critical administrative and operational decisions arising in connection with commencing and initially administering these chapter 11 cases, including the negotiation of postpetition financing and use of cash collateral with multiple parties, in order to ensure that these chapter 11 cases can be as efficient as possible. I respectfully submit that the extension sought in the Schedules and Statements Motion is warranted under these circumstances.

F. Application of the Debtors for the Entry of an Order Appointing Kurtzman Carson Consultants LLC as Claims and Noticing Agent, Effective *Nunc Pro Tunc* to the Petition Date

53. Through the *Application of the Debtors for the Entry of an Order Appointing Kurtzman Carson Consultants LLC as Claims and Noticing Agent, Effective Nunc Pro Tunc to the Petition Date* (the "Claims Agent Application"), the Debtors seek the appointment of Kurtzman Carson Consultants LLC ("KCC" or the "Claims Agent") as claims and noticing agent for these chapter 11 cases. The Debtors selected KCC after soliciting and reviewing proposed engagement terms from two other parties that have been approved by this Court to serve as claims and noticing agents. As the claims and noticing agent, KCC would assume full responsibility for the distribution of statutory notices to creditors and other parties in interest and the maintenance, processing and docketing of proofs of claim filed in these chapter 11 cases. Given the complexity of these chapter 11 cases and the number of creditors and other parties in interest involved, I believe that the appointment of KCC will maximize the value of the Debtors' estates for all of their stakeholders and will help to facilitate the efficient administration of these chapter 11 cases. Accordingly, I respectfully submit that the Claims Agent Application should be approved.

G. Motion of the Debtors for Entry of Interim and Final Orders (I) Approving the Continued Use of the Debtors' Cash Management System,

Existing Bank Accounts, and Business Forms; (II) Authorizing the Debtors, after Notice to Open and Close Bank Accounts; (III) Directing All Banks Participating in the Debtors' Cash Management System to Honor Certain Transfers; (IV) Permitting Continued Intercompany Transfers and, to the Extent Applicable, Granting Administrative Expense Priority Status to Postpetition Intercompany Claims Held by a Debtor Against One or More of the Other Debtors; and (V) Scheduling a Final Hearing on the Motion

54. Through the *Motion of the Debtors for Entry of Interim and Final Orders (I) Approving the Continued Use of the Debtors' Cash Management System, Existing Bank Accounts, and Business Forms; (II) Authorizing the Debtors, after Notice to Open and Close Bank Accounts; (III) Directing All Banks Participating in the Debtors' Cash Management System to Honor Certain Transfers; (IV) Permitting Continued Intercompany Transfers and, to the Extent Applicable, Granting Administrative Expense Priority Status to Postpetition Intercompany Claims Held by a Debtor Against One or More of the Other Debtors; and (V) Scheduling a Final Hearing on the Motion* (the "Cash Management Motion"), the Debtors seek entry of an order (i) authorizing the Debtors' continued use of their company-wide cash management system, including existing bank accounts and business forms; (ii) authorizing all banks in the cash management system to honor certain transfers and charge certain fees; (iii) approving limited continued intercompany transfers, including transfers to Foreign Subsidiaries and certain non-Debtor affiliates; (iv) granting administrative expense priority for certain postpetition intercompany transfers from a Debtor to one or more other Debtors; and (v) waiving the requirements of Section 345(b) of the Bankruptcy Code.

55. The Debtors' cash management system is a practical system of integrated bank accounts designed to manage the Debtors' funds in support of the Debtors' operations. The Debtors use the cash management system in the ordinary course of their business to collect, transfer and disburse funds generated from their operations, manage cash flow to affiliated Debtors and

facilitate cash monitoring, forecasting and reporting. I believe that the continuation of the Debtors' cash management system is essential to the Debtors, and that any disruption in the Debtors' use of the cash management system would severely cripple, if not immediately shut down, the Debtors' businesses.

56. In the ordinary course of business, the Debtors collect receipts and receivables into a subset of a total forty-eight (48) domestic and foreign bank accounts. Funds collected by the Revolving Credit Agreement Borrowers in domestic bank accounts maintained with Wells Fargo Bank, N.A. and JPMorgan Chase Bank N.A. are used to pay down a line of credit from MidCap. Funds must be borrowed from MidCap's revolving line of credit and transferred to other accounts used to support operations and pay disbursements of the Debtors. The foreign bank accounts are funded by receivables from the Foreign Subsidiaries' operations and from transfers from certain domestic bank accounts. The Debtors maintain contemporaneous records, and will continue to maintain such records postpetition, of all intercompany transfers among all Debtors, non-Debtor affiliates, and Foreign Subsidiaries and can readily ascertain, trace, and account for all such transactions.

57. Based on the above, I believe that the relief requested in the Cash Management Motion is in the best interests of the Debtors' estates, their creditors, and all other parties in interest and will facilitate the Debtors' transition into chapter 11. Accordingly, on behalf of the Debtors, I respectfully submit that the Cash Management Motion should be granted.

H. Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Wages and Compensation and Maintain and Continue Employee Benefit Programs for the Continuing Employees and (II) Authorizing and Directing and

Comdata to Honor and Process Checks and Transfers Related to Such Employee Obligations

58. Through the *Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Wages and Compensation and Maintain and Continue Employee Benefit Programs for the Continuing Employees and (II) Authorizing and Directing and Comdata to Honor and Process Checks and Transfers Related to Such Employee Obligations* (the "Employee Wage Motion"), the Debtors seek interim and final orders authorizing the Debtors to pay prepetition employee wages, payroll taxes and other amounts required to be paid in accordance with the Debtors' fiduciary duties.

59. As of the Petition Date, the Debtors have approximately 3,800 employees, of which approximately 2,500 employees are drivers, who drive trucks to deliver cargo on behalf of the Company's customers nationwide and in Canada and Mexico. All other employees largely perform administrative functions at the Debtors' headquarters in Indianapolis, Indiana, or the Debtors' offices in Clackamas, Oregon; Denver, Colorado; Gadsen, Alabama; Hampton, Virginia; Hope Mills, North Carolina; Kernersville, North Carolina; Laredo, Texas; Ottoville, Ohio; Richmond, Virginia; and Waxahachie, Texas.

60. Certain amounts remain due and owing to the Debtors' employees because prepetition wages and reimbursable expenses, while accrued in whole or in part, had not yet become due and payable by the Debtors; amounts deducted from employee's paychecks to make payments on behalf of the employees for or with respect to benefits programs or amounts due to third parties in connection therewith have not yet been remitted; and withholdings from employee's paychecks for various federal, state and local income taxes and other payments, employee wages, garnishments and unemployment insurance have not yet been remitted. Because the vast majority of employees rely in large part, if not exclusively, on their compensation and

benefits to pay their daily living expenses and support their families, these employees and their families will be exposed to significant financial constraints if the Debtors are not permitted to pay accrued and owed, prepetition compensation. The Debtors seek to minimize the personal hardship their employees would suffer if the Debtors cannot honor these obligations. The Debtors' drivers are critically important to effectuate an orderly wind down of the business and to avoid stranding the Debtors' assets and its customers' cargo throughout North America. It is, therefore, critical to the Debtors' business operations and their ability to wind down certain of their business operations that the Debtors' workforce is paid amounts that remain due and owing and that continuing employees continue to be paid for all work performed following the filing of these chapter 11 cases.

61. I believe that the employees provide the Debtors with services critical to conduct the Debtors' business and services that will be critical to implement an orderly wind down, and that absent the payment of the employee compensation and benefits owed to them, the Debtors' employees will abandon the Company, which will devalue the Debtors' estates and increase instability during this critical time. Therefore, I respectfully submit that the relief requested in the Employee Wage Motion is a necessary and critical element of the Debtors' efforts to preserve value and wind down their businesses in these chapter 11 cases.

I. Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Senior Secured Superpriority Postpetition Financing; (II) Granting (A) Liens And Superpriority Administrative Expense Claims and (B) Adequate Protection to Certain Prepetition Lenders; (III) Authorizing Use of Cash Collateral; (IV) Modifying the Automatic Stay; (V) Scheduling a Final Hearing; and (VI) Granting Related Relief

62. Through the *Motion of the Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Senior Secured Superpriority Postpetition Financing, (II)*

Granting (A) Liens and Superpriority Administrative Expense Claims and (B) Adequate Protection to Certain Prepetition Lenders, (III) Authorizing the Use of Cash Collateral, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (VI) Granting Related Relief ("DIP Financing Motion"),[3] the Debtors request the entry of interim and final orders authorizing the Debtors to enter into a postpetition financing arrangement, in an aggregate principal amount of $8.25 million, on the terms as set forth in the Debtor in Possession Secured Multi-Draw Term Promissory Note entered into by and among the Debtors, Blue Torch Finance, LLC, as agent and the lenders from time to time party thereto (the "DIP Financing Agreement"), authorizing the use of cash collateral, granting adequate protection to certain of the Debtors' pre-petition lenders and scheduling a final hearing.

63. Amounts to support the ongoing operations of Taylor Express in the initial amount of $450,000 will be funded by the DIP Lenders under the same terms and conditions and in consideration of the same DIP Liens as is contemplated to be granted to the DIP Agent for itself and the DIP Lenders. In furtherance of Debtors' efforts to preserve Taylor Express as a going concern, the Debtors will be filing a motion to establish bid procedures and to sell substantially all assets of Taylor Express on a standalone, expedited basis.

64. In the face of limited cash on hand and availability under the pre-petition loan documents, the Debtors and their advisors determined that the Debtors will require postpetition financing and use of cash collateral to support their liquidation activities to maximize the value of their estates. The DIP Agent and DIP Lenders were the only parties willing to provide financing to the Debtors. Accordingly, the Debtors negotiated the DIP Financing Agreement with the DIP

[3] Capitalized terms use but not defined in this section shall have the meanings ascribed to them in the DIP Financing Motion.

Agent and DIP Lenders in good faith, at arms'-length, and with the assistance of their advisors. The Debtors believe that they have obtained the best and only financing available.

65. Under the terms of the DIP Financing Agreement, the Debtors must sell certain assets under Section 363 of the Bankruptcy Code in accordance with the milestones set forth in the DIP Financing Agreement. The Debtors require access to sufficient liquidity and cash on hand to fund their liquidity needs, wind-down their operations and fund the administration of these chapter 11 cases through the milestones set forth in the DIP Financing Agreement. Postpetition financing is necessary to allow the Debtors to wind down in an orderly fashion under chapter 11, thereby preserving value and avoiding the irreparable harm that would result from a chapter 7 liquidation process.

66. Based on my familiarity with the Debtors' liquidity needs, as well as the Approved Budget, I believe that the size of the DIP Facility is both necessary and sufficient to meet the Debtors' immediate and projected liquidity needs. Furthermore, the DIP Financing is the result of extensive arm's length negotiations between the Debtors and several potential lenders related to the Debtors' liquidity issues, financing needs, and goals for these chapter 11 cases. Overall, I believe the DIP Financing is the Debtors' best option for postpetition financing, on terms and conditions that I believe to be reasonable.

67. Therefore, I respectfully submit that the relief requested in the DIP Financing Motion is in the best interests of the Debtors, their estates, and their creditors, and will optimize the outcome of these cases for all stakeholders.

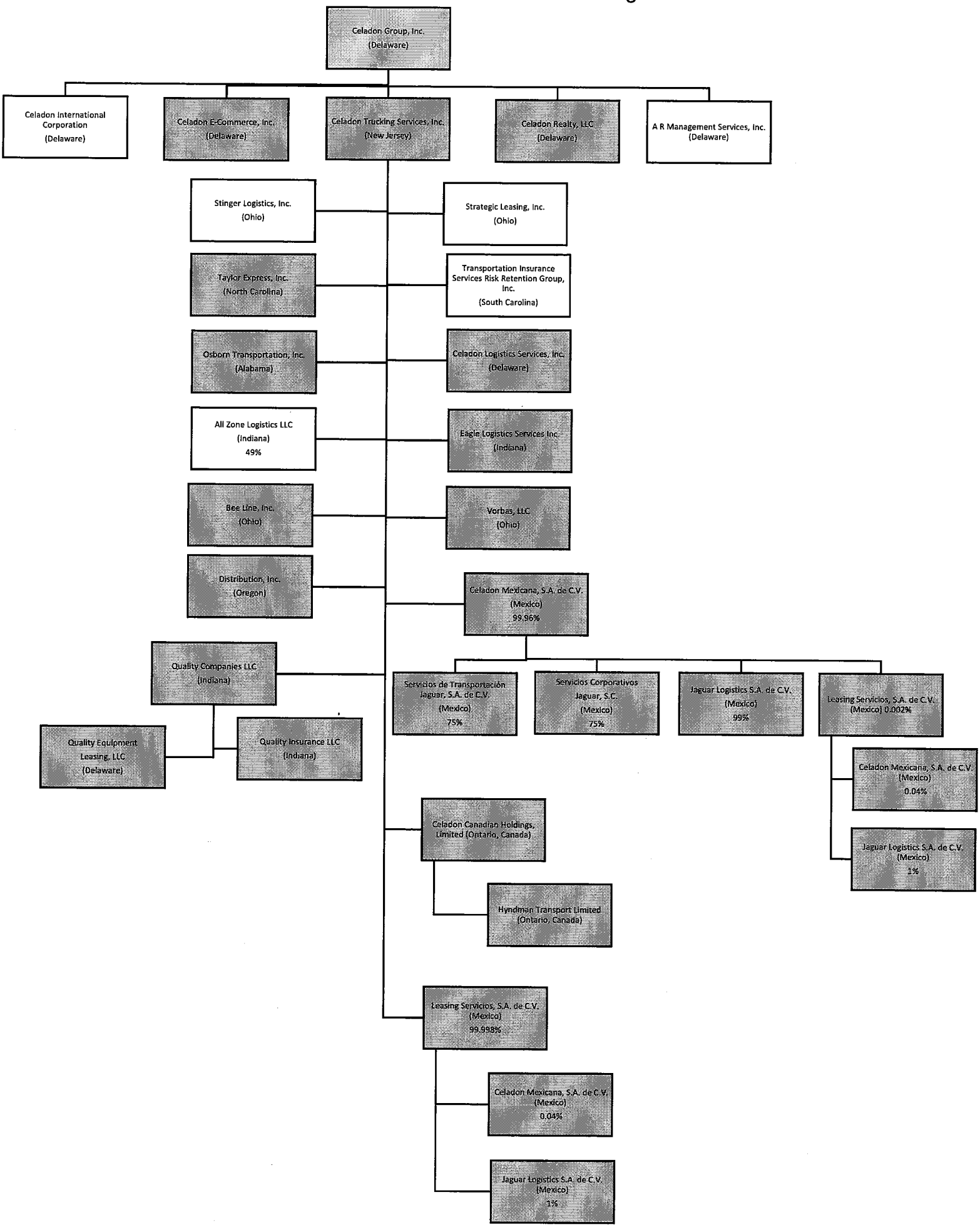
[*Remainder of Page Intentionally Left Blank*]

I have reviewed each of the First Day Pleadings, the facts stated therein and the descriptions of the relief they request. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the contents of the First Day Pleadings and the contents of the foregoing Declaration are true and correct to the best of my information and belief.

December 8, 2019

Kathryn Wouters
Senior Vice President of Finance
Treasurer

EXHIBIT A
ORGANIZATIONAL CHART


Celadon Group, Inc.
(Delaware)
Celadon International Corporation
(Delaware)
Celadon E-Commerce, Inc.
(Delaware)
Celadon Trucking Services, Inc.
(New Jersey)
Celadon Realty, LLC
(Delaware)
A R Management Services, Inc.
(Delaware)
Stinger Logistics, Inc.
(Ohio)
Strategic Leasing, Inc.
(Ohio)
Taylor Express, Inc.
(North Carolina)
Transportation Insurance Services Risk Retention Group, Inc.
(South Carolina)
Osborn Transportation, Inc.
(Alabama)
Celadon Logistics Services, Inc.
(Delaware)
All Zone Logistics LLC
(Indiana)
49%
Eagle Logistics Services Inc.
(Indiana)
Bee Line, Inc.
(Ohio)
Vorbas, LLC
(Ohio)
Distribution, Inc.
(Oregon)
Celadon Mexicana, S.A. de C.V.
(Mexico)
99.96%
Quality Companies LLC
(Indiana)
Servicios de Transportación Jaguar, S.A. de C.V.
(Mexico)
75%
Servicios Corporativos Jaguar, S.C.
(Mexico)
75%
Jaguar Logistics S.A. de C.V.
(Mexico)
99%
Leasing Servicios, S.A. de C.V.
(Mexico) 0.002%
Quality Equipment Leasing, LLC
(Delaware)
Quality Insurance LLC
(Indiana)
Celadon Mexicana, S.A. de C.V.
(Mexico)
0.04%
Jaguar Logistics S.A. de C.V.
(Mexico)
1%
Celadon Canadian Holdings, Limited (Ontario, Canada)
Hyndman Transport Limited (Ontario, Canada)
Leasing Servicios, S.A. de C.V.
(Mexico)
99.998%
Celadon Mexicana, S.A. de C.V.
(Mexico)
0.04%
Jaguar Logistics S.A. de C.V.
(Mexico)
1%

*Does not include the following subsidiaries that are dormant and are in the process of being dissolved:

Jaguar Transportation, Inc.
Quality Custom Sleepers LLC
Quality Specialty Vehicles LLC
The American Franchising Group LLC

Zipp Realty, LLC

EXHIBIT "B"

This is Exhibit "B"

referred to in the Affidavit of Kathryn Wouters
sworn before me this 22nd day of January, 2020

SONIA CASADO CRUZ
Notary Public – State of New York
NO. 01CA6353320
Qualified in Bronx County
My Commission Expires Jan 17, 2021

Docket #0086 Date Filed: 12/16/2019

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
	:	
	:	Case No. 19-12606 (KBO)
CELADON GROUP, INC., *et al.*,[1]	:	
	:	(Jointly Administered)
Debtors.	:	
		Related D.I. 73, 74, 76

ORDER AUTHORIZING CELADON GROUP, INC.
TO ACT AS FOREIGN REPRESENTATIVE

Upon the motion (the "Motion")[2] of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), (a) authorizing Celadon Group, Inc. ("Celadon") to act as foreign representative on behalf of the Debtors' estates pursuant to sections 103(k)(1), 1107 and 1505 of the Bankruptcy Code and (b) granting related relief, all as more fully set forth in the Motion; and upon consideration of the First Day Declaration and the record of these cases including the hearing on December 10, 2019; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celadon Group, Inc. (1050); A R Management Services, Inc. (3604); Bee Line, Inc. (8532); Celadon Canadian Holdings, Limited (2539); Celadon E-Commerce, Inc. (2711); Celadon International Corporation (5246); Celadon Logistics Services, Inc. (0834); Celadon Mexicana, S.A. de C.V. (6NL7); Celadon Realty, LLC (2559); Celadon Trucking Services, Inc. (6138); Distribution, Inc. (0488); Eagle Logistics Services Inc. (7667); Hyndman Transport Limited (3249); Jaguar Logistics, S.A. de C.V. (66D1); Leasing Servicios, S.A. de C.V. (9MUA); Osborn Transportation, Inc. (7467); Quality Companies LLC (4073); Quality Equipment Leasing, LLC (2403); Quality Insurance LLC (7248); Servicios Corporativos Jaguar, S.C. (78CA); Servicios de Transportación Jaguar, S.A. de C.V. (5R68); Stinger Logistics, Inc. (3860); Strategic Leasing, Inc. (7534); Taylor Express, Inc. (9779); Transportation Insurance Services Risk Retention Group, Inc. (7197); Vorbas, LLC (8936). The corporate headquarters and the mailing address for the Debtors listed above is 9503 East 33rd Street, One Celadon Drive, Indianapolis, IN 46235.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

1912606191216000000000007

that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at the hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.

2. Celadon Group, Inc. is hereby authorized to act as the Foreign Representative on behalf of the Debtors' estates in connection with any other judicial or other proceedings in a foreign country, including the Canadian Proceeding. As Foreign Representative, Celadon Group, Inc. shall be authorized and shall have the power to act in any way permitted by applicable foreign law, including (a) seeking recognition of the Debtors' chapter 11 cases in the Canadian Proceeding, (b) requesting that the Canadian Court lend assistance to this Court in protecting the Debtors' property, and (c) seeking any other appropriate relief from the Canadian Court that Celadon Group, Inc. deems just and proper in the furtherance of the protection of the Debtors' estates.

3. This Court requests the aid and assistance of the Canadian Court to recognize the Debtors' chapter 11 cases as a "foreign main proceeding" and Celadon as a "foreign

representative" pursuant to the BIA, and to recognize and give full force and effect in all provinces and territories of Canada to this Order.

4. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

5. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: December 16th, 2019
Wilmington, Delaware

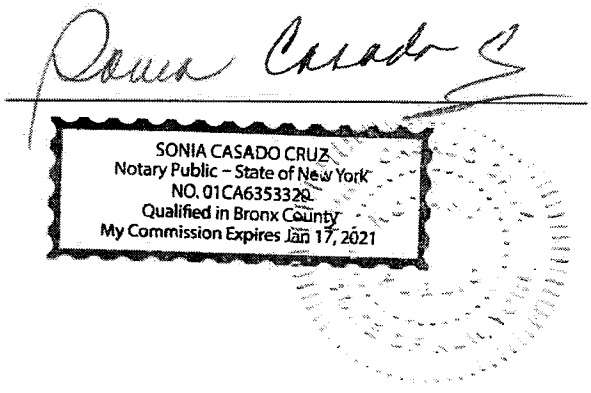
Ka B. Ow.

