

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

AND IN THE MATTER OF JACK COOPER VENTURES, INC., JACK COOPER DIVERSIFIED, LLC, JACK COOPER ENTERPRISES, INC., JACK COOPER HOLDINGS CORP., JACK COOPER TRANSPORT COMPANY, INC., AUTO HANDLING CORPORATION, CTEMS, LLC, JACK COOPER LOGISTICS, LLC, AUTO & BOAT RELOCATION SERVICES, LLC, AXIS LOGISTIC SERVICES, INC., JACK COOPER CT SERVICES, INC., JACK COOPER RAIL AND SHUTTLE, INC., JACK COOPER INVESTMENTS, INC., NORTH AMERICAN AUTO TRANSPORTATION CORP., JACK COOPER TRANSPORT CANADA INC., JACK COOPER CANADA GP 1 INC., JACK COOPER CANADA GP 2 INC., JACK COOPER CANADA 1 LIMITED PARTNERSHIP, JACK COOPER CANADA 2 LIMITED PARTNERSHIP

APPLICATION OF JACK COOPER VENTURES, INC. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

APPLICANT

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**MOTION RECORD**

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August 20, 2019

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APPLICANT

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# **TAB 1**

**ONTARIO  
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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

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APPLICATION OF JACK COOPER VENTURES, INC. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

APPLICANT

**NOTICE OF MOTION  
(Recognition of Equity Transfer Order, Prime Clerk Order and Interim Utilities Order)  
(Returnable August 22, 2019)**

Jack Cooper Ventures, Inc. (the “**Foreign Representative**”), in its capacity as foreign representative of itself as well as Jack Cooper Diversified, LLC, Jack Cooper Enterprises, Inc., Jack Cooper Holdings Corp., Jack Cooper Transport Company, Inc., Auto Handling Corporation, CTEMS, LLC, Jack Cooper Logistics, LLC, Auto & Boat Relocation Services, LLC, Axis Logistic Services, Inc., Jack Cooper CT Services, Inc., Jack Cooper Rail And Shuttle, Inc., Jack Cooper Investments, Inc., North American Auto Transportation Corp., Jack Cooper Transport Canada Inc.

(“**JC Canada**”), Jack Cooper Canada GP 1 Inc. (“**GP1**”), Jack Cooper Canada GP 2 Inc. (“**GP2**”), Jack Cooper Canada 1 Limited Partnership (“**LP1**”), and Jack Cooper Canada 2 Limited Partnership (“**LP2**”, and collectively, the “**Chapter 11 Debtors**”), will make a motion to the Ontario Superior Court of Justice (Commercial List) on August 22, 2019 at 9:15 a.m., or as soon thereafter as the motion can be heard at 300 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order substantially in the form attached as Tab 3 to the Motion Record:
  - (a) recognizing and enforcing pursuant to section 49 of the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”) the terms of the following three “first day” orders recently entered by the United States Bankruptcy Court for the Northern District of Georgia (the “**U.S. Court**”):
    - (i) Equity Transfer Order;
    - (ii) Prime Clerk Order; and
    - (iii) Interim Utilities Order (all as defined below); and
  - (b) such further and other relief as counsel may request and this Honourable Court deems just.

THE GROUNDS FOR THIS MOTION ARE:

2. On August 6, 2019 (the “**Petition Date**”), each of the Chapter 11 Debtors filed voluntary petitions (the “**Petitions**”) for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code with the U.S. Court (the “**Chapter 11 Cases**”).

3. Concurrently with the filing of the Petitions, the Chapter 11 Debtors also filed several “first day” motions with the U.S. Court on August 6, 2019 (the “**First Day Motions**”). The U.S. Court heard the First Day Motions, and granted interim and/or final orders in respect of each on August 8, 2019 (the “**First Day Orders**”).

4. On August 9, 2019 (the “**Initial CCAA Application**”), this Court granted an initial order (the “**Initial Recognition Order**”) which, among other things, recognized the Chapter 11 Cases as “foreign main proceedings”, recognized the appointment of the Foreign Representative, and granted related stays of proceedings in favour of the Chapter 11 Debtors, pursuant to Part IV of the CCAA.

5. Also on August 9, 2019, this Court granted a supplemental order (the “**Supplemental Order**”) which, among other things, recognized the Foreign Representative Order and nine (9) other First Day Orders made by the U.S. Court in the “foreign main proceedings”, including the Interim DIP Order, appointed Alvarez & Marsal Canada Inc. as Information Officer in these proceedings, and granted an administration charge over the Chapter 11 Debtors’ property in Canada in the aggregate amount of \$500,000 as security for the professional fees of the Information Officer, counsel to the Information Officer, and counsel to the Canadian Chapter 11 Debtors.

6. At the time of the Initial CCAA Application, the U.S. Court had granted, but not yet entered, the following three “first day” orders: (a) *Interim Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* (the “**Equity Transfer Order**”); (b) *Order Authorizing Retention and Appointment of Prime Clerk LLC as Claims, Noticing and Solicitation Agent* (the “**Prime Clerk Order**”); and (c) *Interim Order Determining Adequate Assurance of Payment for Future Utility*

*Services* (the “**Interim Utilities Order**”). As a result, the Applicant was not able to seek recognition of said orders during the Initial CCAA Application.