KAREN B. OWENS
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT "C"

This is Exhibit "C"

referred to in the Affidavit of Kathryn Wouters
sworn before me this 22nd day of January, 2020



Docket #0230 Date Filed: 01/07/2020

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
CELADON GROUP, INC., *et al.*,[1]	)	Case No. 19-12606 (KBO)
Debtors.	)	(Jointly Administered)
	)	**Related Docket No. 11, 61, 72, 85**

FINAL ORDER PURSUANT TO 11 U.S.C. §§ 105, 361, 362, 363, 364, 503, AND 507 (I) AUTHORIZING THE DEBTORS TO OBTAIN SENIOR SECURED SUPERPRIORITY POSTPETITION FINANCING; (II) GRANTING (A) LIENS AND SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS AND (B) ADEQUATE PROTECTION TO CERTAIN PREPETITION LENDERS; (III) AUTHORIZING USE OF CASH COLLATERAL; (IV) MODIFYING THE AUTOMATIC STAY; AND (V) GRANTING RELATED RELIEF

Upon the motion (the "Motion")[2][3] of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") pursuant to sections 105, 361, 362, 363, 364(c)(1), 364(c)(2), 364(c)(3), 364(d), 364(e), 503 and 507 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 2002, 4001, 6004, and 9014 of the Federal Rules of Bankruptcy

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celadon Group, Inc. (1050); A R Management Services, Inc. (3604); Bee Line, Inc. (5403); Celadon Canadian Holdings, Limited (2539); Celadon E-Commerce, Inc. (2711); Celadon International Corporation (5246); Celadon Logistics Services, Inc. (0834); Celadon Mexicana, S.A. de C.V. (6NL7); Celadon Realty, LLC (2559); Celadon Trucking Services, Inc. (6138); Distribution, Inc. (0488); Eagle Logistics Services Inc. (7667); Hyndman Transport Limited (3249); Jaguar Logistics, S.A. de C.V. (66D1); Leasing Servicios, S.A. de C.V. (9MUA); Osborn Transportation, Inc. (7467); Quality Companies LLC (4073); Quality Equipment Leasing, LLC (2403); Quality Insurance LLC (7248); Servicios Corporativos Jaguar, S.C. (78CA); Servicios de Transportación Jaguar, S.A. de C.V. (5R68); Stinger Logistics, Inc. (3860); Strategic Leasing, Inc. (7534); Taylor Express, Inc. (9779); Transportation Insurance Services Risk Retention Group, Inc. (7197); Vorbas, LLC (8936). The corporate headquarters and the mailing address for the Debtors listed above is 9503 East 33rd Street, One Celadon Drive, Indianapolis, IN 46235.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

[3] The Motion shall include the Notice of Material DIP Amendment and Updated Approved Budget [D.I. 72] Pursuant to the Interim Order

Procedure (as amended, the "Bankruptcy Rules"), and Rules 4001-2 of the Local Bankruptcy Rules (the "Local Rules") for the United States Bankruptcy Court for the District of Delaware (this "Court"), *inter alia*, requesting, among other things:

(1) authorization for the Debtors to obtain credit up to an aggregate principal amount not to exceed $11.250 million (the "DIP Commitment"), which amount, for the avoidance of doubt, includes the Comdata DIP Payments (as defined below) in the amount of $1.050 million, in senior secured postpetition financing on a superpriority basis (the "DIP Facility") pursuant to (and in accordance with the terms of) that certain *Amended and Restated Debtor-In-Possession Secured Multi-Draw Term Promissory Note* dated as of December 16, 2019, by and among the Celadon Group, Inc., as the borrower, Blue Torch Finance LLC ("Blue Torch"), as agent (in such capacity, the "DIP Agent"), and the lenders party thereto from time to time (the "DIP Lenders," and, together with the DIP Agent, the "DIP Secured Parties"), a copy of which is annexed hereto as **Exhibit A** (as will be amended by that certain First Amendment to the Amended and Restated Debtor In Possession Secured Multi-Draw Term Promissory Note dated as of January __, 2020 by and among the Celadon Group, Inc., the DIP Agent and the DIP Lenders, and as the same may be further amended, restated, amended and restated, supplemented, waived, extended, or otherwise modified from time to time, the "DIP Loan Agreement", and the DIP Loan Agreement, collectively with any other related agreements, including but not limited to that certain Guaranty, dated as of the Closing Date, by each of the guarantors named therein, in favor of the DIP Agent for the benefit of itself, each DIP Lender, and each other holder of an Obligation under the DIP Loan Agreement, a copy of which is annexed hereto as **Exhibit B**, and any other documents, security agreements, or pledge agreements, including the Interim Order, the Supplemental Order and the Final Order, collectively, the "DIP Loan Documents"), which DIP Facility was approved

on an interim basis upon entry of the Interim Order and the Supplemental Order (as each is defined below) and shall be available as term loans on a final basis (the "DIP Loans") to the Borrower and the other Debtors upon entry of this final order (the "Final Order") and satisfaction of the other conditions set forth in the DIP Loan Documents in the principal amount of up to $11.250 million, of which $9.4 million, including the Comdata DIP Payments, was funded pursuant to the terms of the Interim Order and the Supplemental Order (the "Initial DIP Loans");

(2) authorization for the Borrower and the other Debtors to enter into the DIP Loan Agreement and the other DIP Loan Documents and to take such other and further acts as may be required in connection with the DIP Loan Documents;

(3) authorization for the Debtors to pay all amounts, obligations, and liabilities owing or payable to the DIP Secured Parties pursuant to the DIP Loan Documents, including, without limitation, any principal, interest, fees, commitment fees, administrative agent fees, audit fees, closing fees, service fees, facility fees, or other fees, costs, expenses, charges, and disbursements of the DIP Secured Parties (including the reasonable and documented fees and expenses of each of the DIP Secured Parties' attorneys, advisors, accountants and other consultants), any obligations in respect of indemnity claims, whether contingent or absolute, including, without limitation, any and all obligations in connection with any interest rate, currency swap, or other hedging agreement or arrangement, in each case, to the extent constituting obligations of any kind under the DIP Loan Documents (such obligations, the "DIP Obligations") subject to the terms of the Interim Order, the Supplemental Order and this Final Order;

(4) authorization for the Debtors, immediately upon entry of the Interim Order, to use proceeds of the Initial DIP Loan as expressly provided in the DIP Loan Documents and solely in accordance with the Interim Order and the applicable Approved Budget (as defined below) (subject

to permitted variances and other exclusions set forth in the DIP Loan Documents) and immediately upon entry of the Final Order to use proceeds of the DIP Loans as expressly provided in the DIP Loan Documents and solely in accordance with this Final Order and the Approved Budget (subject to permitted variances and other exclusions set forth in the DIP Loan Documents) to: (A) pay costs, premiums, fees, and expenses incurred to administer or related to the above-captioned cases (collectively, the "Cases") or in connection with the DIP Facility; and (B) provide financing for working capital and for other general corporate purposes of the Debtors in accordance with the Approved Budget (subject to permitted variances and other exclusions set forth in the DIP Loan Documents);

(5) granting and approving superpriority administrative expense claim status, pursuant to sections 364(c)(1), 503(b)(1), and 507(b) of the Bankruptcy Code, to the DIP Agent, for the benefit of itself and the other DIP Secured Parties, in respect of all DIP Obligations, subject to the Carve-Out (as defined below) and liens in favor of third parties upon the Prepetition Collateral, which third-party liens, as of the Petition Date: (1) had priority under applicable law over the Prepetition ABL Liens or the Prepetition Term Loan Liens, as applicable, (2) were not subordinated by agreement or applicable law, and (3) were non-avoidable, valid, properly perfected and enforceable as of the Petition Date (including any such liens that were perfected after the Petition Date but relate back to the Petition Date pursuant to section 546 of the Bankruptcy Code; the "Permitted Liens")[4];

[4] For the avoidance of doubt, "Permitted Liens" shall include (i) the interests of lessors of equipment subject to the leases in favor of all equipment lessors, including but not limited to, PNC Equipment Finance, LLC ("PNCEF" and together with PNC Bank National Association, "PNC"), Bridge Capital Inc., Mercedes Benz Leasing, and Bank of America Capital Leasing, and any such liens and setoff rights of any such equipment lessor against the Debtors and (ii) JPMorgan Chase Bank's lien on the Chase account no. 3792062862, which account serves as the cash collateral account for certain letters of credit issued by JPMorgan Chase Bank for the benefit of the Debtors.

(6) granting the DIP Secured Parties valid, enforceable, non-avoidable, automatically and fully perfected DIP Liens (as defined below) in all DIP Collateral (as defined below), including, without limitation, all property constituting Prepetition Collateral (as defined below), including, without limitation, any Cash Collateral (as that term is defined in section 363(a) of the Bankruptcy Code and defined below), to secure the DIP Obligations, which DIP Liens shall be subject to the relative rankings and priorities set forth herein;

(7) authorizing the Debtors to use, among other things, solely in accordance with the Approved Budget (subject to permitted variances and other exclusions set forth in the DIP Loan Documents) and the limitations provided herein, any Cash Collateral in which any of the Prepetition Secured Parties (as defined below) may have an interest, and granting adequate protection to the Prepetition Secured Parties solely to the extent of any postpetition diminution in the value of the Prepetition Secured Parties' respective interests in the Prepetition Collateral, including without limitation, the Cash Collateral, as determined in accordance with applicable law, including, to the extent cognizable under applicable law, as a result of (i) the incurrence of the DIP Obligations, (ii) the Debtors' use of Cash Collateral as set forth in this Final Order, the Interim Order and the Supplemental Order, (iii) the subordination of the obligations of the Prepetition Secured Parties to the Carve-Out (but, with respect to the Prepetition ABL Secured Parties, solely to the extent of the amount of the Carve-Out that can be satisfied with Available Cash Collateral (as defined below) remitted to the Debtors prior to the occurrence of a DIP Termination Event in accordance with Section 3.2(c) of this Final Order, Section 3.2(c) of the Interim Order or with funds in the Carve-Out Reserve), (iv) any other diminution in value of the Prepetition Secured Parties' respective interests in the Prepetition Collateral arising from the Debtors' use, sale, or disposition of such Prepetition Collateral or the proceeds thereof, (v) the priming of the Prepetition

Liens of the Prepetition Term Loan Secured Parties to the extent set forth herein, and (vi) the imposition of the automatic stay pursuant to section 362 of the Bankruptcy Code (collectively, "Diminution in Value"). Nothing in this Final Order, nor the relief granted therein, shall affect or modify the determination of Diminution in Value, if any, under applicable law.

(8) the modification of the automatic stay imposed by section 362 of the Bankruptcy Code to the extent necessary to implement and effectuate the terms and provisions of this Final Order and the other DIP Loan Documents to the extent hereinafter set forth;

(9) waiving (a) the Debtors' ability to surcharge pursuant to section 506(c) of the Bankruptcy Code against any DIP Collateral and the Prepetition Collateral, and (b) any right of the Debtors under the "equities of the case" exception in section 552(b) of the Bankruptcy Code;

(10) this Court waiving any applicable stay (including under Bankruptcy Rule 6004) and providing for immediate effectiveness of this Final Order; and

(11) granting the Debtors such other and further relief as is just and proper.

The interim hearing on the Motion having been held by this Court on December 10, 2019 (the "Interim Hearing"), a supplemental interim hearing (the "Supplemental Hearing") on the Motion having been held by this Court on December 16, 2019, and a final hearing on the Motion having been held by this Court on January 3, 2019 (the "Final Hearing" and together with the Interim Hearing, the Supplemental Hearing, the "Hearings"), and the Court having entered the Interim Order Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503 and 507 (I) Authorizing the Debtors to Obtain Senior Secured Superpriority Postpetition Financing; (II) Granting (A) Liens and Superpriority Administrative Expense Claims and (B) Adequate Protection to Certain Prepetition Lenders; (III) Authorizing Use of Cash Collateral; (IV) Modifying the Automatic Stay; (V) Scheduling a Final Hearing and (VI) Granting Related Relief (D.I. 61) (the "Interim Order")

and (ii) the Supplement to the Interim Order (D.I. 85) (the "Supplemental Order") and upon the record made by the Debtors at the Hearings, including the Motion, the First Day Declaration and the Notice of Material DIP Amendment and Updated Approved Budget Pursuant to the Interim Order (D.I. 72); any exhibits in connection with the foregoing, and the filings and pleadings in these Cases, the Court having found that the final relief requested in the Motion is fair and reasonable and is in the best interests of the Debtors, the Debtors' bankruptcy estates (as defined under section 541 of the Bankruptcy Code, the "Estates"), their stakeholders and other parties in interest, and represents a sound exercise of the Debtors' business judgment and is essential for the continued operation of certain of the Debtors' businesses, and the preservation of the value of the Debtors' Estates;; and appropriate notice of the Motion, the relief requested therein, and the Final Hearing (the "Notice") having been given under the circumstances; and the Notice having been served by the Debtors in accordance with Bankruptcy Rules 4001 and 9014 and the Local Rules on: (i) the Office of the United States Trustee for the District of Delaware; (ii) the United States Attorney for the District of Delaware; (iii) the parties included on the Debtors' consolidated list of fifty (50) largest unsecured creditors; (iv) the Internal Revenue Service; (v) the Securities and Exchange Commission; (vi) Schulte Roth & Zabel LLP, counsel to Blue Torch Finance, LLC; (vii) Landis Rath & Cobb LLP, local counsel to Blue Torch Finance, LLC; (viii) King & Spalding LLP, counsel to Luminus Energy Partners Master Fund, Ltd.; (ix) Chipman Brown Cicero & Cole, LLP, counsel to Luminus Energy Partners Master Fund, Ltd.; (x) Goldberg Kohn Ltd., counsel to MidCap Funding IV Trust; (xi) Morris, Nichols, Arsht & Tunnell LLP, as local counsel to MidCap Funding IV Trust; (xii) Bone, McAllester, Norton PLLC, as counsel to Comdata, Inc.; (xiii) Cooley LLP, as counsel to the Committee (as defined below); (xiv) Potter Anderson & Corroon LLP, as counsel to the Committee, (xv) any party that has requested notice pursuant to Bankruptcy Rule

2002; and (xvi) any other party in interest entitled to notice of this Motion (collectively, the "Notice Parties"); and no other notice need be provided; and all objections to the relief requested in the Motion having been withdrawn, resolved, or overruled by the Court; and after due deliberation and sufficient cause appearing therefor;

THE COURT HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND CONCLUSIONS OF LAW:[5]

A. Petition Date. On December 8, 2019 (the "Petition Date"), each Debtor filed a voluntary petition (each, a "Petition") under chapter 11 of the Bankruptcy Code. The Debtors continue to manage their business and properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No chapter 11 trustee or examiner has been appointed in any of the Cases.

B. Jurisdiction and Venue. This Court has jurisdiction over these Cases, the Debtors, property of the Debtors' Estates and this matter under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), the Debtors consent to the entry of a final judgment or order with respect to the Motion if it is determined that this Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief sought herein are sections 105, 361,

[5] The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

362, 363, 364, 503 and 507 of the Bankruptcy Code and Bankruptcy Rules 2002, 4001, 9013 and 9014 and Local Rules 7007-1, 9013-1, 9013-4, and 9014-2.

C. Committee Formation. On December 18, 2019, the United States Trustee for the District of Delaware (the "U.S. Trustee") appointed an official committee of unsecured creditors in these Cases pursuant to section 1102 of the Bankruptcy Code (the "Committee").

D. Notice. The Notice was given in the manner described in the Motion. Under the circumstances, the Notice given by the Debtors of the Motion, the Final Hearing, and the relief granted under this Final Order constitutes sufficient notice and the Notice complies with Bankruptcy Rule 4001 and the Local Rules.

E. Parties' Acknowledgments, Agreements, and Stipulations. In requesting the DIP Facility and use of Cash Collateral, and in exchange for and as a material inducement to the DIP Lenders and the Prepetition Secured Parties to agree to provide, or consent to, the DIP Facility, the use of Cash Collateral, and subordination of the Prepetition Liens to the Carve-Out (provided that with respect to the Prepetition ABL Secured Parties, the Prepetition ABL Liens are subject to the Carve-Out solely to the extent of the amount of the Carve-Out that can be satisfied with Available Cash Collateral (as defined below) remitted to the Debtors prior to the occurrence of a DIP Termination Event in accordance with Section 3.2(c) of this Final Order, Section 3.2(c) of the Interim Order, or with funds in the Carve-Out Reserve), as provided herein, and as a condition to providing financing under the DIP Facility and consenting to the use of Cash Collateral as set forth in this Final Order, subject to the rights of the Committee or other parties in interest (other than the Debtors) set forth in Section 5.10 of this Final Order, the Debtors permanently and irrevocably admit, stipulate, acknowledge, and agree, as follows:

(i) Prepetition ABL Facility. Celadon Group, Inc. and certain subsidiaries thereto, as borrowers, (such parties, collectively, the "Prepetition ABL Obligors"), the lenders from time to time party thereto (collectively, the "Prepetition ABL Lenders"), and MidCap Funding IV Trust, a Delaware statutory trust ("MidCap"), as successor by assignment from MidCap Financial Trust, as administrative agent (in such capacity, the "Prepetition ABL Agent" and, together with the Prepetition ABL Lenders, the "Prepetition ABL Secured Parties"), are parties to that certain Credit and Security Agreement, dated as of July 31, 2019 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Prepetition ABL Credit Agreement," and, together with all other agreements, documents, and instruments executed and/or delivered with, to or in favor of the Prepetition ABL Secured Parties, including, without limitation, all security agreements, notes, guarantees, mortgages, Uniform Commercial Code financing statements, documents, and instruments, including any fee letters, executed and/or delivered in connection therewith or related thereto, the "Prepetition ABL Loan Documents"). Pursuant to the Prepetition ABL Loan Documents, the Prepetition ABL Secured Parties provided the Prepetition ABL Obligors with an asset-based credit facility (the "Prepetition ABL Facility") with $60.0 million of maximum aggregate availability, subject to a borrowing base (as reduced by reserves), as set forth in the Prepetition ABL Credit Agreement. As of the Petition Date, the Prepetition ABL Obligors are liable for payment of the Prepetition ABL Obligations (as defined below) in an amount not less than $32,461,556.99, inclusive of any accrued interest, fees, costs, expenses and other amounts accrued as of the Petition Date, but exclusive of interest, fees, costs, expenses and other amounts accruing pursuant to the Prepetition ABL Loan Documents (all such indebtedness or obligations under the Prepetition ABL Loan Documents, including all "Obligations" as defined in the Prepetition ABL Credit Agreement and

all interest, fees, costs, expenses and other amounts accrued and accruing thereon, herein referred to as the "Prepetition ABL Obligations"). The Prepetition ABL Obligations are secured by (a) first priority security interests in and liens on the ABL Priority Collateral as such term is defined in the Prepetition Intercreditor Agreement[6] (the "ABL Priority Collateral"); and (b) second priority security interests in and liens on the Term Priority Collateral as such term is defined in the Prepetition Intercreditor Agreement[7] (the "Term Loan Priority Collateral," together with the ABL

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[6] "ABL Priority Collateral" shall mean all of the following assets that constitute Collateral, whether now owned or hereafter acquired (including any of the following assets acquired or created after the commencement of any Insolvency or Liquidation Proceeding) and wherever located:

(a) all Accounts (other than Accounts arising under agreements for the Disposition of Term Priority Collateral);
(b) all Chattel Paper (including all Electronic Chattel Paper and all Tangible Chattel Paper) to the extent evidencing, governing or otherwise relating to any of the items constituting ABL Priority Collateral under clause (a) above;
(c) all Inventory (including, for the avoidance of doubt, Inventory that is or becomes branded, or produced through the use or other application of, any Intellectual Property);
(d) all Deposit Accounts (other than any Asset Sale Proceeds Account) and all Money or other assets (including all cash equivalents), Financial Assets and Securities Entitlements contained in, or credited to, or arising from any such Deposit Accounts (in each case, except to the extent constituting identifiable Proceeds of Term Priority Collateral);
(e) to the extent evidencing, governing, securing or otherwise relating to any of the items constituting ABL Priority Collateral under clauses (a) through (d) above, all General Intangibles and Intangibles (excluding Intellectual Property), Intercompany Indebtedness owing from a Mexican Subsidiary (to the extent such Mexican Subsidiary is not an ABL Obligor), an "Excluded Entity" or a "Dormant Subsidiary" (as each term is defined in the ABL Credit Agreement as in effect on the date hereof) to Celadon or a Subsidiary of Celadon that is an ABL Obligor and that arises from the sale or other disposition of ABL Priority Collateral or from the use of loan proceeds funded under the ABL Credit Agreement, Instruments (including Promissory Notes), Commercial Tort Claims, Documents and Documents of Title (in each case, except to the extent constituting identifiable Proceeds of Term Priority Collateral);
(f) all collateral and guarantees given by any other Person with respect to any of the foregoing;
(g) all insurance policies relating to ABL Priority Collateral (regardless of whether ABL Agent is the loss payee thereof) and all disbursements, payments of any claim and proceeds thereof, and 25% of all policies of business interruption insurance and proceeds thereof;
(h) all Supporting Obligations (including Letter of Credit Rights) and all Proceeds of any of the foregoing, including Proceeds consisting of Commercial Tort Claims and Payment Intangibles arising from the Disposition or other collection of ABL Priority Collateral;
(i) all books and Records to the extent relating to any of the foregoing; and
(j) all Proceeds of each of the foregoing.

Notwithstanding the foregoing, the term "ABL Priority Collateral" shall not include any assets referred to in definition of "Term Priority Collateral".

[7] "Term Priority Collateral" shall mean all of the following assets that constitute Collateral, whether now owned or hereafter acquired (including any of the following assets acquired or created after the commencement of any Insolvency or Liquidation Proceeding) and wherever located:

(a) all Equipment and all real property and interests therein (including both fee and leasehold interests) and all Fixtures;
(b) all Intellectual Property;
(c) all Capital Stock and other Investment Property (other than Investment Property constituting ABL Priority Collateral);

Priority Collateral, the "Prepetition Collateral", and such liens and security interests in clauses (a) and (b), the "Prepetition ABL Liens").

(ii) Prepetition Term Loan Facility. Celadon Group, Inc., as borrower, certain subsidiaries designated as "Guarantors" thereto (such parties, collectively, the "Prepetition Term Loan Obligors" and together with the Prepetition ABL Obligors, the "Prepetition Obligors"), the lenders from time to time party thereto (collectively, the "Prepetition Term Loan Lenders" and together with the Prepetition ABL Lenders, the "Prepetition Lenders"), and Blue Torch, as administrative agent (in such capacity, the "Prepetition Term Loan Agent" and, together with the Prepetition Term Loan Lenders, the "Prepetition Term Loan Secured Parties", and together with the Prepetition ABL Secured Parties, the "Prepetition Secured Parties"), are parties to that certain Second Amended and Restated Credit Agreement, dated as of July 31, 2019 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Prepetition Term Loan Credit Agreement" and together with any other related agreements, documents or security agreements, collectively, the "Prepetition Term Loan Documents" and collectively, the

(d) except to the extent constituting ABL Priority Collateral, all Instruments, Documents and other General Intangibles and Intangibles (including goodwill, intercompany obligations between or among the Loan Parties (other than Accounts included as ABL Priority Collateral), databases, customer lists, and tax refunds);
(e) except to the extent constituting ABL Priority Collateral under clause (h) of the definition of such term, all Commercial Tort Claims;
(f) all Asset Sale Proceeds Accounts and all Money, Financial Assets, Securities Entitlements or other assets contained in, or credited to, or arising from any such Asset Sale Proceeds Accounts (in each case, except to the extent constituting ABL Priority Collateral or identifiable Proceeds of ABL Priority Collateral);
(g) all other Collateral not constituting ABL Priority Collateral;
(h) all insurance policies relating to Term Priority Collateral (regardless of whether the Term Agent is the loss payee thereof) and all disbursements, payments of any claim and proceeds thereof, and 75% of all polices of business interruption insurance and proceeds thereof;
(i) all collateral and guarantees given by any other Person with respect to any of the foregoing;
(j) all Intercompany Indebtedness (which shall exclude, for the avoidance of doubt, Intercompany Indebtedness expressly set forth in clause (e) of the definition of the term "ABL Priority Collateral");
(k) all Supporting Obligations (including Letter of Credit Rights) and all Proceeds of any of the foregoing;
(l) all books and Records to the extent relating to any of the foregoing; and
(m) all Proceeds of the foregoing.

Notwithstanding the foregoing, the term "Term Priority Collateral" shall not include any assets referred to in the definition of "ABL Priority Collateral".

Prepetition Term Loan Documents and Prepetition ABL Loan Documents, the "Prepetition Loan Documents"). Pursuant to the Prepetition Term Loan Documents, the Prepetition Term Loan Secured Parties provided the Prepetition Term Loan Obligors with term loan facilities in an aggregate principal amount of $105 million (the "Prepetition Term Loan Facility") and under which, as of the Petition Date, approximately $103.6 million in principal amount plus approximately $9.9 million on account of the make whole amount, plus interest accrued through the Petition Date and accruing thereafter at the rates set forth in the Prepetition Term Loan Credit Agreement (together with any other amounts outstanding or which may be outstanding under the Prepetition Term Loan Facility as provided in the Prepetition Term Loan Credit Agreement, including interest, prepayment and other fees, and expenses, the "Prepetition Term Loan Obligations" and together with the Prepetition ABL Obligations, the "Prepetition Obligations"). The Prepetition Term Loan Facility is secured by (a) first priority security interests in and liens on the Term Priority Collateral and (b) second priority security interests in and liens on the ABL Priority Collateral (such liens and security interests in clauses (a) and (b), the "Prepetition Term Loan Liens" and, together with the Prepetition ABL Liens, the "Prepetition Liens").

(iii) Prepetition Intercreditor Agreement. MidCap, in its capacity as Prepetition ABL Agent, and Blue Torch, in its capacity as Prepetition Term Loan Agent, are parties to that certain Intercreditor Agreement, dated as of July 31, 2019 (the "Prepetition Intercreditor Agreement"). The Prepetition Intercreditor Agreement is a valid and enforceable "subordination agreement" under section 510(a) of the Bankruptcy Code and other non-bankruptcy applicable law and is, as of the Petition Date, binding on all parties thereto. The DIP Loan Agreement and other DIP Loan Documents shall be and are subject to the terms of the Prepetition Intercreditor Agreement and the Prepetition Secured Parties hereby acknowledge and agree that the DIP Facility

provided by the Term Secured Parties as the Senior Secured Parties (as such term is defined in the Prepetition Intercreditor Agreement) is a permitted Senior Priority DIP Financing, as such term is defined in the Prepetition Intercreditor Agreement.

(iv) Prepetition Obligations. The Prepetition Obligations owing to the Prepetition Secured Parties constitute legal, valid, and binding obligations of the Debtors and their applicable affiliates, enforceable against them in accordance with their respective terms (except to the extent that enforcement thereof is stayed by any insolvency laws), and no portion of the Prepetition Obligations owing to the Prepetition Secured Parties is subject to avoidance, recharacterization, reduction, set-off, offset, counterclaim, cross-claim, recoupment, defenses, disallowance, impairment, recovery, subordination, or any other challenges pursuant to the Bankruptcy Code or applicable non-bankruptcy law or regulation by any person or entity. Upon entry of this Final Order, for purposes of sections 506(c), 507(b) and Fed. R. Bankr. P. 3012, as of the Petition Date, the Prepetition ABL Secured Parties and the Prepetition Term Loan Secured Parties are oversecured; provided, however, that nothing in the Interim Order or this Final Order, the Motion, or the record of the Hearings shall prejudice the rights of the Prepetition ABL Agent, any Prepetition ABL Lender, the Prepetition Term Loan Agent or any Prepetition Term Loan Lender, to assert, subject to the terms of the Prepetition Intercreditor Agreement, that their respective interests in the Prepetition Collateral lack adequate protection.

(v) Prepetition Collateral. To secure the Prepetition Obligations, the Debtors entered into certain guaranty and collateral agreements and certain other security documents governing the Prepetition Secured Parties' respective security interests in the Prepetition Collateral. Pursuant to the Prepetition Collateral Documents, and on the terms set forth therein,

the Debtors granted to the Prepetition Secured Parties the Prepetition Liens on the Prepetition Collateral.

(vi) Prepetition Liens. The Prepetition Liens granted to the Prepetition Secured Parties constitute legal, valid, binding, enforceable (except to the extent that enforcement thereof is stayed by any insolvency law), and perfected security interests in and liens on the Prepetition Collateral, were granted to, or for the benefit of, the Prepetition Secured Parties for fair consideration and reasonably equivalent value, and are not subject to defense, counterclaim, recharacterization, subordination, avoidance, or recovery pursuant to the Bankruptcy Code or applicable non-bankruptcy law or regulation by any person or entity.

(vii) No Challenges/Claims. No offsets, challenges, objections, defenses, claims or counterclaims of any kind or nature to any of the Prepetition Liens or Prepetition Obligations exist, and no portion of the Prepetition Liens or Prepetition Obligations is subject to any challenge or defense including, without limitation, avoidance, disallowance, disgorgement, recharacterization, or subordination (equitable or otherwise) pursuant to the Bankruptcy Code or applicable non-bankruptcy law. The Debtors and their Estates have no valid Claims (as such term is defined in section 101(5) of the Bankruptcy Code), objections, challenges, causes of action, and/or choses in action against any of the Prepetition Secured Parties or any of their respective affiliates, agents, attorneys, advisors, professionals, officers, directors, and employees with respect to the Prepetition Loan Documents, the Prepetition Obligations, the Prepetition Liens, or otherwise, whether arising at law or at equity, including, without limitation, any challenge, recharacterization, subordination, avoidance, recovery, disallowance, reduction, or other claims arising under or pursuant to sections 105, 502, 510, 541, 542 through 553, inclusive, or 558 of the

Bankruptcy Code or applicable state law equivalents. The Prepetition Obligations constitute allowed, secured claims within the meaning of sections 502 and 506 of the Bankruptcy Code.

(viii) Indemnity. The DIP Agent, the DIP Lenders, and the Prepetition Secured Parties have acted in good faith, and without negligence or violation of public policy or law, in respect of all actions taken by them in connection with or related in any way to negotiating, implementing, documenting, or obtaining the requisite approvals of the DIP Facility and the use of Cash Collateral, including in respect of the granting of the DIP Liens and the Prepetition Adequate Protection Liens (as defined below), and all documents related to any and all transactions contemplated by the foregoing. Accordingly, (i) the DIP Agent and the DIP Lenders shall be and hereby are indemnified and held harmless by the Debtors in respect of any claim or liability incurred in respect thereof or in any way related thereto and (ii) the Prepetition Secured Parties shall be and hereby are indemnified by the Debtors to the extent provided in the Prepetition Loan Documents, *provided* that no such parties will be indemnified for any cost, expense, or liability to the extent determined in a final, non-appealable judgment of a court of competent jurisdiction to have resulted from such parties' gross negligence or willful misconduct. No exception or defense exists in contract, law, or equity as to any obligation set forth, as the case may be, in this paragraph E(viii), in the Prepetition Loan Documents, or in the DIP Loan Documents, to the Debtors' obligation to indemnify and/or hold harmless the Prepetition Secured Parties, the DIP Agent, or the DIP Lenders, as the case may be.

(ix) Sale and Credit Bidding. The Debtors admit, stipulate, acknowledge, and agree that, in connection with any sale process or sale authorized by the Court, (i) the DIP Agent and the DIP Lenders and (ii) subject to the rights preserved in Section 5.10, the Prepetition ABL Secured Parties and the Prepetition Term Loan Secured Parties, or any assignee or designee of the

foregoing, shall have the right to credit bid for the entirety of (or any portion of) of Prepetition Collateral pursuant to section 363(k) of the Bankruptcy Code, subject in each case to the rights and duties of the parties under the Prepetition Intercreditor Agreement.

(x) Release. Subject to Section 5.10, each of the Debtors, their Estates, the Borrowers, the Guarantors, and the Prepetition Obligors, on their own behalf and on behalf of each of their past, present, and future predecessors, successors, heirs, subsidiaries, and assigns, hereby forever, unconditionally, permanently, and irrevocably release, discharge, and acquit each of the Prepetition Secured Parties, and each of their respective successors, assigns, affiliates, parents, subsidiaries, partners, controlling persons, representatives, agents, attorneys, advisors, financial advisors, consultants, professionals, officers, directors, members, managers, shareholders, and employees, past, present and future, and their respective heirs, predecessors, successors and assigns, each in their capacity as such (collectively, the "Released Parties") of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, expenses (including, without limitation, attorneys' fees), debts, liens, actions, and causes of action of any and every nature whatsoever, whether arising in law or otherwise, and whether known or unknown, matured or contingent, arising under, in connection with, or relating to the Prepetition Obligations or the Prepetition Loan Documents, including, without limitation, (a) any so-called "lender liability" or equitable subordination claims or defenses, (b) any and all "claims" (as defined in the Bankruptcy Code) and causes of action arising under the Bankruptcy Code, and (c) any and all offsets, defenses, claims, counterclaims, set off rights, objections, challenges, causes of action, and/or choses in action of any kind or nature whatsoever, whether arising at law or in equity, including any recharacterization, recoupment, subordination, avoidance, or other claim or cause of action arising under or pursuant to section 105 or chapter 5 of the Bankruptcy Code or under any other

similar provisions of applicable state, federal, or common law, including, without limitation, any right to assert any disgorgement or recovery, in each case, with respect to the extent, amount, validity, enforceability, priority, security, and perfection of any of the Prepetition Obligations, the Prepetition Loan Documents, or the Prepetition Liens, and further waive and release any defense, right of counterclaim, right of setoff, or deduction to the payment of the Prepetition Obligations that the Debtors now have or may claim to have against the Released Parties, arising under, in connection with, based upon, or related to any and all acts, omissions, conduct undertaken, or events occurring prior to entry of this Final Order.

(xi) ABL Cash Collateral. The Debtors admit, stipulate, acknowledge, and agree that all of the cash of the Debtors, wherever located, and all cash equivalents, including any cash in deposit accounts, that either constitutes ABL Priority Collateral or which represents income, proceeds, products, rents or profits of other ABL Priority Collateral, constitutes "cash collateral" of the Prepetition ABL Secured Parties within the meaning of section 363(a) of the Bankruptcy Code (the "ABL Cash Collateral").

(xii) Term Loan Cash Collateral. The Debtors admit, stipulate, acknowledge, and agree that all of the cash of the Debtors, wherever located, and all cash equivalents, including any cash in deposit accounts, including the Interest Reserve Account (as defined in the Prepetition Term Loan Credit Agreement), that constitutes identifiable proceeds of Term Loan Priority Collateral, constitutes "cash collateral" of the Prepetition Term Loan Secured Parties within the meaning of section 363(a) of the Bankruptcy Code (the "Term Loan Cash Collateral", and, together with the ABL Cash Collateral, collectively the "Cash Collateral").

F. Findings Regarding the Postpetition Financing and Use of Cash Collateral.

(i) Postpetition Financing. The Debtors have requested from each of the DIP Secured Parties, and the DIP Secured Parties are willing, subject to the terms of this Final Order and satisfaction of the conditions set forth in the DIP Loan Agreement, to extend the DIP Loans on the terms and conditions set forth in this Final Order and the DIP Loan Documents, respectively.

(ii) Need for Postpetition Financing and the Use of Cash Collateral. The Debtors have an immediate and critical need to use Cash Collateral and to obtain credit pursuant to the DIP Facility, in each case, as set forth in this Final Order, in order to, among other things, maintain, administer and preserve their businesses and maximize the value of their assets. Without the ability of the Debtors to obtain sufficient working capital and liquidity through the proposed postpetition financing arrangements with the DIP Secured Parties and the use of Cash Collateral as set forth in this Final Order, the Debtors, their Estates, and parties-in-interest would be immediately and irreparably harmed. Accordingly, the Debtors have an immediate need to obtain the postpetition financing and to use Cash Collateral as set forth in this Final Order to, among other things, minimize the disruption of their business operations and preserve and maximize the value of the assets of the Debtors' Estates to maximize the recovery to all creditors of the Estates.

(iii) No Credit Available on More Favorable Terms. The Debtors are unable to procure financing in the form of unsecured credit allowable as an administrative expense under sections 364(a), 364(b), or 503(b)(1) of the Bankruptcy Code or in exchange for the grant of a superpriority administrative expense, or liens on property of the Estates not subject to a lien pursuant to sections 364(c)(1), 364(c)(2), or 364(c)(3) of the Bankruptcy Code. The Debtors assert in the Motion and the First Day Declaration, and demonstrated at the Hearings, that it would be futile under the circumstances for the Debtors to seek, and they would not obtain, the necessary

postpetition financing, let alone on terms more favorable, taken as a whole, than the financing offered by the DIP Secured Parties pursuant to the DIP Loan Documents. In light of the foregoing, and considering the futility of all other alternatives, the Debtors have reasonably and properly concluded, in the exercise of their business judgment, that the DIP Facility represents the best financing available to the Debtors at this time, and is in the best interests of the Debtors, their Estates, and all of their stakeholders.

(iv) Budget. The Debtors have prepared and delivered to the DIP Secured Parties and the Prepetition Secured Parties an Approved Budget, a copy of which is attached hereto as **Exhibit C**. The Approved Budget reflects the Debtors' anticipated cash receipts and anticipated disbursements for each calendar week during the period from the Petition Date through and including the end of the seventeenth calendar week following the Petition Date (the Approved Budget and each subsequent budget approved by the DIP Lenders and the Prepetition Secured Parties then in effect, an "Approved Budget"). The Debtors believe that the Approved Budget is reasonable under the facts and circumstances. The DIP Secured Parties and the Prepetition Secured Parties are relying upon the Debtors' agreement to comply with the terms set forth in the DIP Loan Documents, the Approved Budget, and this Final Order in determining to enter into the postpetition financing arrangements provided for herein and to consent to the Debtors' use of Cash Collateral.

(v) Certain Conditions to DIP Facility. The DIP Lenders' willingness to make the DIP Loans is conditioned upon, among other things: (a) the Debtors obtaining Court approval to enter into the DIP Loan Documents and to incur all of the obligations thereunder, and to confer upon the DIP Secured Parties all applicable rights, powers, and remedies thereunder in each case as modified by this Final Order; (b) the provision of adequate protection of the Prepetition Secured

Parties' interests in the Prepetition Collateral pursuant to sections 361, 363, and 364 of the Bankruptcy Code; (c) the DIP Secured Parties being granted, as security for the prompt payment of the DIP Facility and all other obligations of the Debtors under the DIP Loan Documents, subject to the Carve Out and Permitted Liens and the priorities described in **Exhibit D** annexed hereto, superpriority perfected security interests in and liens upon all property and assets of the Debtors, including, but not limited to, a valid and perfected security interest in and lien upon all of the now existing or hereafter arising or acquired: (i) assets constituting Prepetition Collateral, (ii) any assets of the Debtors that, as of the Petition Date, were not otherwise subject to a valid, perfected, enforceable, and unavoidable security interest, including any assets comprising Excluded Collateral (under any of the Prepetition Loan Documents) (collectively hereinafter referred to as the "DIP Collateral," provided, that, the DIP Collateral shall not include any claim or cause of action arising under or pursuant to chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state, federal, or foreign law (including any other avoidance actions under the Bankruptcy Code) (collectively, the "Avoidance Actions") or the proceeds thereof (the "Avoidance Proceeds"). For the avoidance of doubt, (i) that certain Letter of Credit No. NUSCGS030538 issued by JPMorgan Chase Bank to Regions Bank in the current face amount of approximately $5,249,531, (ii) that certain Letter of Credit No. NUSCGS030110 issued by JPMorgan Chase Bank to Bank of America in the current face amount of approximately $8,000,000, (iii) certain surety bonds issued by Westchester Fire Insurance Company, a Chubb company, in the aggregate face amount of approximately $14,000,000 and (iv) that certain Irrevocable Standby Letter of Credit No. 68133355 issued by Bank of America in the face amount of $9,587,924 are not property of the Debtors' Estates and do not constitute DIP Collateral, provided that any cash collateral provided to the issuer of any of the foregoing letters of credit or

surety bonds (the "Credit Support Providers") by the Debtors is property of the Estates and is subject to the DIP Liens and Prepetition Liens (subject to Section 5.10) on a junior basis to the liens of the Credit Support Providers and otherwise subject to the priorities set forth in this Final Order.

(vi) Business Judgment and Good Faith Pursuant to Section 364(e). Any credit extended, loans made, and other financial accommodations extended to the Debtors by the DIP Secured Parties, including, without limitation, pursuant to the Interim Order, the Supplemental Order and this Final Order, have been extended, issued, or made, as the case may be, in "good faith" within the meaning of section 364(e) of the Bankruptcy Code and in express reliance upon the protections offered by Bankruptcy Code section 364(e), and the DIP Facility, the DIP Liens, and the DIP Superpriority Claims (as defined below) shall be entitled to the full protection of Bankruptcy Code section 364(e) in the event that this Final Order or any provision hereof is vacated, reversed, or modified on appeal or otherwise.

G. Adequate Protection. The Prepetition Secured Parties are entitled, pursuant to sections 361, 362, 363, and 364 of the Bankruptcy Code, to receive adequate protection against any Diminution in Value of their respective interests in the Prepetition Collateral (including Cash Collateral).

H. Sections 506(c) and 552(b). The Debtors have agreed as a condition to obtaining financing under the DIP Facility and the use of Cash Collateral as set forth in this Final Order, the Interim Order and the Supplemental Order that as a material inducement to the DIP Secured Parties to agree to provide the DIP Facility and the Prepetition Secured Parties' consent to the use of Cash Collateral as set forth in this Final Order and the Interim Order, and in exchange for (a) the DIP Secured Parties' willingness to provide the DIP Facility to the extent set forth herein, (b) the DIP

Secured Parties' and the Prepetition Secured Parties' agreement to subordinate their liens and superpriority claims to the Carve-Out (provided that with respect to the Prepetition ABL Secured Parties, the Prepetition ABL Liens are subject to the Carve-Out solely to the extent of the amount of the Carve-Out that can be satisfied with Available Cash Collateral (as defined below) remitted to the Debtors prior to the occurrence of a DIP Termination Event in accordance with Section 3.2(c) of this Final Order, Section 3.2(c) of the Interim Order or with funds in the Carve-Out Reserve), as provided herein, and (c) the consensual use of Cash Collateral consistent with the Approved Budget, the terms of the DIP Loan Agreement, and the terms of this Final Order, the DIP Secured Parties and the Prepetition Secured Parties are entitled to receive (1) a waiver of any equities of the case exceptions or claims under section 552(b) of the Bankruptcy Code and a waiver of unjust enrichment and similar equitable relief as set forth below, and (2) a waiver of the provisions of section 506(c) of the Bankruptcy Code as set forth in this Final Order.

I. Good Cause. Good cause has been shown for the entry of this Final Order. The relief requested in the Motion is necessary, essential, and appropriate and is in the best interest of and will benefit the Debtors, their creditors, and their Estates, as its implementation will, among other things, provide the Debtors with the necessary liquidity to (1) minimize disruption to the Debtors' remaining operating businesses and on-going operations, (2) preserve and maximize the value of the Debtors' Estates for the benefit of all the Debtors' creditors, and (3) avoid immediate and irreparable harm to the Debtors, their creditors, their businesses, their employees, and their assets. The terms of the DIP Facility and this Final Order are fair and reasonable, reflect each Debtor's exercise of its business judgment, and are supported by reasonably equivalent value and fair consideration. The DIP Facility and this Final Order are the product of reasonable, arm's

length, good faith negotiations between the Debtors, the DIP Secured Parties and the Prepetition Secured Parties.

J. Immediate Entry. Sufficient cause exists for immediate entry of this Final Order pursuant to Bankruptcy Rule 4001(c)(2). All objections that were made (to the extent such objections have not been withdrawn, waived, resolved, or settled) are hereby overruled on the merits.

K. Final Hearing. Notice of the Final Hearing and the relief requested in the Motion has been provided by the Debtors, whether by facsimile, electronic mail, overnight courier or hand delivery, to the Notice Parties. The Debtors have made reasonable efforts to afford the best notice possible under the circumstances and no other notice is required for the relief to be granted in this Final Order.

Based upon the foregoing, and upon the record made before the Court at the Hearings, and after due consideration and good cause appearing therefor;

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

Section 1. Motion Approval

1.1 Final Approval of Motion. The Motion is granted on a final basis to the extent provided in this Final Order. Any objections to the entry of this Final Order that have not been withdrawn, waived, resolved, or settled, and all reservations of rights included therein, are hereby denied and overruled on the merits.

Section 2. DIP Facility Authorization

2.1 Authorization of DIP Facility.

(a) The DIP Facility is approved on a final basis. Debtors are hereby authorized and empowered on a final basis to incur and perform the DIP Obligations, pursuant to the terms and conditions of the DIP Loan Agreement and this Final Order, in an aggregate principal

amount not to exceed $11.250 million, which amount, for the avoidance of doubt, includes the Comdata DIP Payments (as defined below) in the amount of $1.050 million.

(b) The Debtors are hereby authorized to (i) borrow under the DIP Facility in accordance with, and for the purposes permitted by, the DIP Loan Documents, the Final Order and the Approved Budget and (ii) pay all interest, costs, fees, including, without limitation the Exit Fee (but not the Additional Fee), and other amounts and obligations accrued or accruing under the DIP Loan Agreement and other DIP Loan Documents, all pursuant to the terms and conditions of this Final Order, the DIP Loan Agreement, and the other DIP Loan Documents,; for the avoidance of doubt, the Comdata DIP Payments, which were made prior to the entry of the Interim Order, shall be deemed to be DIP Obligations. The Initial Budget is hereby approved in all respects. The Debtors shall use the proceeds of the DIP Facility solely in a manner consistent with the Approved Budget (subject to permitted variances and other exclusions set forth in the DIP Loan Documents) and the terms and conditions of the DIP Loan Documents and this Final Order.

(c) On December 9, 2019, the DIP Agent, on behalf of the DIP Lenders, made an emergency payment on behalf of the Debtors to Comdata, Inc. ("Comdata"), a provider of gas cards and payroll services to the Debtors, in the amount of $800,000 (the "December 9 Comdata DIP Payment") to (a) repay Comdata for $400,000 in critical trade credit that it extended to the Debtors on December 7 and 8, 2019 in order to allow the Debtors' truck driver employees to continue to use their gas cards over the weekend and (b) pay $400,000 of prepetition amounts accrued and owing by the Debtors to Comdata. The Debtors had a critical need for the trade credit in order to (i) avoid stranding hundreds of their driver employees on the road on December 7 and 8, (ii) allow for the delivery of loads already en route to their destination, which generated new receivables for the Debtors and avoided breach of contract claims and (iii) allow for an orderly

marshaling and preservation of value of their tractors and trailers during the shut-down of operations. Without the agreement to reduce Comdata's prepetition claims against the Debtors by an amount equal to the amount of trade credit extended to the Debtors over the weekend, Comdata was not willing to provide this critical trade credit to the Debtors. On December 10, 2019, the DIP Agent, on behalf of the DIP Lenders, made another emergency payment on behalf of the Debtors to Comdata, Inc. in the amount of $250,000 (together with the December 9 Comdata Payment, the "Comdata DIP Payments") to repay Comdata for $250,000 in critical trade credit provided on the evening of December 9, 2019 in order to keep the gas cards active during the night of December 9, 2019, once the previous trade credit advances were exhausted. Comdata has agreed to continue providing the Debtors with post-petition payroll and gas card services as long as Comdata is paid in advance for all such services and Comdata has complied with this agreement since the Petition Date. In consideration of Comdata's prepetition and postpetition accommodations to the Debtors and their Estates, the Debtors, with the consent of the Prepetition Secured Parties and the DIP Secured Parties, agreed to seek the approval of the Court for the postpetition payments to Comdata and Comdata's application of $400,000 to its prepetition unsecured claims. The Committee has indicated that it does not object to the relief being sought with respect to the Comdata DIP Payments. For good and valuable postpetition consideration extended by Comdata, the Court *nunc pro tunc* to the Petition Date hereby approves the Comdata DIP Payments to Comdata and Comdata's application of $400,000 to its prepetition unsecured claims. Comdata shall not be liable to disgorge or refund any portion of such the Comdata DIP Payments and shall have no liability under sections 544, 547, 548 or 549 of the Bankruptcy Code on account of the Comdata DIP Payments or application of the December 9 Comdata DIP Payment to its prepetition unsecured claims.

2.2 Financing Documents.

(a) Authorization. The Debtors are hereby authorized on a final basis to enter into, execute, deliver, and perform all obligations under the DIP Loan Documents. No obligation, payment, transfer, or grant of security hereunder or under the DIP Loan Documents shall be stayed, restrained, voidable, avoidable, or recoverable under the Bankruptcy Code or under any applicable state, federal, or common law (including, without limitation, under chapter 5 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, or similar statute or common law), or be subject to any defense, reduction, setoff, counterclaim, recoupment, offset, recharacterization, subordination (whether equitable, contractual or otherwise), cross-claims, or any other challenge under the Bankruptcy Code or any applicable law, rule, or regulation by any person or entity.

(b) Approval; Evidence of Borrowing Arrangements. Except as modified in this Final Order, all terms, conditions, and covenants set forth in the DIP Loan Documents (including, without limitation, the DIP Loan Agreement) are approved on a final basis. All such terms, conditions, and covenants shall be sufficient and conclusive evidence of (i) the borrowing arrangements by and among the Debtors, the DIP Agent, and the DIP Lenders, and (ii) each Debtor's assumption and adoption of, and agreement to comply with, all the terms, conditions, and covenants of the DIP Loan Agreement and the other DIP Loan Documents for all purposes, including, without limitation, to the extent applicable, the payment of all DIP Obligations existing now and that may from time to time arise thereunder, including, without limitation, all principal, interest, fees, and other expenses, including, without limitation, all of the DIP Agent's and DIP Lender's closing, arranger, and administrative fees, consultant fees, professional fees, attorney's fees and legal expenses, as more fully set forth in the DIP Loan

Documents. Upon effectiveness thereof, the DIP Loan Documents shall evidence the DIP Obligations, which DIP Loan Documents and DIP Obligations shall be valid, binding, and enforceable against the Debtors, their Estates, and any successors thereto, including, without limitation, any trustee appointed in any of these Cases or any case under chapter 7 of the Bankruptcy Code upon the conversion of any of these Cases (collectively, the "Successor Cases"), and their creditors and other parties-in-interest, in each case, in accordance with the terms of the Interim Order, this Final Order and the DIP Loan Documents.

(c) Payment of DIP Fees and Other Expenses. Any and all fees and expenses payable pursuant to the DIP Loan Documents and this Final Order (collectively, any and all such fees and expenses, the "DIP Fees") are hereby approved on a final basis and the Debtors are hereby authorized and directed to pay, currently in cash or as otherwise provided on the DIP Loan Documents and Approved Budget, all reasonable and documented out-of-pocket costs, disbursements, and expenses of the DIP Agent and the DIP Lenders incurred prior to the date hereof and at any time hereafter, as provided by the DIP Loan Documents, Approved Budget, this Final Order and the Interim Order in accordance with Section 5.13 hereof; provided that proceeds of ABL Priority Collateral (other than Available Cash Collateral (as defined below)) shall not be used to pay any DIP Fees. The DIP Fees shall not be subject to any offset, defense, claim, counterclaim, or diminution of any type, kind, or nature whatsoever.

2.3 Indemnification. The Debtors are authorized to indemnify and hold harmless the DIP Agent, each DIP Lender, and, solely in their capacities as such, each of their respective successors, assigns, affiliates, parents, subsidiaries, partners, controlling persons, representatives, agents, attorneys, advisors, financial advisors, consultants, professionals, officers, directors, members, managers, shareholders and employees, past, present and future, and their

respective heirs, predecessors, successors and assigns (each, an "Indemnified Party"), in accordance with, and subject to, the DIP Loan Documents, which indemnification is hereby authorized and approved; provided that proceeds of ABL Priority Collateral (other than Available Cash Collateral (as defined below)) shall not be used to pay any amounts on account of such indemnification.

2.4 Postpetition Liens.

(a) Postpetition DIP Lien Granting. To secure performance and payment when due (whether at the stated maturity, by acceleration or otherwise) of any and all DIP Obligations of the Debtors to the DIP Secured Parties of whatever kind, nature, or description, whether absolute or contingent, now existing or hereafter arising, the DIP Agent, for the benefit of itself and the DIP Lenders, shall have and is hereby granted, effective as of the Petition Date, continuing, valid, binding, enforceable, non-avoidable, and automatically and properly perfected security interests in and liens (collectively, the "DIP Liens") upon all DIP Collateral, subject to the rankings and priorities set forth in Section 2.4(b) below and as set forth on **Exhibit D** hereto.

(b) DIP Lien Priority in DIP Collateral. The DIP Liens on the DIP Collateral securing the DIP Obligations shall be first and senior in priority to all other interests and liens of every kind, nature, and description, whether created consensually, by an order of the Court or otherwise, including, without limitation, liens or interests granted in favor of third parties in conjunction with sections 363, 364, or any other section of the Bankruptcy Code or other applicable law; *provided, however*, that the DIP Liens on (A) the ABL Priority Collateral (whether in existence on the Petition Date or thereafter arising) shall be subject and subordinate to the Carve-Out, the Permitted Liens, the Prepetition ABL Liens, and the Prepetition ABL Adequate Protection Liens; (B) the Term Loan Priority Collateral (whether in existence on the Petition Date or hereafter

arising) shall be subject and subordinate to the Carve-Out and Permitted Liens; and (C) any unencumbered assets as of the Petition Date shall be subject and subordinate to the Carve-Out, in each case as such priorities are set forth in **Exhibit D**.

2.5 Superpriority Administrative Expenses. Subject to the priorities set forth on **Exhibit D** and the Carve-Out, all DIP Obligations now existing or hereafter arising pursuant to this Final Order, the Interim Order, the DIP Loan Documents, or otherwise, the DIP Agent, for the benefit of itself and the DIP Lenders, is granted an allowed superpriority administrative expense claim pursuant to section 364(c)(1) of the Bankruptcy Code, having priority in right of payment over any and all other obligations, liabilities, and indebtedness of the Debtors, whether now in existence or hereafter incurred by the Debtors, and over any and all administrative expenses or priority claims of the kind specified in, or ordered pursuant to, *inter alia*, sections 105, 326, 328, 330, 331, 364(c)(1), 503(b), 507(a), 507(b), 546(c), 1113, or 1114 of the Bankruptcy Code, which allowed superpriority administrative claim shall be payable from and have recourse to all prepetition and postpetition property of the Debtors and all proceeds thereof (including proceeds of Avoidance Actions) (such superpriority administrative expense claim, the "DIP Superpriority Claim").

Section 3. Use of Cash Collateral

3.1 Authorization to Use Cash Collateral. Subject to the terms and conditions of this Final Order and in accordance with the Approved Budget, the Debtors are authorized to use Cash Collateral as set forth in this Final Order until the occurrence of a DIP Termination Event (as defined herein); provided, however, that during the Remedies Notice Period (as defined herein) the Debtors may use Available Cash Collateral (as defined below) previously remitted to the Debtors prior to the occurrence of a DIP Termination Event in accordance with Section 3.2(c) and (d) of this Final Order or Section 3.2(c) of the Interim Order solely to meet payroll obligations and

pay expenses critical to the administration of the Debtors' Estates strictly in accordance with the Approved Budget, and as otherwise agreed by the Prepetition ABL Agent and the Prepetition Term Loan Agent, each in their sole discretion.

3.2 Procedure for Use of Cash Collateral.

(a) Delivery of Cash Collateral to Prepetition ABL Agent. Promptly upon receipt thereof, Debtors shall remit all Cash Collateral (other than Cash Collateral that is Term Loan Priority Collateral or that is identifiable proceeds of Term Priority Collateral) directly to Prepetition ABL Agent or shall deposit all Cash Collateral (other than identifiable proceeds of Term Priority Collateral) now or hereafter in their possession or control into deposit accounts subject to a blocked account control agreement that remits amounts therein daily to the Prepetition ABL Agent (or otherwise deliver such ABL Cash Collateral to Prepetition ABL Agent in a manner satisfactory to Prepetition ABL Agent). For the avoidance of doubt, proceeds of accounts receivable owned by TA Dispatch and received by the Debtors do not constitute Cash Collateral.

(b) Cash Collateral in Prepetition ABL Agent's Possession. Prepetition ABL Agent is authorized to collect upon, convert to cash and enforce checks, drafts, instruments and other forms of payment now or hereafter coming into its or any Prepetition ABL Lender's possession or control which constitute ABL Priority Collateral or proceeds thereof. Prior to a DIP Termination Event, Prepetition ABL Agent will remit a portion of the Cash Collateral received by the Prepetition ABL Agent to the Debtors in accordance with Section 3.2(c) of this Final Order and is authorized, subject to Section 5.10, to apply the balance of such Cash Collateral on the applicable Cash Collateral Remittance Date to permanently reduce the Prepetition ABL Obligations in accordance with the Prepetition ABL Loan Documents as adequate protection of the interests of the Prepetition ABL Secured Parties.

(c) Remittance of Available Cash Collateral. Commencing on December 17, 2019 (and on each Tuesday thereafter) (each, an "Eligibility Reporting Date"), the Debtors shall deliver to Prepetition ABL Agent, the Prepetition Term Loan Agent, the DIP Agent and the Committee information in form and substance reasonably acceptable to Prepetition ABL Agent that identifies the portion of the cash collections received by the Debtors during the week ended as of the preceding Friday (and remitted to and received by the Prepetition ABL Agent during such week or on or before the Monday preceding the Eligibility Reporting Date) that constitutes Cash Collateral and further identifies the portion of the Cash Collateral or other cash (in the case of TA Dispatch) received by the Debtors during the week ended as of the preceding Friday (and remitted to and received by the Prepetition ABL Agent during such week or on or before the Monday preceding the Eligibility Reporting Date) as either (i) proceeds of Eligible Accounts (as defined in the Prepetition ABL Credit Agreement), (ii) proceeds of Accounts (as defined in the Prepetition ABL Credit Agreement) that are not Eligible Accounts (the "Ineligible Accounts") or (iii) proceeds of receivables owned by TA Dispatch (which for the avoidance of doubt do not constitute Cash Collateral) (such information, the "Eligibility Breakdown Information"). The Borrowing Base Certificate dated as of December 6, 2019 shall be used in allocating the Debtors' owned receivables that were billed as of December 6, 2019 between Eligible Accounts and Ineligible Accounts in order to calculate the Eligibility Breakdown Information as required pursuant to this Final Order, and the Debtors' owned receivables that are billed on or after December 6, 2019 shall be Eligible Accounts. Commencing on December 18, 2019 (or such later date as the Debtors have provided Prepetition ABL Agent, Prepetition Term Loan Agent and DIP Agent with Eligibility Breakdown Information satisfactory to Prepetition ABL Agent), and, on each Wednesday (or Business Day thereafter if such Wednesday is not a

Business Day) (each a "Cash Collateral Remittance Date"), the Prepetition ABL Agent shall remit to the Debtors (pursuant to wire instructions provided by the Debtors), (1) Cash Collateral in an amount equal to the sum of (v) five percent (5%) of the amount of Cash Collateral received by the Debtors during the week ended as of the preceding Friday (and remitted to and received by the Prepetition ABL Agent during such week or on or before the Monday preceding the Eligibility Reporting Date) on account of Eligible Accounts as provided in the Eligibility Breakdown Information for such week, plus (w) fifty percent (50%) of the amount of Cash Collateral received by the Debtors during the week ended as of the preceding Friday (and remitted to and received by the Prepetition ABL Agent during such week or on or before the Monday preceding the Eligibility Reporting Date) on account of Ineligible Accounts as provided in the Eligibility Breakdown Information for such week, plus (x) on each of the first five Cash Collateral Remittance Dates, $50,000, minus (y) the sum of (1) ninety-five percent (95%) of the amount of Cash Collateral received by the Debtors during the week ended as of the preceding Friday on account of Eligible Accounts and not remitted to the Prepetition ABL Agent during such week, plus (2) fifty percent (50%) of the amount of Cash Collateral received by the Debtors during the week ended as of the preceding Friday on account of Ineligible Accounts and not remitted to the Prepetition ABL Agent during such week, minus (z) any amounts deducted from amounts that otherwise would have been remitted to the Debtors under (v) and (w) above on account of any post-petition fees or expenses allowed in accordance with Section 5.13 hereof, and (2) 100% of cash received by the Debtors during the week ended as of the preceding Friday (and remitted to and received by the Prepetition ABL Agent during such week or on or before the Monday preceding the Eligibility Reporting Date) on account of TA Dispatch Receivables as provided in the Eligibility Breakdown Information for such week. The portion of such Cash Collateral to be remitted to the Debtors in

accordance with this paragraph being referred to herein as the "Available Cash Collateral".

(d) The provisions of Section 3.2(a) – (c) (other than the authorization set forth in Section 3.2(b) with respect to the application of Cash Collateral to the Prepetition ABL Obligations) shall terminate and be of no further force and effect from and after the date on which all Prepetition ABL Obligations have been paid in full in cash in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement), and thereafter, the Debtors shall be permitted to retain all proceeds of ABL Priority Collateral, and shall be permitted to use such Cash Collateral in accordance with the Approved Budget and the terms of this Final Order. In lieu of reporting under section 3.2(c) of this Final Order, the Debtors shall deliver a report to the DIP Agent, the Prepetition Term Loan Agent and the Committee on Tuesday of each week starting the first week after the Prepetition ABL Obligations have been paid in full in cash in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement) setting forth the aggregate amount of cash collected in the prior week and the amount of such cash that is Cash Collateral from proceeds of Prepetition ABL Priority Collateral and the amount of such cash that is the proceeds of TA Dispatch Receivables. For the avoidance of doubt, and notwithstanding anything herein to the contrary, from and after the date on which the Prepetition ABL Obligations have been paid in full in cash in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement), all proceeds of ABL Priority Collateral received by the Debtors shall constitute Available Cash Collateral.

3.3 Application of Cash Collateral to Prepetition ABL Obligations. Except with respect to the Available Cash Collateral as set forth in the preceding paragraph 3.2(c), Prepetition ABL Agent, is authorized to apply all Cash Collateral now or hereafter in Prepetition

ABL Agent's or any Prepetition ABL Lender's possession or control to the payment of all other Prepetition ABL Obligations in accordance with the Prepetition ABL Loan Documents. All such applications to Prepetition ABL Obligations shall be final, subject only to the right of parties in interest to seek a determination in accordance with Section 5.10 below that such applications to other Prepetition ABL Obligations resulted in the payment of any unsecured prepetition claim of the Prepetition ABL Secured Parties.

3.4 TA Dispatch Cash. The Debtors collect certain receivables on behalf of TA Dispatch (the "TA Dispatch Receivables"). The TA Dispatch Receivables are not property of the Debtors' Estates. Upon receipt from the Prepetition ABL Agent of proceeds of TA Dispatch Receivables on a Cash Collateral Remittance Date, the Debtors will segregate such TA Dispatch Receivables and remit them to TA Dispatch on a weekly basis beginning the week of December 15, 2019 within one (1) Business Day of each Cash Collateral Remittance Date. From and after the repayment in full in cash of the Prepetition ABL Obligations in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement) the Debtors shall segregate the TA Dispatch Receivables on a daily basis and remit such TA Dispatch Receivables to TA Dispatch on a weekly basis on each Wednesday (or the first business day thereafter if the Wednesday is not a business day).

3.5 Termination Date. Unless extended by the Court, upon the occurrence of a DIP Termination Event, without further notice or order of the Court, (except as expressly set forth in the proviso of Section 5.4): (1) Debtors' authorization to use Cash Collateral hereunder will automatically terminate; (2) Debtors shall be prohibited from using Cash Collateral for any purpose other than application to the Prepetition ABL Obligations or Prepetition Term Loan Obligations, in accordance with the terms of the Prepetition Intercreditor Agreement; and (3)

subject to Section 5.10 of this Final Order and the Prepetition Intercreditor Agreement, Prepetition ABL Agent and Prepetition ABL Lenders and the Prepetition Term Loan Agent and Prepetition Term Loan Lenders, as appropriate, shall be entitled to apply any Cash Collateral in or coming into their possession or control to the Prepetition ABL Obligations in accordance with the Prepetition ABL Loan Documents or the Prepetition Term Loan Obligations in accordance with the Prepetition Term Loan Documents.

Section 4. Prepetition Secured Parties' Adequate Protection

4.1 Adequate Protection Liens and Superpriority Claims. The Prepetition Secured Parties are entitled, pursuant to sections 361, and 363(e) of the Bankruptcy Code and *nunc pro tunc* to the Petition Date, to adequate protection of their respective interests in the Prepetition Collateral, including the Cash Collateral, in an amount equal to the aggregate Diminution in Value of the Prepetition Secured Parties' respective interests in the Prepetition Collateral from and after the Petition Date. On account of such adequate protection claims, the Prepetition Secured Parties are hereby granted the following, in each case subject to the Carve-Out (provided that with respect to the Prepetition ABL Secured Parties, the Prepetition ABL Liens are subject to the Carve-Out solely to the extent of the amount of the Carve-Out that can be satisfied with Available Cash Collateral remitted to the Debtors prior to the occurrence of a DIP Termination Event in accordance with Section 3.2(c) of this Final Order, Section 3.2(c) of the Interim Order or with funds in the Carve-Out Reserve), as applicable, and Permitted Liens (collectively, the "Adequate Protection"):

(a) Prepetition Term Loan Adequate Protection Liens. The Prepetition Term Loan Secured Parties are hereby granted (effective and perfected upon the date of this Final Order and without the necessity of any Perfection Act) valid and perfected postpetition replacement security interests in and liens upon the DIP Collateral (the "Prepetition Term Loan

Adequate Protection Liens"), which liens shall: (i) be subject and subordinate to the Carve-Out, Permitted Liens and the DIP Liens; (ii) be *pari passu* with the Prepetition Term Loan Liens against the Term Loan Priority Collateral; (iii) be senior to all other security interests in, liens on, or claims against the Term Loan Priority Collateral, whether now existing or hereafter arising or acquired, (iv) be junior to the security interests in, liens on, and claims against the ABL Priority Collateral, whether now existing or hereafter arising or acquired, of the Prepetition ABL Secured Parties, including on account of the Prepetition ABL Adequate Protection Liens granted to the Prepetition ABL Secured Parties; (v) be *pari passu* with the Prepetition ABL Adequate Protection Liens (as defined below) with respect to all assets of the Debtors that are unencumbered as of the Petition Date; and (vi) in each case, for the avoidance of doubt, shall have the priorities set forth in **Exhibit D** hereto.

(b) Prepetition ABL Adequate Protection Liens. The Prepetition ABL Secured Parties are hereby granted (effective and perfected upon the date of the Interim Order and without the necessity of any Perfection Act) valid and perfected postpetition replacement security interests in and liens upon the DIP Collateral (the "Prepetition ABL Adequate Protection Liens"), which liens shall: (i) be subject and subordinate to the Carve-Out (to the extent of the amount of the Carve-Out that can be satisfied with Available Cash Collateral remitted to the Debtors prior to the occurrence of a DIP Termination Event in accordance with Section 3.2(c) or (d) of this Final Order, Section 3.2(c) of the Interim Order or with funds in the Carve-Out Reserve), Permitted Liens and the DIP Liens on the Term Loan Priority Collateral and unencumbered assets; (ii) be *pari passu* with the Prepetition ABL Liens against the ABL Priority Collateral; (iii) be senior to all other security interests in, liens on, or claims against the ABL Priority Collateral, whether now existing or hereafter arising or acquired; (iv) be junior to the security interests in, liens on, and

claims against the Term Loan Priority Collateral, whether now existing or hereafter arising or acquired, of the Prepetition Term Loan Secured Parties, including on account of the Prepetition Term Loan Adequate Protection Liens granted to the Prepetition Term Loan Secured Parties; (v) *pari passu* with the Prepetition Term Loan Adequate Protection Liens with respect to all assets of the Debtors that are unencumbered as of the Petition Date; and (vi) in each case, for the avoidance of doubt, shall have the priorities set forth in **Exhibit D** hereto.

(c) Adequate Protection Superpriority Claims. The Prepetition Secured Parties are hereby granted allowed superpriority administrative expense claims pursuant to sections 503(b), 507(a), and 507(b) of the Bankruptcy Code (the "Adequate Protection Superpriority Claims"), which Adequate Protection Superpriority Claims shall be allowed claims against each of the Debtors (jointly and severally), with priority (except they shall be junior to the Carve-Out and as otherwise provided herein) over any and all administrative expenses and all other claims against the Debtors, other than the DIP Superpriority Claim, now existing or hereafter arising, of any kind specified in sections 503(b) and 507(b) of the Bankruptcy Code, and all other administrative expenses or other claims arising under any other provision of the Bankruptcy Code, including, without limitation, sections 105, 326, 327, 328, 330, 331, 503(b), 507(a), 507(b), or 1114 of the Bankruptcy Code. The Adequate Protection Superpriority Claims shall be *pari passu* with each other and be payable from and have recourse to all pre- and post-petition property (including all claims and causes of action) of the Debtors, subject to the Carve-Out and the priorities set forth in **Exhibit D**.

4.2 Adequate Protection Payment for Prepetition Term Loan Secured Parties. The Prepetition Term Loan Agent currently holds and has possession of approximately $3 million (the "Interest Reserve Amount") of Cash Collateral, which Interest Reserve Amount is held in the

Interest Reserve Account (as such term is defined in the Prepetition ABL Credit Agreement). Under the Prepetition Term Loan Agreement, after the occurrence and continuance of an Event of Default (as such term is defined in the Prepetition Term Loan Agreement), the Interest Reserve Amount may be applied by the Prepetition Term Loan Agent to reduce the Prepetition Term Loan Obligations. The Prepetition Term Loan Agent is hereby authorized to apply the Interest Reserve Amount to permanently reduce the Prepetition Term Loan Obligations in accordance with the terms of the Prepetition Term Loan Agreement, provided, such application shall be subject to Section 5.10 of this Final Order.

4.3 Adequate Protection Payments for Prepetition ABL Secured Parties. Prepetition ABL Secured Parties have consented to the terms of this Final Order and are entitled to adequate protection of the interests of the Prepetition Secured Parties in the Prepetition ABL Collateral until the Prepetition ABL Obligations have been repaid in full in cash in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement), and as such, the Prepetition ABL Secured Parties are authorized to apply all Cash Collateral in the possession or control of the Prepetition ABL Agent (other than, prior to a DIP Termination Event, the Available Cash Collateral, and at any time, any TA Dispatch Receivables), to the Prepetition ABL Obligations in accordance with the Prepetition ABL Loan Documents.

4.4 Fees and Expenses. The Prepetition Secured Parties shall be entitled to add to the Prepetition Obligations or receive payment out of Cash Collateral in accordance with Section 3.2 of this Final Order, all reasonable and documented fees and out-of-pocket expenses incurred and paid by such Prepetition Secured Parties that are required to be paid by the Debtors under the Prepetition Loan Documents (but no more than one set of primary counsel for each of the Prepetition ABL Secured Parties (as a whole) and the Prepetition Term Loan Secured Parties (as

a whole), and allowed in accordance with Section 5.13 below, including the reasonable and documented pre- and post-petition fees and out-of-pocket expenses of (A)(i) Schulte Roth & Zabel LLP, (ii) Landis Rath & Cobb and (iii) FTI Consulting (together, the "Prepetition Term Loan Professionals") and (B) (i) Goldberg Kohn Ltd., (ii) Morris, Nichols, Arsht & Tunnell LLP, and (iii) MCA Financial Group (together, the "Prepetition ABL Professionals", and together with the Prepetition Term Loan Professionals, the "Adequate Protection Professionals", and such fees and expenses, collectively, the "Adequate Protection Professional Fees and Expenses").

Section 5. Provisions Common to DIP Facility and Use of Cash Collateral

5.1 Postpetition Lien Perfection.

(a) This Final Order and the Interim Order shall be sufficient and conclusive evidence of the priority, perfection, and validity of the DIP Liens, the Prepetition Adequate Protection Liens, and the other security interests granted herein, effective as of the Petition Date, without any further act and without regard to any other federal, state, or local requirements or law requiring notice, filing, registration, recording, or possession of the DIP Collateral, or other act to validate or perfect such security interest or lien, including, without limitation, control agreements with any financial institution(s) party to a Control Agreement or other depository account consisting of DIP Collateral, or requirement to register liens on any certificates of title (a "Perfection Act"). Notwithstanding the foregoing, if the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable, shall, in its sole discretion, elect for any reason to file, record, or otherwise effectuate any Perfection Act, then the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable, is authorized to perform such act, and the Debtors are authorized and directed to perform such act to the extent necessary or required by the DIP Loan Documents, which act or acts shall be deemed to have been accomplished as of the date and time of entry of this Interim Order notwithstanding

the date and time actually accomplished, and, in such event, the subject filing or recording office is authorized to accept, file, or record any document in regard to such act in accordance with applicable law. The DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable, may choose to file, record, or present a certified copy of this Final Order in the same manner as a Perfection Act, which shall be tantamount to a Perfection Act, and, in such event, the subject filing or recording office is authorized to accept, file, or record such certified copy of this Interim Order in accordance with applicable law. Should the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable, so choose and attempt to file, record, or perform a Perfection Act, no defect or failure in connection with such attempt shall in any way limit, waive, or alter the validity, enforceability, attachment, priority, or perfection of the postpetition liens and security interests granted herein by virtue of the entry of this Final Order.

(b) To the extent that any applicable non-bankruptcy law otherwise would restrict the granting, scope, enforceability, attachment, or perfection of any liens and security interests granted and created by this Final Order and the Interim Order (including the DIP Liens and the Prepetition Adequate Protection Liens) or otherwise would impose filing or registration requirements with respect to such liens and security interests, such law is hereby pre-empted to the maximum extent permitted by the Bankruptcy Code, applicable federal or foreign law, and the judicial power and authority of this Court; *provided, however*, that nothing herein shall excuse the Debtors from payment of any local fees, if any, required in connection with such liens. By virtue of the terms of this Final Order and the Interim Order, to the extent that the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable, has filed Uniform Commercial Code or PPSA financing statements, mortgages, deeds of trust, or other security or perfection documents under the names of any of the Debtors (including all Guarantors)

with respect to the liens and security interests created or continued by this Final Order and the Interim Order, such filings shall be deemed to properly perfect its liens and security interests granted and confirmed by this Final Order and the Interim Order without further action by the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable.

(c) Except as provided in Section 5.11 herein and with respect to the Carve-Out, the Carve-Out Reserve and Permitted Liens, the DIP Liens, the DIP Superpriority Claims, the Adequate Protection Liens, and the Adequate Protection Superpriority Claims (i) shall not be made subject to or *pari passu* with (A) any lien, security interest, or claim heretofore or hereinafter granted in any of these Cases or any Successor Cases and shall be valid and enforceable against the Debtors, their Estates, any trustee, or any other estate representative appointed or elected in these Cases or any Successor Cases and/or upon the dismissal of any of these Cases or any Successor Cases; (B) any lien that is avoided and preserved for the benefit of the Debtors and their Estates under section 551 of the Bankruptcy Code or otherwise; or (C) any intercompany or affiliate lien or claim; and (ii) shall not be subject to sections 510, 549, 550, or 551 of the Bankruptcy Code.

5.2 Amendments to DIP Loan Documents. Subject to the terms and conditions of the applicable DIP Loan Documents and this Final Order, the Debtors and the applicable DIP Secured Parties may make amendments, modifications, or supplements to any DIP Loan Document, and the DIP Agent and the DIP Lenders may waive any provisions in the DIP Loan Documents, without further approval of the Court; provided that any amendments, modifications, or supplements to any DIP Loan Documents (including the Approved Budget) that are material, including those that operate to increase the aggregate commitments, the rate of interest payable thereunder, or existing fees or add new fees thereunder (excluding, for the avoidance of doubt, any

amendment, consent or waiver fee consented to by the Debtors and the Committee) other than as currently provided in the DIP Loan Documents (collectively, the "Material DIP Amendments"), shall be filed with the Court in advance of the effective date of such Material DIP Amendments, and the Debtors shall provide prior written notice of and an opportunity to object to the Material DIP Amendment to (i) counsel for each of the Prepetition Agents, (ii) counsel to the Committee, and (iii) the U.S. Trustee; provided, further, that the consent of the foregoing parties will not be necessary to effectuate any such amendment, modification or supplement, except that any Material DIP Amendment subject to a timely and unresolved objection must be approved by the Court. For the avoidance of doubt, the Debtors must receive written consent as to any Material DIP Amendment (i) from the DIP Secured Parties prior to filing notice thereof with the Court and (ii) from the Prepetition ABL Agent, on behalf of the Prepetition ABL Lenders, and Prepetition Term Loan Agent (together with the Prepetition ABL Agent, the "Prepetition Agents"), on behalf of the Prepetition Term Loan Lenders, as applicable, for any amendment, modification, supplement, or waiver to the Approved Budget or that materially adversely affects any rights of applicable Prepetition Secured Parties hereunder or the treatment of the applicable Prepetition Obligations hereunder.

5.3 DIP Termination Event. The occurrence of one or more of the following shall constitute a "DIP Termination Event" (subject to the waiver or expiration of any applicable cure period, or unless waived in writing by the DIP Secured Parties and the Prepetition Secured Parties): (i) any "Event of Default" as that term is defined in the DIP Loan Agreement; (ii) any failure to meet or satisfy any Milestone (as defined in the DIP Loan Agreement) in accordance with the DIP Loan Agreement; (iii) the Maturity Date under the DIP Loan Agreement; (iv) solely with respect to the use of Cash Collateral, the failure of the Prepetition ABL Secured Obligations

to be repaid in full in cash in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement) by the sixtieth (60th) day after the Petition Date; (v) Debtors' failure to comply with any of its covenants or obligations under and in strict accordance with the terms of this Final Order; (vi) prior to the repayment in full, in cash of the Prepetition ABL Obligations in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement), Debtors, without the consent of Prepetition ABL Agent, seek the use of ABL Cash Collateral other than in accordance with the terms of this Final Order; (vii) the DIP Loan Documents are terminated, or if this Final Order or DIP Loan Documents are modified in a manner adverse to Prepetition ABL Agent or the Prepetition ABL Lenders, without Prepetition ABL Agent's prior written consent; (viii) entry of any order authorizing any party in interest to reclaim any of the DIP Collateral, granting any party in interest relief from the automatic stay with respect to the DIP Collateral, or requiring that Debtors turnover any of the DIP Collateral, in each case prior to full, final and indefeasible repayment of all Prepetition Obligations, except to the extent permitted by the Prepetition Intercreditor Agreement; (ix) any Case is converted to a case under chapter 7 of the Code; (x) a Trustee is appointed or elected in any Case, or an examiner with the power to operate Debtors' businesses is appointed in any Case; (xi) commencement of an adversary proceeding or contested matter objecting to the extent, validity or priority of any Prepetition Obligations and/or the Prepetition Liens; or (xii) this Final Order is modified, amended, vacated or stayed by any order of this Court in any manner not consented to in writing by the DIP Agent, the Prepetition ABL Agent, and the Prepetition Term Loan Agent.

5.4 Rights and Remedies upon a DIP Termination Event. During the period covered by this Final Order, after five (5) business days following the delivery of a written notice

by the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent of the occurrence of and during the continuance of a DIP Termination Event (the "Remedies Notice Period"), (a) the DIP Agent shall be entitled to independently take any act or exercise any right or remedy as provided in this Final Order or any DIP Loan Document, as applicable, including, without limitation, (i) declare all DIP Obligations owing under the DIP Loan Documents to be immediately due and payable; (ii) terminate, reduce, or restrict any commitment to extend additional credit to the Debtors to the extent any such commitment remains; (iii) terminate the DIP Facility and any DIP Loan Document as to any future liability or obligation of the DIP Secured Parties, but without affecting any of the DIP Obligations or the DIP Liens securing the DIP Obligations; (iv) invoke the right to charge interest at the default rate under the DIP Loan Documents; and/or (v) stop lending and (b) the Prepetition ABL Agent and the Prepetition Term Loan Agent shall each have automatic and immediate relief from the automatic stay with respect to the Prepetition Collateral (without regard to the passage of time provided for in Fed. R. Bankr. P. 4001(a)(3)), and shall be entitled to exercise all rights and remedies available under the Prepetition Loan Documents and applicable nonbankruptcy law (subject to the Prepetition Intercreditor Agreement), and the Debtors shall surrender the Prepetition Collateral and otherwise cooperate with Prepetition ABL Agent and the Prepetition Term Loan Agent in the exercise of their rights and remedies under the Prepetition Loan Documents and applicable nonbankruptcy law (subject to the Prepetition Intercreditor Agreement). Notwithstanding the foregoing, during the five (5) calendar day period following the occurrence of a DIP Termination Event, Debtors, the Committee or any party in interest may seek relief including an order of this Court determining that the event alleged to have given rise to the DIP Termination Event did not occur; provided, however, that during such five (5) calendar day period, Prepetition ABL Agent shall have no

obligation to remit any Cash Collateral to Debtors pursuant to this Final Order but the Debtor may use (i) any Available Cash Collateral remitted to the Debtors prior to the occurrence of a DIP Termination Event and (ii) following the payment in full in cash in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreements) Cash Collateral in their possession to meet payroll obligations and pay expenses critical to the administration of the Debtors' Estates strictly in accordance with the Approved Budget.

5.5 Debtors' Waivers.

(a) Prior to the payment in full of the Prepetition Obligations and all DIP Obligations, any request by the Debtors with respect to the following shall also constitute a DIP Termination Event: (i) to obtain postpetition loans or other financial accommodations pursuant to section 364(c) or 364(d) of the Bankruptcy Code that does not provide for the repayment in full of the DIP Obligations and the Prepetition ABL Obligations, other than as provided in this Final Order or, with respect to the DIP Obligations, as may be otherwise permitted pursuant to the DIP Loan Documents; (ii) to challenge the application of any payments authorized by the Interim Order or this Final Order pursuant to section 506(b) of the Bankruptcy Code; (iii) to propose or support any challenge by any party in interest to seek to limit or prevent the DIP Lenders or the Prepetition Secured Parties, from exercising their credit bid rights in connection with the sale of any assets of the Debtors; or (iv) to seek relief under the Bankruptcy Code, including, without limitation, under section 105 of the Bankruptcy Code, to the extent any such relief would restrict or impair (A) the rights and remedies of the DIP Agent, the DIP Lenders or the Prepetition Secured Parties against the Debtors as provided in this Final Order, the Interim Order or any of the DIP Loan Documents or Prepetition Loan Documents or (B) the exercise of such rights or remedies by the DIP Agent, the DIP Lenders or the Prepetition Secured Parties against the Debtors in

accordance with the DIP Loan Agreement, this Final Order or the Prepetition Loan Documents; *provided, however*, that the DIP Agent, the Prepetition Term Loan Agent or the Prepetition ABL Agent, as applicable, may otherwise consent in writing, but no such consent shall be implied from any other action, inaction, or acquiescence by DIP Agent, any DIP Lender or any Prepetition Secured Party.

(b) It shall also be a DIP Termination Event if, prior to the payment in full of the DIP Facility or the Prepetition Obligations, the Debtors propose or support any chapter 11 plan or sale of all or substantially all of the Debtors' assets, or order confirming such plan or approving such sale, that is not conditioned upon the payment of the DIP Obligations (other than indemnities then due and payable) and the obligations of the Prepetition Secured Parties in full in cash and the payment of the Debtors' obligations with respect to the adequate protection hereunder, in full in cash, without the written consent of the DIP Agent, the DIP Lenders and the Prepetition Secured Parties, as applicable.

5.6 Modification of Automatic Stay. The automatic stay provisions of section 362 of the Bankruptcy Code and any other restriction imposed by an order of the Court or applicable law are hereby modified without further notice, application, or order of the Court to the extent necessary to permit the Debtors and each of the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable, to perform any act authorized or permitted under or by virtue of this Final Order, the DIP Loan Agreement, or the other DIP Loan Documents, as applicable, including, without limitation, (A) to execute, deliver and implement the postpetition financing arrangements authorized by this Final Order, (B) to take any act to create, validate, evidence, attach or perfect any lien, security interest, right or claim in the DIP Collateral, (C) to assess, charge, collect, advance, deduct and receive payments with respect to the Prepetition

Obligations and DIP Obligations (or any portion thereof), including, without limitation, all interests, fees, costs, and expenses permitted under any of the DIP Loan Documents, the Prepetition ABL Loan Documents or the Prepetition Term Loan Documents and apply such payments to the applicable obligations, and (D) subject to the Remedies Notice Period, to take any action and exercise all rights and remedies provided to it by this Final Order, the DIP Loan Documents, the Prepetition Loan Documents or applicable law. For the avoidance of doubt, nothing herein shall confer any liens or rights in favor of the Prepetition Secured Parties and the DIP Secured Parties with respect to the Debtor(s)' equipment leases entered into with PNC and/or the equipment subject to the leases in favor of PNC. Pursuant to the notice signed by the Debtors and delivered to PNC on or about the Petition Date, the automatic stay under section 362 of the Bankruptcy Code is modified to permit PNC, in its sole discretion, to retrieve, sell, transfer, re-let and otherwise dispose of the equipment subject to the leases in favor of PNC, without any further notice to the Prepetition Secured Parties and the DIP Secured Parties.

5.7 Reporting. The Debtors shall timely provide the Prepetition Secured Parties with (x) reasonable access to the Debtors' facilities, management, books, and records required under the Prepetition Loan Documents, (y) copies of all financial reporting provided to the DIP Agent and DIP Lenders pursuant to the DIP Loan Documents substantially simultaneously with such delivery to the DIP Lenders and (z) on Wednesday of each week, commencing with December 18, 2019, an updated Borrowing Base Certificate signed by a responsible Officer (as such terms are defined in the Prepetition ABL Credit Agreement), which Borrowing Base Certificate shall be provided for reporting purposes only. Debtors are also directed to allow Prepetition Secured Parties (and their representatives and advisors), reasonable access to all of the Debtors' premises, information systems, facilities, management, books, and records for the purpose

of enabling Prepetition Secured Parties to inspect, appraise and audit the DIP Collateral. Without limiting the foregoing, until the Discharge of ABL Obligations, the Debtors are also directed to allow representatives of the Prepetition ABL Agent and representatives of Prepetition ABL Agent's advisor, MCA Financial Group, to access all billing and collection information, including invoice history and such other information as may be reasonably requested by Prepetition ABL Agent (or its agents or advisors). The Debtors shall contemporaneously provide the Committee with copies of all financial reporting provided to the DIP Agent and the Prepetition Agents pursuant to the DIP Loan Documents and this Final Order.

5.8 Budget Maintenance. The use of borrowings under the DIP Facility and the use of Cash Collateral shall be in accordance with the Approved Budget annexed hereto as Exhibit C, which is in form and substance satisfactory to, and approved by, each of the DIP Agent, the Prepetition Term Loan Agent and the Prepetition ABL Agent, in each's sole discretion. The Approved Budget shall be updated by the Debtors (with the consent and/or at the reasonable request of the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent) from time to time in accordance with the DIP Documents. No such updated, modified or supplemented budget shall be effective until so approved by each of the DIP Agent, the Prepetition ABL Agent and the Prepetition Term Loan Agent, and once approved shall be deemed the "Approved Budget"; provided, however, that in the event that the DIP Agent, the Prepetition Term Loan Agent, the Prepetition ABL Agent and the Debtors cannot agree as to an updated, modified or supplemented budget, the prior Approved Budget shall continue in effect for these Cases, and such disagreement shall give rise to an Event of Default under the DIP Agreements and a DIP Termination Event under this Final Order once the period covered by the prior Approved Budget has terminated. A copy of any Approved Budget shall be delivered to counsel for a Committee and the U.S. Trustee

after (or if) it has been approved by the DIP Agent, the Prepetition Term Loan Agent and the Prepetition ABL Agent.

5.9 Carve-Out Provisions.

(a) For purposes of this Final Order, "Carve-Out" shall mean the sum of: (i) all fees required to be paid to the Clerk of the Court (or in lieu thereof, fees and expenses incurred by the Debtors to any noticing. claims and solicitation agent appointed in the Cases) and to the U.S. Trustee under section 1930(a) of title 28 of the United States Code plus interest at the statutory rate; (ii) all reasonable fees and expenses up to $25,000 incurred by a trustee under section 726(b) of the Bankruptcy Code (the "Chapter 7 Trustee Carve-Out"); (iii) subject to and only to the extent such amounts are included in the Approved Budget, to the extent allowed at any time, whether by interim order, procedural order, or otherwise, all unpaid fees, costs, disbursements and expenses (the "Allowed Professional Fees") incurred or earned by persons or firms retained by the Debtors pursuant to sections 327, 328, or 363 of the Bankruptcy Code (the "Debtor Professionals") and the Committee pursuant to sections 328 or 1103 of the Bankruptcy Code (the "Committee Professionals" and, together with the Debtor Professionals, the "Professional Persons") at any time before or on the first business day following delivery by the DIP Agent of a Carve-Out Trigger Notice (as defined below), whether allowed by the Court prior to, on or after delivery of a Carve-Out Trigger Notice (the "Pre-Trigger Carve-Out Cap"); and (iv) Allowed Professional Fees of Professional Persons in an aggregate amount not to exceed $250,000 incurred after the first business day following delivery by the DIP Agent of the Carve-Out Trigger Notice (such date, the "Trigger Date"), to the extent allowed at any time, whether by interim order, procedural order, final order or otherwise (the amounts set forth in this clause (iv) being the "Post-Carve-Out Trigger Notice Cap" and such amounts set forth in clauses (i) through (iv), the "Carve-

Out Cap"); provided that nothing herein shall be construed to impair any party's ability to object to court approval of the fees, expenses, reimbursement of expenses or compensation of any Professional Person. For purposes of the foregoing, "Carve-Out Trigger Notice" shall mean a written notice delivered by email by the DIP Agent, the Prepetition ABL Agent or the Prepetition Term Loan Agent to the Debtors, their lead restructuring counsel, the U.S. Trustee, counsel to each other Prepetition Agent, and counsel to the Committee (collectively, the "Carve-Out Trigger Notice Parties"), which notice may be delivered following the occurrence and during the continuation of a DIP Termination Event, and shall describe in reasonable detail such DIP Termination Event that is alleged to have occurred and be continuing and stating that the Post-Carve-Out Trigger Notice Cap has been invoked.

(b) By no later than February 1, 2020, in accordance with the amounts budgeted for Professional Persons in the Approved Budget, and subject to availability of DIP Loans and Available Cash Collateral, the Debtors shall be required to deposit, in a segregated account not subject to the control of the DIP Agent, the DIP Secured Parties or the Prepetition Secured Parties (the "Carve-Out Reserve"), an amount equal to the Carve-Out Cap from the proceeds of the DIP Loans and Available Cash Collateral. The funds on deposit in the Carve-Out Account shall only be available to satisfy obligations benefiting from the Carve-Out, and the DIP Agent, the DIP Secured Parties and the Prepetition Secured Parties (x) shall not sweep or foreclose on cash (including cash received as a result of the sale or other disposition of assets) of the Debtors to the extent necessary to fund the Carve-Out Account as provided above and (y) shall have a security interest upon any residual amount in the Carve-Out Account available following satisfaction in cash in full of all obligations benefiting from the Carve-Out. The Debtors shall be permitted to pay fees in accordance with the Approved Budget to the Professional Persons and

reimburse expenses incurred by Professional Persons and that are allowed or authorized by the Court and payable under sections 328, 330, 331, and 1103 of the Bankruptcy Code and compensation procedures approved by the Court, as the same may be due and payable, it being understood that the Pre-Trigger Carve-Out Cap and the Carve-Out Reserve (to the extent funded) shall be reduced dollar for dollar by actual payments of allowed Professional Fees included in the Pre-Trigger Carve-Out Cap. Notwithstanding anything to the contrary in this Final Order, (A) the failure of the Carve-Out Account to satisfy in full the Allowed Professional Fees shall not affect the priority of the Carve-Out and (B) in no way shall the Approved Budget, the Carve-Out, the Carve-Out Trigger Notice, the Pre-Trigger Carve-Out Cap, the Post-Carve-Out Trigger Notice Cap, or any of the foregoing be construed as a cap or limitation on the amount of Allowed Professional Fees due and payable to the Professional Persons. Any payment or reimbursement made on or after the occurrence of the Termination Declaration Date in respect of any Allowed Professional Fees shall permanently reduce the Carve-Out on a dollar-for-dollar basis. For the avoidance of doubt, any unused amounts allocated for fees of Professional Persons in the Approved Budget for a certain period shall be available to pay fees during other budget periods (provided that such budget periods must be before the delivery of a Carve-Out Trigger Notice) of such Professional Persons in excess of allocated fees for such period in the Approved Budget; provided that no Professional Person may receive more from the Carve-Out than the aggregate in the Approved Budget up for such Professional Person up to the date of delivery of the Carve-Out Trigger Notice.

(c) No portion of the Carve-Out, DIP Collateral (including Cash Collateral) or proceeds of the DIP Loans may be used to pay any fees or expenses incurred by any entity (as defined in the Bankruptcy Code), including, without limitation, the Debtors, any

Committee or the Professional Persons (as well as each and every creditor or party in interest), in connection with claims or causes of action adverse to the DIP Secured Parties' or the Prepetition Secured Parties' interests in the DIP Collateral, including (1) preventing, hindering or delaying any Prepetition Secured Parties' enforcement or realization upon any of the DIP Collateral once a DIP Termination Event has occurred; (2) using or seeking to use Cash Collateral or incurring indebtedness in violation of the terms hereof, or selling any DIP Collateral without the DIP Agent's, the Prepetition ABL Agent's and the Prepetition Term Loan Agent's consent (to the extent required pursuant to the Prepetition Intercreditor Agreement); or (3) objecting to or contesting in any manner, or in raising any defenses to, the validity, extent, amount, perfection, priority or enforceability of the Prepetition Obligations or any mortgages, liens or security interests with respect thereto or any other rights or interests of Prepetition Secured Parties, or in asserting any claims or causes of action, including, without limitation, any actions under chapter 5 of the Code, against Prepetition Secured Parties; provided, however, that the foregoing shall not apply to costs and expenses, in an amount not to exceed $75,000, incurred by the Committee's professionals in connection with the investigation of a potential Challenge in accordance with Paragraph 5.10 of this Final Order; provided, further, however, that the Carve-Out may be used to pay fees and expenses incurred by the Professional Persons in connection with the negotiation, preparation and entry of this Final Order or any amendment hereto consented to by the DIP Agent and the Prepetition Agents.

5.10 Reservation of Third Party Challenge Rights. The stipulations, releases, agreements, and admissions contained in this Final Order and the Interim Order, including, without limitation, paragraph E hereof, and the releases contained in clause (x) thereof (collectively, the "Debtors' Stipulations"), shall be binding on the Debtors in all circumstances. The Debtors'

Stipulations shall be binding on all entities (as defined in the Bankruptcy Code), including without limitation, each and every creditor and party in interest, including, without limitation, the Committee, unless, and solely to the extent that (a) any such creditor or party in interest, including the Committee, with standing and requisite authority has timely commenced an adversary proceeding or other appropriate contested matter (subject to the limitations contained herein, including, *inter alia*, in this Section 5.10) by no later than (i) with respect to the Prepetition Term Loan Lenders, the earliest of (A) if no Committee has been appointed, 75 calendar days from the date of entry of the Interim Order, (B) if a Committee has been appointed, 60 calendar days after the date of formation of such Committee, (ii) with respect to the Prepetition ABL Secured Parties, the earliest of (A) the date on which the Prepetition ABL Obligations are paid in full, in cash in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement) and (B) 35 days after the Petition Date, (iii) any such later date as has been agreed to, in writing, without further order of the Court by the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable, and (iv) any such later date established by the Court for the Committee, after notice and motion filed by the Committee before the expiration of the periods set forth in the foregoing clauses (i) – (iii), for cause shown (such time period established by the foregoing clauses (i) - (iv), the "Challenge Period"), against any Prepetition Secured Party in connection with matters related to the Prepetition Loan Documents, the Prepetition Obligations, the Prepetition Liens, and the Prepetition Collateral, including by (A) objecting to or challenging the amount, validity, perfection, enforceability, priority, or extent of the Prepetition Obligations or Prepetition Liens, or (B) otherwise asserting or prosecuting any action for preferences, fraudulent transfers or conveyances, other avoidance power claims or any other claims, counterclaims, or causes of action, objections, contests, or defenses with respect to the Prepetition Obligations,

Prepetition Liens or the acts or omissions of any Prepetition Secured Party (a "Challenge Proceeding") and (b) there is a final, non-appealable order in favor of the plaintiff sustaining any Challenge Proceeding in any such timely filed adversary proceeding or contested matter; provided that any pleadings filed in connection with any Challenge Proceeding shall set forth with specificity the basis for such Challenge and any challenges or claims not so specified prior to the expiration of the Challenge Period shall be deemed forever waived, released, and barred; provided, further, that upon the Committee's filing of a motion prior to the expiration of the Challenge Period seeking standing (the "Standing Motion") to commence a Challenge Proceeding with a draft adversary complaint attached, the Challenge Period for the Committee shall be tolled until the earlier of (i) the Court's denial of the Standing Motion and (ii) five days after the Court grants the Standing Motion with respect to the Challenge specifically identified in such Standing Motion (and attached adversary complaint). For the avoidance of doubt, except as provided below with respect to a chapter 7 trustee, a party in interest's commencement of a timely Challenge Proceeding shall preserve the Challenge Period only with respect to such party in interest commencing the Challenge Proceeding (and such Challenge shall be limited to the Challenge identified with specificity prior to the expiration of the Challenge Period). If no such Challenge Proceeding is timely commenced, then: (v) the Debtors' stipulations, admissions, agreements, and releases contained in this Interim Order, including, without limitation, those contained in paragraph E of this Interim Order, and the releases contained in clause (x) thereof, shall be binding on all parties in interest, (w) any and all Challenge Proceedings by any party (including, without limitation, the Committee, any chapter 11 trustee, or any examiner and/or other estate representative appointed or elected in these Cases, and any chapter 7 trustee and/or examiner or other estate representative appointed or elected in any Successor Case) shall be deemed to be forever waived, released, and

barred; (x) to the extent not theretofore repaid, the Prepetition Obligations shall constitute allowed claims, not subject to counterclaim, setoff, subordination, recharacterization, reduction, defense or avoidance, for all purposes in these Cases and any subsequent chapter 7 case; (y) the Prepetition Liens on the Prepetition Collateral shall be deemed to have been, as of the Petition Date, and to be, legal, valid, binding, perfected and of the priority specified in paragraph E hereof, not subject to defense, counterclaim, recharacterization, subordination or avoidance; and (z) the obligations under the Prepetition Loan Documents and the Prepetition Liens on the Prepetition Collateral shall not be subject to any other or further challenge by the Debtors, the Committee or any other party in interest, each of whom shall be enjoined from seeking to exercise the rights of the Debtors' Estates, including, without limitation, any successor thereto (including, without limitation, any estate representative or a chapter 7 or chapter 11 trustee appointed or elected for any of the Debtors with respect thereto). If any Challenge Proceeding is timely commenced, the stipulations, releases, agreements, and admissions contained in paragraph E of this Final Order, and the releases contained in clause (x) thereof, shall nonetheless remain binding and preclusive (as provided in this paragraph) on the Debtors, the Committee, and any other person or entity, except as to any such findings and admissions that were expressly and successfully challenged in such Challenge Proceeding as set forth in a final, non-appealable order of a court of competent jurisdiction. Nothing in this Final Order vests or confers on any entity (as defined in the Bankruptcy Code), including the Committee (if any), standing or authority to pursue any cause of action belonging to the Debtors or their Estates, including, without limitation, claims and defenses with respect to the Prepetition ABL Credit Agreement or Prepetition Term Loan Agreement or the Prepetition Liens on the Prepetition Collateral. Notwithstanding the foregoing, if a chapter 11 trustee is appointed or the Cases are converted to chapter 7 prior to the expiration of the Challenge Period, (1) the

chapter 11 trustee or chapter 7 trustee, as applicable, shall have until the later of the end of the Challenge Period or the tenth (10th) business day after the appointment of the chapter 11 trustee or the conversion of the Case to chapter 7, as applicable, to commence a Challenge, subject to any further extension by order of the Court for cause, and (2) if the Committee has asserted a Challenge prior to the Challenge Deadline, the chapter 11 trustee or chapter 7 trustee will stand in the shoes of the Committee in such Challenge.

5.11 No Modification or Stay of this Final Order. The DIP Agent and the DIP Lenders have acted in good faith in connection with the DIP Facility and with this Final Order and the Interim Order, and their reliance on this Final Order and the Interim Order is in good faith, and the DIP Agent and the DIP Lenders are entitled to the protections of Bankruptcy Code section 364(e).

5.12 Power to Waive Rights; Duties to Third Parties.

(a) Subject to the terms of the DIP Loan Documents, the DIP Agent shall have the right (acting at the direction of the Required Lenders (as defined in the DIP Loan Documents) if so required by the DIP Loan Documents) to waive any of the terms, rights, and remedies provided or acknowledged in this Final Order that are in favor of the DIP Lenders (the "DIP Lender Rights"), and shall have no obligation or duty to any other party with respect to the exercise or enforcement, or failure to exercise or enforce, any DIP Lender Right(s); *provided* that the DIP Agent shall obtain the prior written consent of the Prepetition ABL Agent and the Prepetition Term Loan Agent, as applicable, for any waiver that affects any rights of the Prepetition Secured Parties, as applicable, hereunder or any treatment of the Prepetition ABL Obligations. Any waiver by the DIP Agent of any DIP Lender Rights shall not be nor shall it constitute a continuing waiver unless otherwise expressly provided therein. Any delay in or failure to exercise

or enforce any DIP Lender Right shall neither constitute a waiver of such DIP Lender Right, subject the DIP Agent or any DIP Lender to any liability to any other party, nor cause or enable any party other than the Debtors to rely upon or in any way seek to assert as a defense to any obligation owed by the Debtors to the DIP Agent or any DIP Lender.

(b) Each of the Prepetition ABL Agent and the Prepetition Term Loan Agent shall have the right to waive any of the terms, rights, and remedies provided or acknowledged in this Final Order that are in favor of the Prepetition ABL Secured Parties or the Prepetition Term Loan Secured Parties, respectively (as applicable, the "Prepetition Lender Rights"), and shall have no obligation or duty to any other party with respect to the exercise or enforcement, or failure to exercise or enforce, any Prepetition Lender Right(s); *provided* that the Prepetition ABL Agent or the Prepetition Term Loan Agent, as applicable, shall (except to the extent provided in the Prepetition Intercreditor Agreement) obtain the prior written consent of the DIP Agent for any waiver that affects any rights of the DIP Secured Parties hereunder or any treatment of the DIP Obligations. Any waiver by either the Prepetition ABL Agent or the Prepetition Term Loan Agent of any Prepetition Lender Rights shall not be, nor shall it constitute, a continuing waiver unless otherwise expressly provided therein. Any delay in or failure to exercise or enforce any Prepetition Lender Right shall neither constitute a waiver of such Prepetition Lender Right, subject the Prepetition Agents or any Prepetition Lender to any liability to any other party, nor cause or enable any party other than the Debtors to rely upon or in any way seek to assert as a defense to any obligation owed by the Debtors to the Prepetition Agents or any Prepetition Lender.

5.13 DIP and Other Expenses; Procedures for Payment of DIP Agents' and Prepetition Secured Parties' Professional Fees and Expenses. Any time that professionals for the

DIP Agent and the Adequate Protection Professionals seek payment of postpetition fees and expenses from the Debtors, each professional shall provide copies of its invoices (which shall not be required to contain time entries, but shall include a general, brief description of the nature of the matters for which services were performed, and which may be redacted or modified to the extent necessary to delete any information subject to the attorney-client privilege, any information constituting attorney work product, or any other confidential information, and the provision of such invoices shall not constitute any waiver of the attorney client privilege or of any benefits of the attorney work product doctrine) to the Debtors, the U.S. Trustee and counsel for the Committee. If no written objection is received by the applicable professional by 12:00 p.m., prevailing Eastern Time, on the date that is ten business (10) days after delivery of such invoice to the Debtors, the U.S. Trustee, and the Committee, such fees and expenses shall be deemed allowed in full, and with respect to a DIP Agent or DIP Lender professional, paid promptly by the Debtors. If an objection to a professional's invoice is timely received by such professional, such fees and expenses shall be deemed allowed in the undisputed amount of the invoice, and this Court shall have jurisdiction to determine the disputed portion of such invoice if the parties are unable to resolve the dispute consensually. Pending such resolution, the undisputed portion of any such invoice will be deemed allowed, and (i) with respect to a DIP Agent or DIP Lender professionals, paid promptly by the Debtors and (ii) with respect to the Adequate Protection Professionals for the Prepetition ABL Secured Parties, paid out of Available Cash Collateral that would otherwise have been remitted to the Debtors pursuant to Section 3.2(c) or (d) hereof or added to the Prepetition ABL Obligations. Notwithstanding the foregoing, subject to and only to the extent such amounts are included in the Approved Budget, the Debtors are authorized and directed to pay on the Closing Date (as defined in the DIP Documents) all reasonable, undisputed and documented pre-petition

fees, costs and expenses, including fees and expenses of counsel, of the DIP Agent and the Prepetition Secured Parties incurred on or prior to (including prior to the Petition Date) such date without the need for any professional engaged by the DIP Agent or the Adequate Protection Professionals to first deliver a copy of its invoice as provided for herein. The DIP Agent professionals and the Adequate Protection Professionals shall not be required to comply with the U.S. Trustee fee guidelines or file applications or motions with, or obtain approval of, the Court for the payment of any of their fees or out-of-pocket expenses (other than with respect to disputed amounts). Payments of any amounts set forth in this paragraph are not subject to recharacterization, avoidance, subordination, or disgorgement.

5.14 No Unauthorized Disposition of Collateral. The Debtors shall not sell, transfer, encumber, otherwise dispose of, or enter into any lease post-Petition Date for, any portion of the DIP Collateral (including equipment and Cash Collateral), other than in ordinary course of the Debtors' businesses or pursuant to the terms of this Final Order, the Interim Order or as permitted by the DIP Loan Documents or further order of the Court.

5.15 No Waiver. The failure of the DIP Lenders or the Prepetition Lenders, as applicable, to seek relief or otherwise exercise their rights and remedies under the DIP Loan Documents, the DIP Facility, the Prepetition Loan Documents, the Prepetition Facilities, this Final Order or the Interim Order, as applicable, shall not constitute a waiver of any of the DIP Lenders' or Prepetition Lenders' rights hereunder, thereunder, or otherwise. Notwithstanding anything herein, the entry of this Final Order is without prejudice to, and does not constitute a waiver of, expressly or implicitly, or otherwise impair the rights of the DIP Lenders or the Prepetition Lenders under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the rights of the DIP Lenders and the Prepetition Lenders to: (a) request conversion of the Cases to cases

under chapter 7, dismissal of the Cases, or the appointment of a trustee in the Cases; (b) propose, subject to the provisions of section 1121 of the Bankruptcy Code, a plan; or (c) exercise any of the rights, claims, or privileges (whether legal, equitable, or otherwise) of the DIP Lenders or the Prepetition Lenders.

5.16 Maintenance of Collateral. Unless the DIP Agent, the Prepetition ABL Agent and the Prepetition Term Loan Agent otherwise consents in writing, until (i) the payment in full or otherwise acceptable satisfaction of all DIP Obligations and the Prepetition ABL Obligations and (ii) the termination of the DIP Agent's and the DIP Lenders' obligations to extend credit under the DIP Facility, the Debtors shall comply with the covenants contained in the DIP Loan Documents regarding the maintenance and insurance of the DIP Collateral. Effective upon entry of the Interim Order and to the fullest extent provided by applicable law, each of the DIP Agent (on behalf of the DIP Lenders), the Prepetition ABL Agent (on behalf of the Prepetition ABL Lenders) and the Prepetition Term Loan Agent (on behalf of the Prepetition Term Loan Lenders) shall be, and shall be deemed to be, without any further action or notice, named as additional insureds and loss payees on each insurance policy maintained by the Debtors that in any way relates to the DIP Collateral.

5.17 Reservation of Rights. The terms, conditions, and provisions of this Final Order are in addition to and without prejudice to the rights of each DIP Secured Party and Prepetition Secured Party, subject to the Prepetition Intercreditor Agreement, as applicable, to pursue any and all rights and remedies under the Bankruptcy Code, the DIP Loan Documents, the Prepetition Loan Documents, or any other applicable agreement or law, including, without limitation, rights to seek adequate protection and/or additional or different adequate protection, to seek relief from the automatic stay, to seek an injunction, to oppose any request for use of cash

collateral or granting of any interest in the DIP Collateral or the Prepetition Collateral, as applicable, or priority in favor of any other party, to object to any sale of assets, and to object to applications for allowance and/or payment of compensation of professionals or other parties seeking compensation or reimbursement from the Estates.

5.18 Binding Effect.

(a) All of the provisions of this Final Order, the Interim Order and the DIP Loan Documents, the DIP Obligations, all liens, and claims granted hereunder in favor of each of the DIP Secured Parties and the Prepetition Secured Parties, and any and all rights, remedies, privileges, immunities and benefits in favor of the DIP Agent, DIP Lenders, and Prepetition Secured Parties set forth herein, including, without limitation, the parties' acknowledgements, stipulations, and agreements in Section E of this Final Order, subject to Section 5.10 hereof (without each of which the DIP Secured Parties would not have entered into or provided funds under the DIP Loan Documents and the Prepetition Secured Parties would not have consented to the priming of the Prepetition Liens as set forth herein and use of Cash Collateral provided for hereunder) provided or acknowledged in this Final Order and the Interim Order, and any actions taken pursuant thereto, shall be effective and enforceable *nunc pro tunc* to the Petition Date immediately upon entry of this Final Order and not subject to any stay of execution or effectiveness (all of which are hereby waived), notwithstanding Bankruptcy Rules 4001(a)(3), 6004(h), 6006(d), 7062, and 9024, or any other Bankruptcy Rule, or Rule 62(a) of the Federal Rules of Civil Procedure, shall continue in full force and effect, and shall survive entry of any other order or action, including, without limitation, any order which may be entered confirming any chapter 11 plan providing for the refinancing, repayment, or replacement of the DIP Obligations, converting one or more of the Cases to any other chapter under the Bankruptcy Code, dismissing one or more

of the Cases, approving any sale of any or all of the DIP Collateral or the Prepetition Collateral, or vacating, terminating, reconsidering, revoking, or otherwise modifying this Final Order or any provision hereof.

(b) No order dismissing one or more of the Cases under section 1112 or otherwise may impair the DIP Superpriority Claim, the Adequate Protection Superpriority Claim, and the DIP Secured Parties' and the Prepetition Secured Parties' respective liens on and security interests in the DIP Collateral and the Prepetition Collateral, respectively, and all other claims, liens, adequate protections, and other rights granted pursuant to the terms of this Final Order or the Interim Order, which shall continue in full force and effect notwithstanding such dismissal until the DIP Obligations and Prepetition Obligations are indefeasibly paid and satisfied in full. Notwithstanding any such dismissal, this Court shall retain jurisdiction for the purposes of enforcing all such claims, liens, protections, and rights referenced in this paragraph and otherwise in this Final Order.

(c) Except as set forth in this Final Order, in the event this Court modifies, reverses, vacates, or stays any of the provisions of this Final Order or any of the DIP Loan Documents, such modifications, reversals, vacatur, or stays shall not affect the (i) validity, priority, or enforceability of any DIP Obligations incurred prior to the actual receipt of written notice by the DIP Agent or Prepetition Agents, as applicable, of the effective date of such modification, reversal, vacatur, or stay, (ii) validity, priority, or enforceability of the DIP Liens, the DIP Superpriority Claims, the Adequate Protection Liens and the Adequate Protection Superpriority Claims or (iii) rights or priorities of the DIP Agent, DIP Lenders or the Prepetition Secured Parties pursuant to this Final Order with respect to the DIP Collateral or any portion of the DIP Obligations. All such liens, security interests, claims and other benefits shall be governed

in all respects by the original provisions of this Final Order, and the DIP Secured Parties and the Prepetition Secured Parties shall be entitled to all the rights, remedies, privileges and benefits granted hereto, including the liens and priorities granted herein.

(d) This Final Order shall be binding upon the Debtors, the Prepetition Term Loan Obligors, the Prepetition ABL Obligors, all parties in interest in the Cases, and their respective successors and assigns, including, without limitation, (i) any trustee or other fiduciary appointed in the Cases or any subsequently converted bankruptcy case(s) of any Debtor and (ii) any liquidator, receiver, administrator, or similar such person or entity appointed in any jurisdiction or under any applicable law. This Final Order shall also inure to the benefit of the Debtors, DIP Agent, DIP Lenders, Prepetition Secured Parties, and each of their respective successors and assigns.

5.19 Discharge. The DIP Obligations and the obligations of the Debtors with respect to adequate protection hereunder, including granting the Adequate Protection Liens and the Adequate Protection Superpriority Claims, shall not be discharged by the entry of an order confirming any plan of reorganization in any of these Cases, notwithstanding the provisions of section 1141(d) of the Bankruptcy Code, unless such obligations have been indefeasibly paid in full in cash, on or before the effective date of such confirmed plan of reorganization, or each of the DIP Secured Parties or the Prepetition Secured Parties, as applicable, has otherwise agreed in writing.

5.20 No Priming of Prepetition Obligations. Notwithstanding anything to the contrary herein, absent the express written consent of the Prepetition Lenders, no Debtor shall seek authorization from this Court to obtain or incur any Indebtedness or enter into an alternative financing facility from a party other than the DIP Lenders (a "Competing DIP Facility") seeking

to impose liens on any DIP Collateral ranking on a *pari passu* or priming basis with respect to the Prepetition Liens held by the Prepetition Secured Parties; *provided, however*, that nothing herein shall preclude the Debtors from seeking authorization to incur any Indebtedness or enter into any Competing DIP Facility that provides for the payment in full of the DIP Obligations and the Prepetition Obligations at the initial closing of such Competing DIP Facility.

5.21 Section 506(c) Waiver. No costs or expenses of administration which have been or may be incurred in these Cases at any time (including, without limitation, any costs and expenses incurred in connection with the preservation, protection, or enhancement of value by the DIP Agent or the DIP Lenders upon the DIP Collateral, or by the Prepetition Secured Parties upon the Prepetition Collateral, as applicable) shall be charged against the DIP Agent, DIP Lenders, or Prepetition Secured Parties, or any of the DIP Obligations or Prepetition Obligations or the DIP Collateral or the Prepetition Collateral pursuant to sections 105 or 506(c) of the Bankruptcy Code or otherwise without the prior express written consent of the affected DIP Secured Parties and/or affected Prepetition Secured Parties, in their sole discretion, and no such consent shall be implied, directly or indirectly, from any other action, inaction, or acquiescence by any such agents or creditors (including, without limitation, consent to the Carve-Out or the approval of any budget hereunder).

5.22 Section 552(b) Waiver. The Debtors have agreed as a condition to obtaining financing under the DIP Facility and using Cash Collateral as provided in this Final Order that the DIP Secured Parties and the Prepetition Secured Parties are and shall each be entitled to all of the rights and benefits of section 552(b) of the Bankruptcy Code and that the "equities of the case" exception under section 552(b) shall not apply to the DIP Agent, the DIP Lenders, the DIP Obligations, the Prepetition Secured Parties, or the Prepetition Obligations.

5.23 No Marshaling/Application of Proceeds.

(a) Subject to section (b) of this section, in no event shall the DIP Agent, the DIP Lenders, or the Prepetition Secured Parties be subject to the equitable doctrine of "marshaling" or any similar doctrine with respect to the DIP Collateral or the Prepetition Collateral, as applicable, and all proceeds shall be received and applied in accordance with the DIP Loan Documents and the Prepetition Loan Documents (including the Prepetition Intercreditor Agreement), as applicable.

(b) Notwithstanding anything to the contrary in this Final Order, but subject in all respects to the priorities set forth on **Exhibit D** hereto, the DIP Agent, the DIP Lenders and the Prepetition Term Loan Secured Parties shall (acting at all times in accordance with the Prepetition Intercreditor Agreement) first recover from Prepetition Collateral or proceeds of Prepetition Collateral that was subject to valid, perfected, non-avoidable prepetition liens held by such applicable secured party as of the Petition Date prior to recovering from DIP Collateral or proceeds of DIP Collateral that was not subject to a valid, perfected, non-avoidable lien as of the Petition Date.

5.24 Limits on Lender Liability.

(a) Subject to Section 5.10 hereof, in determining to make any loan under the DIP Loan Agreement, authorizing the use of Cash Collateral or in exercising any rights or remedies as and when permitted pursuant to this Final Order or the DIP Loan Documents, the DIP Agent, the DIP Lenders, and the Prepetition Secured Parties shall not be deemed to (i) be in control of the operations of the Debtors or to be acting as a "controlling person," "responsible person," or "owner or operator" with respect to the operation or management of the Debtors, so long as the such party's actions do not constitute, within the meaning of 42 U.S.C. § 9601(20)(F),

actual participation in the management or operational affairs of a facility owned or operated by a Debtor, or otherwise cause liability to arise to the federal or state government or the status of responsible person or managing agent to exist under applicable law (as such terms, or any similar terms, are used in the Internal Revenue Code, WARN Act, the United States Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., as amended, or any similar federal or state statute) or (ii) owe any fiduciary duty to any of the Debtors. Furthermore, nothing in this Final Order shall in any way be construed or interpreted to impose or allow the imposition upon any of the DIP Secured Parties or the Prepetition Secured Parties of any liability for any claims arising from the prepetition or postpetition activities of any of the Debtors and their respective affiliates (as defined in section 101(2) of the Bankruptcy Code).

(b) Nothing in this Final Order or the DIP Loan Documents shall permit the Debtors to violate 28 U.S.C. § 959(b).

(c) As to the United States, its agencies, departments, or agents, nothing in this Final Order or the DIP Loan Documents shall discharge, release or otherwise preclude any valid right of setoff or recoupment that any such entity may have.

5.25 Release. Subject to Section 5.10 of this Final Order, each of the Debtors, their Estates, the Borrowers, the Guarantors, and the Prepetition Obligors, on their own behalf and on behalf of each of their past, present and future predecessors, successors, heirs, subsidiaries, and assigns, hereby forever, unconditionally, permanently, and irrevocably release, discharge, and acquit each of the DIP Secured Parties and the Prepetition Secured Parties and (in such capacity) each of their respective successors, assigns, affiliates, parents, subsidiaries, partners, controlling persons, representatives, agents, attorneys, advisors, financial advisors, consultants, professionals, officers, directors, members, managers, shareholders, and employees, past, present and future, and

their respective heirs, predecessors, successors and assigns (collectively, the "Released Parties") of and from any and all claims, controversies, disputes, liabilities, obligations, demands, damages, expenses (including, without limitation, attorneys' fees), debts, liens, actions, and causes of action of any and every nature whatsoever, whether arising in law or otherwise, and whether known or unknown, matured or contingent, arising under, in connection with, or relating to (i) the DIP Facility or the DIP Loan Documents or (ii) the Prepetition Loan Documents, as applicable, including, without limitation, (a) any so-called "lender liability" or equitable subordination claims or defenses, (b) any and all "claims" (as defined in the Bankruptcy Code) and causes of action arising under the Bankruptcy Code, and (c) any and all offsets, defenses, claims, counterclaims, set off rights, objections, challenges, causes of action, and/or choses in action of any kind or nature whatsoever, whether arising at law or in equity, including any recharacterization, recoupment, subordination, avoidance, or other claim or cause of action arising under or pursuant to section 105 or chapter 5 of the Bankruptcy Code or under any other similar provisions of applicable state, federal, or foreign law, including, without limitation, any right to assert any disgorgement or recovery, in each case, with respect to the extent, amount, validity, enforceability, priority, security, and perfection of any of the DIP Obligations, the DIP Loan Documents, or the DIP Liens, and further waive and release any defense, right of counterclaim, right of setoff, or deduction to the payment of the DIP Obligations that the Debtors now have or may claim to have against the Released Parties, arising under, in connection with, based upon, or related to any and all acts, omissions, conduct undertaken, or events occurring prior to entry of this Final Order.

5.26 Release of Liens.

(a) Subject to Section 5.10 hereof, upon the date that the Prepetition ABL Obligations are paid in full in cash in accordance with the Prepetition ABL Loan Documents

(including Section 1.3 of the Prepetition ABL Credit Agreement) and prior to the release of the Prepetition ABL Liens, Debtors shall execute and deliver to Prepetition ABL Agent and Prepetition ABL Lenders a general release of any and all claims and causes of action that could have been asserted or raised under or in connection with the Prepetition ABL Loan Documents.

(b) From and after the date on which the Prepetition ABL Obligations have been paid in full in cash in accordance with the Prepetition ABL Loan Documents (including Section 1.3 of the Prepetition ABL Credit Agreement) all consent rights under this Final Order of the Prepetition ABL Agent shall be conferred to and vested in the DIP Agent or the Prepetition Term Loan Agent, as applicable. For the avoidance of doubt, nothing in this clause (b) shall affect or otherwise modify the rights of the Prepetition ABL Agent under the Prepetition ABL Credit Agreement, the Prepetition Intercreditor Agreement or applicable law.

5.27 Survival. The provisions of this Final Order, the validity, priority, and enforceability of the DIP Liens, the DIP Superpriority Claims, the Adequate Protection Liens, the Adequate Protection Superpriority Claims, and any actions taken pursuant hereto shall survive, and shall not be modified, impaired or discharged by, entry of any order that may be entered (a) confirming any plan of reorganization in any of these Cases, (b) converting any or all of these Cases to a case under chapter 7 of the Bankruptcy Code, (c) dismissing any or all of these Cases, (d) terminating the joint administration of these Cases or any other act or omission, (e) approving the sale of any DIP Collateral pursuant to section 363(b) of the Bankruptcy Code (except to the extent permitted by the DIP Loan Documents or the Prepetition Intercreditor Agreement), or (f) pursuant to which the Court abstains from hearing any of these Cases. The terms and provisions of this Final Order, including the claims, liens, security interests, and other protections (as applicable) granted to the DIP Agent, the DIP Lenders, and the Prepetition Secured Parties

pursuant to this Final Order, notwithstanding the entry of any such order, shall continue in any of these Cases, following dismissal of any of these Cases or any Successor Cases, and shall maintain their priority as provided by this Final Order until (i) in respect of the DIP Facility, all of the DIP Obligations, pursuant to the DIP Loan Documents and this Final Order, have been indefeasibly paid in full in cash (such payment being without prejudice to any terms of provisions contained in the DIP Facility which survive such discharge by their terms) and all commitments to extend credit under the DIP Facility are terminated, and (ii) in respect of the Prepetition Obligations, all of the adequate protection obligations owed to the Prepetition Secured Parties provided for in this Final Order and under the Prepetition ABL Credit Agreement or the Prepetition Term Loan Agreement have been indefeasibly paid in full in cash.

5.28 Proofs of Claim. None of the Prepetition Secured Parties shall be required to file proofs of claim in any of these Cases or subsequent cases of any of the Debtors under any chapter of the Bankruptcy Code, and the Debtors' Stipulations in this Final Order shall be deemed to constitute a timely filed proof of claim against the applicable Debtor(s). Notwithstanding the foregoing, any Prepetition Agent (on behalf of itself and the Prepetition Lenders) is hereby authorized and entitled, in its discretion, but not required, to file (and amend and/or supplement, as applicable) a master proof of claim for any claims of any of the Prepetition Secured Parties arising from the Prepetition Loan Documents or in respect of the Prepetition Obligations; *provided, however*, that nothing in this Final Order shall waive the right of any Prepetition Lender to file its own proof of claim against any of the Debtors.

5.29 No Third Party Rights. Except as specifically provided for herein, this Final Order does not create any rights for the benefit of any third party, creditor, equity holders, or any direct, indirect, or incidental beneficiary.

5.30 No Avoidance. Subject to Section 5.10 hereof, no obligations incurred or payments or other transfers made by or on behalf of the Debtors on account of the DIP Facility shall be avoidable or recoverable from the DIP Agent or the DIP Lenders under any section of the Bankruptcy Code, or any other federal, state, or other applicable law.

5.31 Reliance on Order. All postpetition advances under the DIP Loan Documents are made in reliance on this Final Order and the Interim Order.

5.32 Payments Free and Clear. Any and all payments or proceeds remitted to the DIP Agent on behalf of the DIP Secured Parties or the Prepetition Agents on behalf of the applicable Prepetition Secured Parties, pursuant to the provisions of this Final Order, the Interim Order, any subsequent order of this Court or the DIP Loan Documents, shall, subject to Section 5.10 hereof, be irrevocable, received free and clear of any claims, charge, assessment, or other liability, whether asserted or assessed by, through or on behalf of the Debtors, and in the case of payments made or proceeds remitted after the delivery of a Trigger Notice, subject to the Carve-Out in all respects (but, with respect to the Prepetition ABL Secured Parties, solely to the extent of the amount of the Carve-Out that can be satisfied with Available Cash Collateral (as defined below) remitted to the Debtors prior to the occurrence of a DIP Termination Event in accordance with Section 3.2(c) of the Interim Order, Section 3.2(c) of this Final Order or with funds in the Carve-Out Reserve).

5.33 Lien, Setoff and Recoupment Rights. Notwithstanding anything to the contrary herein, any liens, set offs, recoupments or security interest existing by and between any Debtor and a third party, including, without limitation, Honda North America, Inc. and/or any of its affiliates or subsidiaries and Westchester Fire Insurance Company, if any, in each case, solely to the extent (a) senior to the Prepetition Liens and (b) provided by applicable law, shall not be

affected, altered, amended, primed, subordinated, waived, deleted and/or changed in any way, and shall remain in full force to the same extent and in the priority in which they existed immediately before the filing of these chapter 11 cases.

5.34 Chubb Reservation of Rights. For the avoidance of doubt and notwithstanding any other provision of this Final Order, (i) to the extent ACE American Insurance Company, Federal Insurance Company, Westchester Fire Insurance Company, and/or any of their affiliates (collectively, and together with each of their successors, "Chubb"), or any entity from which Chubb has or may have a Permitted Lien on property of the Debtors as of the Petition Date, in each case, such Permitted Liens shall be senior to any liens and/or security interests granted or continued pursuant to this Order, (ii) this Order does not grant the Debtors any right to use any property (or the proceeds thereof) held by Chubb as collateral to secure obligations under insurance policies, surety bonds, indemnity agreements and related agreements; (iii) the proceeds of any insurance policy issued by Chubb shall only be considered to be Collateral to the extent such proceeds are payable to the Debtors (as opposed to a third party claimant) pursuant to the terms of any such applicable insurance policy; and (iv) nothing, including the DIP Credit Agreement and/or this Final Order, alters or modifies the terms and conditions of any insurance policies or related agreements issued by Chubb or any surety bonds issued by Chubb and related indemnity agreements.

5.35 Treatment of Proceeds from Sale of Certain Assets. Notwithstanding any other provision in this Final Order, the liens currently held by Ellis County, Texas and Harris County, Texas (collectively, the "Local Texas Tax Authorities") or which shall arise during the course of this case pursuant to applicable non-bankruptcy law, shall neither be primed by nor subordinated to any liens granted or continued pursuant to this Final Order. Furthermore, from

the allocated proceeds of the sale of any of the Debtors' assets located in Ellis County, Texas or Harris County, Texas, the amount of $85,000 (the "Local Texas Tax Authorities Adequate Protection Funds") shall be set aside by the Debtors in a segregated account as adequate protection for the secured claims of the Local Texas Tax Authorities prior to the distribution of any proceeds to any other creditor. The liens of the Local Texas Tax Authorities shall attach to these proceeds to the same extent and with the same priority as the liens they now hold against the property of the Debtors located in the state of Texas. These funds shall be held as adequate protection of the claims of the Local Texas Tax Authorities and shall constitute neither the allowance of the claims of the Local Texas Tax Authorities, nor a cap on the amounts they may be entitled to receive on account of their claims. Furthermore, the claims and liens of the Local Texas Tax Authorities shall remain subject to any objections any party would otherwise be entitled to raise as to the priority, validity or extent of such liens or claims or allocation of value of proceeds to assets located in Texas. The Local Texas Tax Authorities Adequate Protection Funds may be distributed upon agreement between the Local Texas Tax Authorities and the Debtors, or by subsequent order of the Court, duly noticed to the Local Texas Tax Authorities.

5.36 Final Order Controls. In the event of a conflict between the terms and provisions of any of the DIP Loan Documents and this Final Order, and the Interim Order, the terms and provisions of this Final Order shall govern and control.

5.37 Headings. Section headings used herein are for convenience only and are not to affect the construction of or to be taken into consideration in interpreting this Final Order.

5.38 Bankruptcy Rules. The requirements of Bankruptcy Rules 4001, 6003, and 6004, in each case to the extent applicable, are satisfied by the contents of the Motion.

5.39 *Nunc Pro Tunc* Effect of this Final Order. This Final Order shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rules 7052 and shall take effect and be enforceable *nunc pro tunc* to the Petition Date immediately upon execution thereof.

5.40 General Authorization. The Debtors, the DIP Secured Parties, and the Prepetition Secured Parties are authorized to take any and all actions necessary to effectuate the relief granted in this Final Order.

5.41 Retention of Exclusive Jurisdiction. This Court shall retain exclusive jurisdiction and power with respect to all matters arising from or related to the implementation or interpretation of this Final Order, the DIP Loan Agreement, and the other DIP Loan Documents.

Dated: January 7, 2020
Wilmington, Delaware

The Honorable Christopher S. Sontchi
United States Bankruptcy Judge

EXHIBIT A

DIP Loan Agreement

FIRST AMENDMENT TO AMENDED AND RESTATED DEBTOR IN POSSESSION SECURED MULTI-DRAW TERM PROMISSORY NOTE

FIRST AMENDMENT, dated as of January 3, 2020 (this "First Amendment"), to the Amended and Restated Debtor In Possession Secured Multi-Draw Term Promissory Note, dated December 16, 2019 (as amended, restated, supplemented, modified or otherwise changed prior to the date hereof, the "DIP Note"), made by Celadon Group, Inc., a Delaware corporation ("Borrower") in favor of Blue Torch Finance, LLC, as agent (in such capacity, the "Agent") and the lenders from time to time party thereto (the "DIP Lenders").

WHEREAS, the Borrower has requested that the Agent and the DIP Lenders modify certain terms and conditions of the DIP Note, as specifically set forth in this First Amendment; and

WHEREAS, the Agent and the DIP Lenders are willing to consent to such requested modifications on and subject to the terms set forth herein.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the parties hereto hereby agree as follows:

1. Defined Terms. Any capitalized term used herein and not defined shall have the meaning assigned to it in the DIP Note.

2. Amendment to Additional Fee. Section 8(d) of the DIP Note is hereby amended and restated in its entirety to read as follows:

"(d) Reserved."

3. Amendment to Milestones. Section 14(h) of the DIP Note is hereby amended and restated in its entirety to read as follows:

"(h) The Borrower and its Subsidiaries each agree that they shall take all actions necessary to cause each of the following to occur (each a "Milestone" and collectively, the "Milestones"):

(1) no later than December 17, 2019, the Second Interim Order approving this Note shall be entered by the Bankruptcy Court;

(2) no later than 5 days following the Petition Date, the Loan Parties shall file one or more motions seeking entry of orders authorizing and approving bid and sale procedures for all or substantially all of the Loan Parties' assets (the "Sale Motion"), in form and substance reasonably acceptable to the Agent;

(3) no later than January 3, 2020, the Final Order approving this Note shall be entered by the Bankruptcy Court;

(4) no later than January 3, 2020 the Bankruptcy Court shall have entered one or more orders, in form and substance reasonably acceptable to the Agent, granting the relief requested in the Sale Motion (including, if appropriate, approval of stalking horse and related protections);

(5) no later than January 31, 2020 the Bankruptcy Court shall have entered one or more orders, in form and substance reasonably acceptable to the Agent, authorizing and approving the sale of (i) Taylor Express, Inc. and/or all or substantially all of the assets of Taylor Express, Inc. and (ii) the real property of the Loan Parties located at 3400 W. Market Street, York, PA, 9503 E. 33rd Street, Indianapolis, Indiana, 2616 Cedar Creek Road, Ayr, Ontario and 50 Omands Creek Boulevard, Winnipeg, MB, in each case, pursuant to one or a series of related or unrelated sale transactions to the highest and best bidder; and

(6) no later than January 31, 2020 the Bankruptcy Court shall have entered one or more orders, in form and substance reasonably acceptable to the Agent, authorizing (i) the Debtors to retain one or more brokers to sell all remaining real property of the Loan Parties and (ii) the Debtors to retain Ritchie Bros. Auctioneers (America) Inc. (or another liquidator of rolling stock acceptable to the Agent) and establishing procedures for the sale of the Loan Parties' rolling stock."

4. New Definitions. Section 18 of the DIP Note is hereby amended by adding the following definitions, in appropriate alphabetical order:

(a) "'First Amendment' means the First Amendment to Amended and Restated Debtor In Possession Secured Multi-Draw Term Promissory Note, dated as of January 3, 2020, by and among the Borrower, the Agent and the DIP Lenders."

(b) "'First Amendment Effective Date' means the "First Amendment Effective Date" as set forth in the First Amendment."

5. Conditions to Effectiveness. The effectiveness of this First Amendment is subject to the fulfillment, in a manner satisfactory to the Agent and the DIP Lenders, of each of the following conditions precedent (the date such conditions are fulfilled or waived by the Agent and the DIP Lenders is hereinafter referred to as the "First Amendment Effective Date"):

(a) Representations and Warranties. After giving effect to this First Amendment, the representations and warranties contained in this First Amendment and the DIP Note are true and correct in all material respects (except that representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text

thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date).

(b) Execution of Amendment. The Agent and the DIP Lenders shall have executed this First Amendment and shall have received a counterpart to this First Amendment, duly executed by the Borrower.

(c) Execution of Reaffirmation Agreement. The Agent shall have received a fully executed Reaffirmation Agreement, duly executed by the Loan Parties.

6. Representations and Warranties. The Borrower represents and warrants as follows:

(a) The execution, delivery and performance by the Borrower of this First Amendment and the performance by the Borrower of the DIP Note, as amended hereby, have been duly authorized by all necessary action, and the Borrower has all requisite power and authority to execute, deliver and perform this First Amendment and to perform the DIP Note, as amended hereby.

(b) This First Amendment and the DIP Note, as amended hereby, is a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with the terms thereof, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

(c) After giving effect to this First Amendment, the representations and warranties contained in this First Amendment, the DIP Note and in each other DIP Document are true and correct in all material respects (except that representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such date as though made on and as of such date, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date).

7. Release. Each Loan Party hereby acknowledges and agrees that: (i) neither it nor any of its Subsidiaries has any claim or cause of action against the Agent or any DIP Lender (or any of their respective affiliates, officers, directors, employees, attorneys, consultants or agents in their capacities for the Lender) in connection with the DIP Note or the other DIP Documents and (ii) the Agent and the DIP Lenders have heretofore properly performed and satisfied in a timely manner all of its obligations to the Loan Parties and their Subsidiaries under the DIP Note and the other DIP Documents that are required to have been performed on or prior to the date hereof. Notwithstanding the foregoing, the Agent and the DIP Lenders wish (and the Loan Parties agree) to eliminate any possibility that any past conditions, acts, omissions, events

or circumstances would impair or otherwise adversely affect any of the Agent's or any DIP Lender's rights, interests, security and/or remedies under the DIP Note and the other DIP Documents. Accordingly, for and in consideration of the agreements contained in this First Amendment and other good and valuable consideration, each Loan Party (for itself and its Subsidiaries, affiliates and the successors, assigns, heirs and representatives of each of the foregoing) (collectively, the "Releasors") does hereby fully, finally, unconditionally and irrevocably release and forever discharge the Agent and the DIP Lenders and each of their respective affiliates, officers, directors, employees, attorneys, consultants and agents in their capacities for the Agent and the DIP Lenders (collectively, the "Released Parties") from any and all debts, claims, obligations, damages, costs, attorneys' fees, suits, demands, liabilities, actions, proceedings and causes of action, in each case, whether known or unknown, contingent or fixed, direct or indirect, and of whatever nature or description, and whether in law or in equity, under contract, tort, statute or otherwise, which any Releasor has heretofore had or now or hereafter can, shall or may have against any Released Party by reason of any act, omission or thing whatsoever done or omitted to be done on or prior to the First Amendment Effective Date arising out of, connected with or related in any way to this First Amendment, the DIP Note or any other DIP Document, or any act, event or transaction related or attendant thereto, or the agreements of the DIP Lender contained therein, or the possession, use, operation or control of any of the assets of any Loan Party, or the making of any Term Loan or other advances, or the management of such Term Loan or advances or the Collateral prior to the First Amendment Effective Date.

8. Miscellaneous.

(a) Continued Effectiveness of the DIP Note. Except as otherwise expressly provided herein, the DIP Note is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that on and after the First Amendment Effective Date all references in the DIP Note to "hereto", "hereof", "hereunder" or words of like import referring to the DIP Note shall mean the DIP Note as amended by this First Amendment. To the extent that the DIP Note purports to pledge to the Agent, or to grant to the Agent, a security interest or lien, such pledge or grant is hereby ratified and confirmed in all respects. Except as expressly provided herein, the execution, delivery and effectiveness of this First Amendment shall not operate as an amendment of any right, power or remedy of the Agent or any DIP Lender under the DIP Note, nor constitute an amendment of any provision of the DIP Note.

(b) Counterparts. This First Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this First Amendment by telefacsimile or electronic mail shall be equally as effective as delivery of an original executed counterpart of this First Amendment.

(c) Headings. Section headings herein are included for convenience of reference only and shall not constitute a part of this First Amendment for any other purpose.

(d) Costs and Expenses. The Borrower agrees to pay on demand all fees, expenses, and other client charges of the Agent and the DIP Lenders in connection with the preparation, execution and delivery of this First Amendment.

(e) Governing Law. This First Amendment shall be governed by the laws of the State of New York.

(f) Waiver of Jury Trial. THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS FIRST AMENDMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed and delivered by their respective duly authorized officers as of the date first written above.

BORROWER:

CELADON GROUP, INC., as Debtor and Debtor in Possession

By:_____
Name: Chase Welsh
Title: Secretary

Acknowledged and Agreed

BLUE TORCH FINANCE, LLC, as Agent

By: _____
Name: Kevin Genda
Title: Authorized Signer

BTC HOLDING FUND I, LLC, as DIP Lender

By: Blue Torch Credit Opportunities Fund I LP, its sole member

By: Blue Torch Credit Opportunities GP LLC, its general partner

By: _____
Name: Kevin Genda
Title: Authorized Signer

BTC HOLDINGS FUND I-B, LLC, as DIP Lender

By: Blue Torch Credit Opportunities Fund I LP, its sole member

By: Blue Torch Credit Opportunities SC GP LLC, its General Partner

By: _____
Name: Kevin Genda
Title: Authorized Signer

BTC HOLDINGS SC FUND LLC, as DIP Lender

By: Blue Torch Credit Opportunities SC Master Fund LP, its sole member

By: Blue Torch Credit Opportunities SC GP LLC, its General Partner

By: _____
Name: Kevin Genda
Title: Authorized Signer

EXHIBIT B

Guaranty

REAFFIRMATION AGREEMENT

This REAFFIRMATION AGREEMENT, dated as of January 3, 2020 (this "Agreement"), is made by CELADON GROUP, INC., a Delaware corporation (the "Borrower"), certain of its Subsidiaries signatory hereto as Guarantors (together with the Borrower, each an "Existing Loan Party" and, collectively, the "Existing Loan Parties") in favor of Blue Torch Finance, LLC, a Delaware limited liability company, as agent for the DIP Lenders (in such capacity, together with its successors and permitted assigns in such capacity, the "Agent"). Capitalized terms used herein but not specifically defined herein shall have the meanings ascribed to them in the DIP Note referred to below.

WHEREAS, the Borrower, the Agent and the DIP Lenders are parties to the Amended and Restated Debtor In Possession Secured Multi-Draw Term Promissory Note, dated as of December 16, 2019 (as amended, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Existing DIP Note");

WHEREAS, the Borrower, the Agent and the DIP Lenders have agreed to enter into that that certain First Amendment to Amended and Restated Debtor In Possession Secured Multi-Draw Term Promissory Note, dated as of the date hereof (the "Amended DIP Note"), which amends the Existing DIP Note (as amended by the Amended DIP Note, and as further amended, restated, supplemented or otherwise modified from time to time, including any replacement agreement therefor, the "DIP Note"), by and among the Borrower, the Agent and the DIP Lenders;

WHEREAS, the Existing Loan Parties, the Agent and the DIP Lenders desire to amend certain of the DIP Documents on the terms and conditions contained therein and reaffirm their obligations under the DIP Documents; and

WHEREAS, it is a condition precedent to the effectiveness of the DIP Note that each Existing Loan Party shall have executed and delivered to the Agent this Agreement.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereto hereby agree as follows:

1. Reaffirmation and Confirmation. The Existing Loan Parties hereby (i) acknowledge and reaffirm their respective obligations as set forth in each DIP Document (as amended hereby or in connection herewith), including, without limitation, their obligations with respect to the Term Loans, (ii) agree to continue to comply with, and be subject to, all of the terms, provisions, conditions, covenants, agreements and obligations applicable to them set forth in each DIP Document (as amended hereby or in connection herewith), which remain in full force and effect, and (iii) confirm, ratify and reaffirm that the security interest granted to the Agent pursuant to the DIP Documents (as amended hereby or in connection herewith) in all of their right, title, and interest in all then existing and thereafter acquired or arising Collateral in order to secure prompt payment and performance of the Obligations, is continuing and is and shall remain unimpaired and continue to constitute a first priority security interest (subject to the Financing Orders) in favor of the Agent, with the same force, effect and priority in effect both immediately prior to and after entering into this Agreement and the other DIP Documents

entered into on or as of the date hereof. The Agent's security interest in the Collateral of the Existing Loan Parties has attached and continues to attach to all such Collateral and no further act on the part of the Existing Loan Parties or Agent or any DIP Lender is necessary to continue such security interest on and as of the date hereof. This Agreement does not and shall not affect any of the Obligations of the Borrower under or arising from the DIP Note or any other DIP Document, or the Obligations of any other Existing Loan Party under or arising from any DIP Document to which it is a party, all of which obligations shall remain in full force and effect. The execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of the Agent and the Lenders under the DIP Note or any other DIP Document, nor constitute a waiver of any provision of the DIP Note or any other DIP Document.

2. Agreement as a DIP Document. The parties acknowledge and agree that this Agreement shall constitute a "DIP Document" under the DIP Note and the other DIP Documents.

3. General Provisions. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. This Agreement shall be subject to the provisions regarding choice of law and venue, jury trial waiver and judicial reference set forth in Section 20 of the DIP Note, and such provisions are incorporated herein by reference, *mutatis mutandis*.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed by an officer thereunto duly authorized, as of the date first above written.

EXISTING LOAN PARTIES:

CELADON GROUP, INC.

By:_____
Name: Chase Welsh
Title: Secretary

CELADON E-COMMERCE, INC.

By:_____
Name: Chase Welsh
Title: Secretary

CELADON TRUCKING SERVICES, INC.

By:_____
Name: Chase Welsh
Title: Secretary

CELADON REALTY, LLC

By:_____
Name: Chase Welsh
Title: Secretary

TAYLOR EXPRESS, INC.

By:_____
Name: Chase Welsh
Title: Secretary

OSBORN TRANSPORTATION, INC.

By:_____
Name: Chase Welsh
Title: Secretary

CELADON LOGISTICS SERVICES, INC.

By:_____
Name: Chase Welsh
Title: Secretary

EAGLE LOGISTICS SERVICES INC.

By:_____
Name: Chase Welsh
Title: Secretary

BEE LINE, INC.

By:_____
Name: Chase Welsh
Title: Secretary

VORBAS, LLC

By:_____
Name: Chase Welsh
Title: Secretary

DISTRIBUTION, INC.

By:_____
Name: Chase Welsh
Title: Secretary

QUALITY COMPANIES LLC

By:_____
Name: Chase Welsh
Title: Secretary

QUALITY EQUIPMENT LEASING, LLC

By:_____
Name: Chase Welsh
Title: Secretary

QUALITY INSURANCE LLC

By:_____
Name: Chase Welsh
Title: Secretary

SERVICIOS DE TRANSPORTACIÓN JAGUAR, S.A. DE C.V.

By:_____
Name: Chase Welsh
Title: Secretary

CELADON MEXICANA, S.A. DE C.V.

By:_____
Name: Chase Welsh
Title: Secretary

SERVICIOS CORPORATIVOS JAGUAR, S.C.

By:_____
Name: Chase Welsh
Title: Secretary

JAGUAR LOGISTICS S.A. DE C.V.

By:_____
Name: Chase Welsh
Title: Secretary

LEASING SERVICIOS, S.A. DE C.V.

By:_____
Name: Chase Welsh
Title: Secretary

CELADON MEXICANA, S.A. DE C.V.

By:_____
Name: Chase Welsh
Title: Secretary

CELADON CANADIAN HOLDINGS, LIMITED

By:_____
Name: Chase Welsh
Title: Secretary

HYNDMAN TRANSPORT LIMITED

By:_____
Name: Chase Welsh
Title: Secretary

CELADON INTERNATIONAL CORPORATION

By:_____
Name: Chase Welsh
Title: Secretary

STINGER LOGISTICS, INC.

By:_____
Name: Chase Welsh
Title: Secretary

A R MANAGEMENT SERVICES, INC.

By:_____
Name: Chase Welsh
Title: Secretary

STRATEGIC LEASING, INC.

By:_____
Name: Chase Welsh
Title: Secretary

TRANSPORTATION SERVICES RISK RETENTION GROUP, INC.

By:_____
Name: Chase Welsh
Title: Secretary

EXHIBIT C

Approved Budget

Celadon
DIP Budget

	Actual	Actual																
Week	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Week Beginning	12/8/19	12/15/19	12/22/19	12/29/19	1/5/20	1/12/20	1/19/20	1/26/20	2/2/20	2/9/20	2/16/20	2/23/20	3/1/20	3/8/20	3/15/20	3/22/20	3/29/20	Weeks
Week Ending	12/14/19	12/21/19	12/28/19	1/4/20	1/11/20	1/18/20	1/25/20	2/1/20	2/8/20	2/15/20	2/22/20	2/29/20	3/7/20	3/14/20	3/21/20	3/28/20	4/4/20	1-17
Receipts																		
Initial Cash Collateral Contribution from Mid-Cap	$ 400	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 400
5% of Weekly A/R Collections to Fund Estate	-	396	263	210	210	210	210	210	88	88	88	88	88	88	-	-	-	2,239
50% Collection of Ineligibles	-	232	-	-	-	-	154	154	154	154	-	-	-	-	-	-	-	847
Accounts Receivable Employees (1)	-	50	50	50	50	50	-	-	-	-	-	-	-	-	-	-	-	250
Additional Use of Cash Collateral After Mid-Cap Payoff	-	-	-	-	-	-	-	-	2,000	-	2,000	-	2,200	-	-	-	-	6,200
Total Receipts	400	678	313	260	260	260	364	364	2,242	242	2,088	88	2,288	88	-	-	-	9,936
Operating Disbursements																		
Driver Payroll	1,306	78	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,384
OO/Agency Payroll	373	53	-	320	-	-	-	-	-	-	-	-	-	-	-	-	-	746
G&A Payroll	1,171	-	632	66	146	17	125	15	125	15	125	15	125	15	72	15	54	2,733
Accounts Receivable Employees Payroll	-	-	50	50	50	50	-	-	-	-	-	-	-	-	-	-	-	200
Mid-Cap KERP	-	-	-	-	-	-	94	-	-	-	-	-	-	-	-	-	-	94
KERP (2)	-	-	-	-	-	-	-	-	-	-	-	228	94	-	-	-	321	642
KEIP (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	900	900
Fuel	311	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	311
Intercompany	258	189	30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	477
Funding to Taylor	233	75	142	750	-	1,150	-	-	-	-	-	-	-	-	-	-	-	2,350
Liability Insurance & Claims	-	-	-	-	257	150	-	-	150	-	-	-	150	-	-	150	-	857
Information Technology	-	-	25	185	25	25	25	25	25	25	25	25	13	13	13	13	13	473
Medical (4)	-	1	3	4	120	56	7	58	9	11	12	63	14	14	14	64	14	462
Other Operating	20	103	78	78	78	96	53	53	53	53	53	53	25	25	25	25	25	896
Total Operating Disbursements	3,672	499	960	1,452	676	1,544	304	151	362	104	215	383	420	66	123	266	1,326	12,525
Operating Cash Flow	(3,272)	179	(647)	(1,192)	(416)	(1,284)	60	213	1,879	138	1,874	(295)	1,868	22	(123)	(266)	(1,326)	(2,589)
Other Receipts																		
Asset Sale	-	-	-	-	-	-	-	-	33,960	6,250	-	3,125	-	-	-	-	-	43,335
Fees On Sale of Assets	-	-	-	-	-	-	-	-	-	(781)	-	(391)	-	-	-	-	-	(1,172)
Other	-	330	-	100	-	-	-	200	-	-	-	-	-	-	-	-	-	630
Total Other Receipts	-	330	-	100	-	-	-	200	33,960	5,469	-	2,734	-	-	-	-	-	42,793
Other Disbursements																		
Interest and Fees on DIP Loan / Use of Cash Collateral After DIP Payoff	322	-	-	86	-	-	-	135	-	-	-	-	133	-	-	-	420	1,095
Restructuring Professional Fees	431	150	-	-	-	-	650	-	-	3,205	-	-	1,035	-	-	-	1,035	6,506
Ordinary Course Professional Fees	-	-	-	-	-	-	-	-	-	60	-	-	20	-	-	-	20	100
U.S. Trustee Fees	-	-	-	-	-	-	275	-	-	-	-	-	-	-	-	-	275	550
Total Other Disbursements	753	150	-	86	-	-	925	135	-	3,265	-	-	1,188	-	-	-	1,750	8,252
Net Cash Flow	$ (4,025)	$ 359	$ (647)	$ (1,178)	$ (416)	$ (1,284)	$ (865)	$ 278	$ 35,839	$ 2,342	$ 1,874	$ 2,439	$ 680	$ 22	$ (123)	$ (266)	$ (3,076)	$ 31,953
DIP Financing																		
Beginning Balance (5)	$ 1,050	$ 8,650	$ 8,650	$ 8,650	$ 9,400	$ 9,400	$ 10,550	$ 11,250	$ 11,250	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,050
+ Borrowings	7,600	-	-	750	-	1,150	700	-	-	-	-	-	-	-	-	-	-	10,200
- A/R Collections After Mid-Cap Payoff, Net of Debtor Borrowings	-	-	-	-	-	-	-	-	(2,009)	-	-	-	-	-	-	-	-	(2,009)
- DIP Paydown Using Asset Sale Proceeds	-	-	-	-	-	-	-	-	(9,241)	-	-	-	-	-	-	-	-	(9,241)
Ending DIP Balance	8,650	8,650	8,650	9,400	9,400	10,550	11,250	11,250	-	-	-	-	-	-	-	-	-	-
Cash																		
Beginning Balance	109	4,009	4,431	3,712	3,419	3,004	2,870	2,422	2,701	4,580	1,247	3,120	2,825	3,505	3,527	3,404	3,138	109
+ DIP Borrowings	7,600	-	-	750	-	1,150	700	-	-	-	-	-	-	-	-	-	-	10,200
+/- Net Cash Flow	(4,025)	359	(647)	(1,178)	(416)	(1,284)	(865)	278	35,839	2,342	1,874	2,439	680	22	(123)	(266)	(3,076)	31,953
- Asset Sale Proceeds Net of Related Fes	-	-	-	-	-	-	-	-	(33,960)	(5,469)	-	(2,734)	-	-	-	-	-	(42,163)
- Prior Week Hyndman Collections Netted Against Cash Coll. Advance	-	(362)	(425)	(353)	(489)	(489)	(489)	(206)	(206)	(206)	-	-	-	-	-	-	-	(3,225)
+ Unswept Hyndman Collections (Paid to Mid-Cap Next Week)	325	425	353	489	489	489	206	206	206	-	-	-	-	-	-	-	-	3,188
Ending Cash	$ 4,009	$ 4,431	$ 3,712	$ 3,419	$ 3,004	$ 2,870	$ 2,422	$ 2,701	$ 4,580	$ 1,247	$ 3,120	$ 2,825	$ 3,505	$ 3,527	$ 3,404	$ 3,138	$ 62	$ 62

(1) Amounts will be funded by the Prepetition ABL Agent.
(2) KERP payments remain subject to ongoing timing and milestone discussions with the DIP Agent and approval of the Bankruptcy Court.
(3) KEIP payments remain subject to ongoing timing and milestone discussions with the DIP Agent and approval of the Bankruptcy Court.
(4) TPAs have requested payment of prepetition amounts due. Discussions with these parties remains ongoing.
(5) Amounts advanced to Comdata prior to entry of interim DIP order.

Taylor
DIP Budget

	Actual	Actual							
Week	1	2	3	4	5	6	7	8	
Week Beginning	12/8/19	12/15/19	12/22/19	12/29/19	1/5/20	1/12/20	1/19/20	1/26/20	Weeks
Week Ending	12/14/19	12/21/19	12/28/19	1/4/20	1/11/20	1/18/20	1/25/20	2/1/20	1-8
Receipts									
Funding From Initial DIP Budget for Taylor	$ 233	$ 75	$ 142	$ -	$ -	$ -	$ -	$ -	$ 450
Additional Use of Cash Collateral After Mid-Cap Payoff	-	-	-	-	-	-	255	286	541
Total Receipts	233	75	142	-	-	-	255	286	991
Operating Disbursements									
Driver Payroll	142	7	159	-	160	-	160	-	628
OO/Agency Payroll	42	2	52	-	70	-	70	-	236
G&A Payroll	49	2	55	-	60	-	60	-	226
Equipment Leases	-	-	-	-	-	-	131	131	262
Fuel	-	-	1	118	118	118	118	118	589
Maintenance	-	17	7	35	35	35	35	35	199
Licenses & Permits	-	1	1	100	-	-	-	-	102
Insurance & Claims	-	-	-	115	-	-	-	115	230
Information Technology	-	9	1	13	-	-	-	-	23
Medical	-	32	-	15	15	15	15	15	107
Other Operating	-	5	4	55	20	20	20	55	179
Total Operating Disbursements	233	75	280	451	478	188	609	469	2,781
Operating Cash Flow	-	-	(138)	(451)	(478)	(188)	(354)	(183)	(1,790)
Interest and Fees	-	-	66	7	7	7	7	7	102
Net Cash Flow	-	-	(204)	(458)	(485)	(195)	(361)	(190)	(1,892)
Cumulative Cash Need	$ -	$ -	$ (204)	$ (662)	$ (1,147)	$ (1,342)	$ (1,703)	$ (1,892)	$ (1,892)

EXHIBIT D

Lien and Claim Priority

Order of Priority	ABL Priority Collateral (whether in existence on the Petition Date or thereafter arising)	Term Loan Priority Collateral (whether in existence on the Petition Date or thereafter arising)	Unencumbered Assets
1st	Carve-Out Reserve and Permitted Liens	Carve-Out and Permitted Liens	Carve-Out and Permitted Liens
2nd	Prepetition ABL Facility (and adequate protection with respect thereto)	DIP Term Loan Facility	DIP Term Loan Facility
3rd	Carve-Out	Prepetition Term Loan Facility (and adequate protection with respect thereto)	Adequate protection lien for Prepetition Term Loan Facility and the Prepetition ABL Facility
4th	DIP Term Loan Facility	Prepetition ABL Facility (and adequate protection with respect thereto)	
5th	Prepetition Term Loan Facility (and adequate protection with respect thereto)		

Order of Priority	Superpriority Claims
1st	Carve-Out
2nd	DIP Superpriority Claim
3rd	Adequate Priority Superpriority Claims (*pari passu* with each other)

EXHIBIT "D"

This is Exhibit "D"

referred to in the Affidavit of Kathryn Wouters
sworn before me this 22nd day of January, 2020

SONIA CASADO CRUZ
Notary Public – State of New York
NO. 01CA6353320
Qualified in Bronx County
My Commission Expires Jan 17, 2021

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
	:	Case No. 19-12606 (KBO)
CELADON GROUP, INC., *et al.*,[1]	:	(Jointly Administered)
Debtors.	:	**Re D.I.: 9**

INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO PAY CERTAIN PREPETITION WAGES AND COMPENSATION AND MAINTAIN AND CONTINUE EMPLOYEE BENEFIT PROGRAMS FOR THE CONTINUING EMPLOYEES AND (II) AUTHORIZING AND DIRECTING BANKS AND COMDATA TO HONOR AND PROCESS CHECKS AND TRANSFERS RELATED TO SUCH EMPLOYEE OBLIGATIONS

This matter coming before the court upon the *Motion of the Debtors for the Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Wages and Compensation and Maintain and Continue Employee Benefit Programs for the Continuing Employees and (II) Authorizing Banks to Honor and Process Checks and Transfers Related to Such Employee Obligations* (the "Motion")[2] filed by the above-captioned debtors (collectively, the "Debtors") for entry an interim order (this "Interim Order"), (i) authorizing the Debtors to: (a) pay prepetition wages and other compensation, taxes and withholdings and (b) maintain and continue Employee

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celadon Group, Inc. (1050); A R Management Services, Inc. (3604); Bee Line, Inc. (5403); Celadon Canadian Holdings, Limited (2539); Celadon E-Commerce, Inc. (2711); Celadon International Corporation (5246); Celadon Logistics Services, Inc. (0834); Celadon Mexicana, S.A. de C.V. (6NL7); Celadon Realty, LLC (2559); Celadon Trucking Services, Inc. (6138); Distribution, Inc. (0488); Eagle Logistics Services Inc. (7667); Hyndman Transport Limited (3249); Jaguar Logistics, S.A. de C.V. (66D1); Leasing Servicios, S.A. de C.V. (9MUA); Osborn Transportation, Inc. (7467); Quality Companies LLC (4073); Quality Equipment Leasing, LLC (2403); Quality Insurance LLC (7248); Servicios Corporativos Jaguar, S.C. (78CA); Servicios de Transportación Jaguar, S.A. de C.V. (5R68); Stinger Logistics, Inc. (3860); Strategic Leasing, Inc. (7534); Taylor Express, Inc. (9779); Transportation Insurance Services Risk Retention Group, Inc. (7197); Vorbas, LLC (8936). The corporate headquarters and the mailing address for the Debtors listed above is 9503 East 33rd Street, One Celadon Drive, Indianapolis, IN 46235..

[2] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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Benefit Programs, solely for the Continuing Employees, and (ii) authorizing and directing the Banks and Comdata to honor and process checks and transfers related to such employee obligations; all as further described in the Motion; and upon consideration of the First Day Declaration and the record of these chapter 11 cases; and this Court having found that (i) this Court has jurisdiction over the Debtors, their estates, property of their estates and to consider the Motion and the relief requested therein under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012, (ii) this Court may enter a final order consistent with Article III of the United States Constitution, (iii) this is a core proceeding under 28 U.S.C § 157(b)(2)(A), (iv) venue of this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409, and (v) no further or other notice of the Motion is required under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested in the Motion at a hearing before this Court (the "Hearing"); and having determined that the legal and factual bases set forth in the Motion and the First Day Declaration establish just cause for the relief granted in this Interim Order; and this Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED, on an interim basis, as set forth in this Interim Order.

2. The Debtors are authorized, but not directed, to pay and/or honor (including to any third parties that provide or aid in the monitoring, processing or administration of the Prepetition Workforce Obligations, including ADP and Comdata), in their sole discretion, the Prepetition Workforce Obligations, subject to an aggregate maximum during the interim period of

$5,443,000.00 as reflected below, including any processing costs related to the foregoing that have accrued and remain unpaid (including those amounts that remain unpaid as a result of dishonoring of checks due to the filing of these chapter 11 cases) as of the Petition Date to or for the benefit of their Employees, subject to the limitations set forth in sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code and entry of a final order.

Prepetition Workforce Obligations	**Amount**
Unpaid Compensation (including Withholding Taxes and Obligations)	$3,900,000
Independent Contractors	$528,000
Termination Bonus Program	$1,015,000
Employee Benefit Programs[3]	$0
Total	**$5,443,000.00**

3. The Debtors are authorized, but not directed, in their sole discretion, to honor and continue the Employee Benefit Programs, solely with respect to the Continuing Employees, *provided*, *however*, that such relief shall not constitute or be deemed an assumption or an authorization to assume any of such Employee Benefit Programs under section 365(a) of the Bankruptcy Code.

4. The Debtors' Banks and Comdata are hereby authorized, when requested by the Debtors, to receive, process, honor, and pay any and all checks and transfer requests evidencing amounts paid by the Debtors pursuant to this Interim Order, whether presented prior to or after the Petition Date, provided that sufficient funds are available in the applicable amounts to make such payments.

[3] Effective as of the Petition Date, the Debtors have terminated the Employee Benefit Programs for all Employees except the Continuing Employees.

5. All Withholding Taxes and Obligations are hereby authorized to be paid by the Debtors, through ADP where necessary, in the ordinary course of the Debtors' business.

6. For the avoidance of doubt, the Debtors are authorized to pay compensation owed to Independent Contractors.

7. Nothing in the Motion or this Interim Order, nor the Debtors' payment of claims pursuant to this Interim Order, shall be deemed or construed as: (a) an admission as to the validity, priority or amount of any claim against the Debtors or their estates; (b) a limitation on any claim; (c) a waiver of the rights of the Debtors and their estates to dispute any claim on any grounds; (d) a promise to pay any claim; (e) an implication or admission that any particular claim is a claim for any Prepetition Workforce Obligations, or processing costs related to the foregoing; (f) an approval or assumption of any contract or agreement pursuant to section 365 of the Bankruptcy Code; (g) the waiver of any cause of action of the Debtors and their estates; or (h) impairing, prejudicing, waiving or otherwise affecting any rights of the Debtors and their estates on account of any amounts owed or paid on account of Prepetition Workforce Obligations, or processing costs related to the foregoing.

8. Payments made pursuant to this Interim Order are not intended and should not be construed as an admission as to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently. The Debtors retain the sole discretion whether to pay any claim that the Court authorizes under this Interim Order.

9. No payments requiring approval under section 503(c) of the Bankruptcy Code shall be made absent further motions practice and approval by the Court.

10. Notwithstanding any other provision of this Interim Order, no payments to any individual Employee shall exceed the amounts set forth in 11 U.S.C. §§ 507(a)(4) and 507(a)(5).

11. The final hearing (the "Final Hearing") on the Motion shall be held on January 3, 2020 at 10:00 a.m. (Eastern Standard Time). Any objections or responses to entry of a final order on the Motion (each, an "Objection") shall be filed on or before 4:00 p.m. (Eastern Standard Time) on December 27, 2019, and served on the following parties: (i) proposed counsel for the Debtors, DLA Piper LLP (US), 1201 N. Market Street, Suite 2100, Wilmington, Delaware 19801 (Attn: Stuart M. Brown, Esq. and Matthew S. Sarna, Esq.) and 1251 Avenue of the Americas, New York, New York 10020 (Attn: Richard A. Chesley, Esq. and Jamila Justine Willis, Esq.); (ii) the Office of the United States Trustee, J. Caleb Boggs Federal Building, 844 King St., Lockbox 35, Wilmington, Delaware 19801 (Attn: Timothy J. Fox); (iii) counsel to Blue Torch Finance, LLC, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022 (Attn: Adam Harris) and Landis Rath & Cobb LLP, 919 N. Market Street, Suite 1800, Wilmington, Delaware 19801 (Attn: Adam Landis); (iv) counsel to Luminus Energy Partners Master Fund, Ltd., King & Spalding LLP, 1180 Peachtree Street, NE, Suite 1600, Atlanta, GA 30309 (Attn: W. Austin Jowers); (v) counsel to MidCap Funding IV Trust and MidCap Financial Services, LLC, Goldberg Kohn Ltd., 55 East Monroe Street, Suite 3300, Chicago, IL 60603 (Attn: Danielle Juhle); and (vi) counsel to any official committee of unsecured creditors appointed in these chapter 11 cases. In the event no Objections to entry of a final order on the Motion are timely received, this Court may enter such final order without need for the Final Hearing.

12. The requirements of Bankruptcy Rule 6003(b) are satisfied.

13. The requirements of Bankruptcy Rule 6004(a) are waived.

14. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and provisions of this Interim Order shall be immediately effective and enforceable upon its entry.

15. The Debtors are hereby authorized to take all actions necessary to effectuate the relief granted in this Interim Order.

16. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation or interpretation of this Interim Order.

Dated: December 10th, 2019
Wilmington, Delaware

Ka B. Ow.

KAREN B. OWENS
UNITED STATES BANKRUPTCY JUDGE

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
	:	Case No. 19-12606 (KBO)
CELADON GROUP, INC., *et al.*,[1]	:	(Jointly Administered)
Debtors.	:	**Related D.I.: 9, 62**

FINAL ORDER (I) AUTHORIZING THE DEBTORS TO PAY CERTAIN PREPETITION WAGES AND COMPENSATION AND MAINTAIN AND CONTINUE EMPLOYEE BENEFIT PROGRAMS FOR THE CONTINUING EMPLOYEES AND (II) AUTHORIZING AND DIRECTING BANKS AND COMDATA TO HONOR AND PROCESS CHECKS AND TRANSFERS RELATED TO SUCH EMPLOYEE OBLIGATIONS

This matter coming before the court upon the *Motion of the Debtors for the Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Wages and Compensation and Maintain and Continue Employee Benefit Programs for the Continuing Employees and (II) Authorizing Banks to Honor and Process Checks and Transfers Related to Such Employee Obligations* (the "Motion")[2] filed by the above-captioned debtors (collectively, the "Debtors") for entry of a final order (this "Final Order"), (i) authorizing the Debtors to: (a) pay prepetition wages and other compensation, taxes and withholdings and (b) maintain and continue Employee Benefit

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celadon Group, Inc. (1050); A R Management Services, Inc. (3604); Bee Line, Inc. (5403); Celadon Canadian Holdings, Limited (2539); Celadon E-Commerce, Inc. (2711); Celadon International Corporation (5246); Celadon Logistics Services, Inc. (0834); Celadon Mexicana, S.A. de C.V. (6NL7); Celadon Realty, LLC (2559); Celadon Trucking Services, Inc. (6138); Distribution, Inc. (0488); Eagle Logistics Services Inc. (7667); Hyndman Transport Limited (3249); Jaguar Logistics, S.A. de C.V. (66D1); Leasing Servicios, S.A. de C.V. (9MUA); Osborn Transportation, Inc. (7467); Quality Companies LLC (4073); Quality Equipment Leasing, LLC (2403); Quality Insurance LLC (7248); Servicios Corporativos Jaguar, S.C. (78CA); Servicios de Transportación Jaguar, S.A. de C.V. (5R68); Stinger Logistics, Inc. (3860); Strategic Leasing, Inc. (7534); Taylor Express, Inc. (9779); Transportation Insurance Services Risk Retention Group, Inc. (7197); Vorbas, LLC (8936). The corporate headquarters and the mailing address for the Debtors listed above is 9503 East 33rd Street, One Celadon Drive, Indianapolis, IN 46235.

[2] Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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Programs, solely for the Continuing Employees, and (ii) authorizing and directing the Banks and Comdata to honor and process checks and transfers related to such employee obligations; all as further described in the Motion; and upon consideration of the First Day Declaration and the record of these chapter 11 cases; and this Court having found that (i) this Court has jurisdiction over the Debtors, their estates, property of their estates and to consider the Motion and the relief requested therein under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012, (ii) this Court may enter a final order consistent with Article III of the United States Constitution, (iii) this is a core proceeding under 28 U.S.C. § 157(b)(2)(A), (iv) venue of this Motion in this district is proper under 28 U.S.C. §§1408 and 1409, and (v) no further or other notice of the Motion is required under the circumstances; and this Court having reviewed the Motion and having heard the statements in support of the relief requested in the Motion at a hearing before this Court (the "Hearing"); and the Court having entered the relief requested in the Motion on an interim basis [D.I 62]; and having determined that the legal and factual bases set forth in the Motion and the First Day Declaration establish just cause for the relief granted in this Final Order; and this Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors' estates, their creditors and other parties in interest; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED, on a final basis, as set forth in this Final Order.

2. The Debtors are authorized, but not directed, to pay and/or honor (including to any third parties that provide or aid in the monitoring, processing or administration of the Prepetition Workforce Obligations, including ADP and Comdata), in their sole discretion, the Prepetition

Workforce Obligations, subject to an aggregate maximum during the final period of $4,600,000.00, as reflected below, including any processing costs related to the foregoing that have accrued and remain unpaid (including those amounts that remain unpaid as a result of dishonoring of checks due to the filing of these chapter 11 cases) as of the Petition Date to or for the benefit of their Employees, subject to the limitations set forth in sections 507(a)(4) and 507(a)(5) of the Bankruptcy Code.

Prepetition Workforce Obligations	Amount
Unpaid Compensation and Termination Benefits	$3,400,000
Independent Contractors	$900,000
Employee Benefit Programs	$300,000
Total	**$4,600,000.00**

3. The Debtors are authorized, but not directed, in their sole discretion, to honor and continue the Employee Benefit Programs, solely with respect to the Continuing Employees, *provided, however*, that such relief shall not constitute or be deemed an assumption or an authorization to assume any of such Employee Benefit Programs under section 365(a) of the Bankruptcy Code.

4. The Debtors' Banks and Comdata are hereby authorized, when requested by the Debtors, to receive, process, honor, and pay any and all checks and transfer requests evidencing amounts paid by the Debtors pursuant to this Interim Order, whether presented prior to or after the Petition Date, provided that sufficient funds are available in the applicable amounts to make such payments.

5. All Withholding Taxes and Obligations are hereby authorized to be paid by the Debtors, through ADP where necessary, in the ordinary course of the Debtors' business.

6. For the avoidance of doubt, the Debtors are authorized to pay compensation owed to Independent Contractors.

7. Nothing in the Motion, the Interim Order, or this Final Order, nor the Debtors' payment of claims pursuant to this Interim Order, shall be deemed or construed as: (a) an admission as to the validity, priority or amount of any claim against the Debtors or their estates; (b) a limitation on any claim; (c) a waiver of the rights of the Debtors and their estates to dispute any claim on any grounds; (d) a promise to pay any claim; (e) an implication or admission that any particular claim is a claim for any Prepetition Workforce Obligations, or processing costs related to the foregoing; (f) an approval or assumption of any contract or agreement pursuant to section 365 of the Bankruptcy Code; (g) the waiver of any cause of action of the Debtors and their estates; or (h) impairing, prejudicing, waiving or otherwise affecting any rights of the Debtors and their estates on account of any amounts owed or paid on account of Prepetition Workforce Obligations, or processing costs related to the foregoing.

8. Payments made pursuant to this Final Order are not intended and should not be construed as an admission as to the validity of any claim or a waiver of the Debtors' rights to dispute such claim subsequently. The Debtors shall retain the sole discretion whether to pay any claim that the Court authorizes under this Final Order.

9. No payments requiring approval under section 503(c) of the Bankruptcy Code shall be made absent further motions practice and approval by the Court.

10. Notwithstanding any other provision of this Final Order, no payments to any individual Employee shall exceed the amounts set forth in 11 U.S.C. §§ 507(a)(4) and 507(a)(5).

11. Notwithstanding anything to the contrary herein, nothing in this Final Order shall be construed to alter, amend, or otherwise impair the rights or obligations existing under any contracts between the Debtors and Anthem Insurance Companies, Inc. and its affiliates.

12. The requirements of Bankruptcy Rule 6003(b) are satisfied.

13. The requirements of Bankruptcy Rule 6004(a) are waived.

14. Notwithstanding the possible applicability of Bankruptcy Rule 6004(h), the terms and provisions of this Final Order shall be immediately effective and enforceable upon its entry.

15. The Debtors are hereby authorized to take all actions necessary to effectuate the relief granted in this Final Order.

16. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation or interpretation of this Final Order.

January 3, 2020

Court File No. CV-20-00634911-00CL

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE WITH RESPECT TO CELADON GROUP, INC. AND THE AFFILIATED ENTITIES LISTED IN FOOTNOTE "1" HERETO

APPLICATION OF CELADON GROUP, INC. PURSUANT TO PART XIII OF THE *BANKRUPTCY AND INSOLVENCY ACT* AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.-43, AS AMENDED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto, Ontario

AFFIDAVIT OF KATHRYN WOUTERS
(sworn January 22, 2020)

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