7. Since the Initial CCAA Application, the U.S. Court entered:

- (a) the Equity Transfer Order on August 9, 2019;
- (b) the Prime Clerk Order on August 12, 2019; and
- (c) the Interim Utilities Order on August 16, 2019.

*Recognition of the Equity Transfer Order is Appropriate*

8. The Equity Transfer Order approves certain notification and hearing procedures on an interim basis related to certain transfers of Jack Cooper Investments, Inc.’s (“**JCI**”) existing common stock and warrants to acquire common stock or any beneficial ownership thereof, as detailed in Exhibit 1 to the Equity Transfer Order (the “**Equity Transfer Procedures**”). The Equity Transfer Order also directs on an interim basis that any purchase, sale, other transfer of, or declaration of worthlessness with respect to, common stock of JCI in violation of the Equity Transfer Procedures shall be null and void *ab initio*.

9. While the Chapter 11 Debtors are not aware of any Canadian warrant holders of JCI, the Foreign Representative seeks recognition of the Equity Transfer Order in Canada out of an abundance of caution so that any Canadian warrant holders, to the extent such warrant holders exist, will be bound by the Equity Transfer Procedures.



Recognition of the Prime Clerk Order is Appropriate

10. The Prime Clerk Order appoints Prime Clerk LLC as claims, noticing and solicitation agent in the Chapter 11 Cases *nunc pro tunc* to the Petition Date, including in respect of creditors of JC Canada, GP1, GP2, LP1 and LP2 (collectively, the “**JC Canada Group**”).

11. The Chapter 11 Debtors, including the JC Canada Group, anticipate that there will be thousands of persons and entities throughout Canada and the U.S. which will need to receive notice of these proceedings and that many of these persons and entities will file claims against the Chapter 11 Debtors. In view of the anticipated number of claimants and the complexity of the Chapter 11 Debtors’ business, the appointment of Prime Clerk LLC as claims and noticing agent will provide the most effective and efficient means, and relieve the administrative burden, of providing notice, administering claims, and soliciting and tabulating votes.

12. The Prime Clerk Order is in the best interest of the Chapter 11 Debtors and their creditors.

Recognition of the Interim Utilities Order is Appropriate

13. The Interim Utilities Order establishes the Adequate Assurance Procedures (as defined in the Interim Utilities Order) which is intended to provide utility providers with adequate assurance of payment within the meaning of section 366 of U.S. Bankruptcy Code and prohibits the utility providers from altering, refusing, or discontinuing services. The Interim Utilities Order also establishes a process for any utility provider to file an objection to the Adequate Assurance Procedures.

14. In connection with the operation of the businesses of the JC Canada Group, including management of their terminals, the JC Canada Group obtains electricity, telephone, internet, cable, recycling, and other similar services from a number of utility companies and brokers listed at

Exhibit A to the Interim Utilities Order. It is in the best interest of the JC Canada Group, their creditors, and other parties in interest that the Interim Utilities Motion be granted.

General

15. The CCAA, including Part IV and section 49 thereof; and

16. 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 motion:

- (a) Affidavit of Greg R. May, sworn August 8, 2019;
- (b) Affidavit of Emily Paplawski, sworn August 20, 2019;
- (c) Pre-filing report of Alvarez & Marsal Canada Inc. in its capacity as Information Officer, filed August 9, 2019; and
- (d) Such further and other evidence as counsel may advise and this Honourable Court may permit.

August 20, 2019

**OSLER, HOSKIN & HARCOURT LLP**

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# TAB 2

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APPLICANT

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**AFFIDAVIT OF EMILY PAPLAWSKI**

**(Sworn August 20, 2019)**

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I, Emily Paplawski, of the City of Calgary, in the Province of Alberta, **SWEAR AND SAY:**

1. I am an associate at Osler, Hoskin & Harcourt LLP, Canadian counsel to Jack Cooper Ventures, Inc. (the "**Applicant**"), in its capacity as a foreign representative of itself as well as Jack

Cooper Diversified, LLC, Jack Cooper Enterprises, Inc., Jack Cooper Holdings Corp., Jack Cooper Transport Company, Inc., Auto Handling Corporation, CTEMS, LLC, Jack Cooper Logistics, LLC, Auto & Boat Relocation Services, LLC, Axis Logistic Services, Inc., Jack Cooper CT Services, Inc., Jack Cooper Rail And Shuttle, Inc., Jack Cooper Investments, Inc., North American Auto Transportation Corp., Jack Cooper Transport Canada Inc., Jack Cooper Canada GP 1 Inc., Jack Cooper Canada GP 2 Inc., Jack Cooper Canada 1 Limited Partnership, Jack Cooper Canada 2 Limited Partnership (collectively, the “**Chapter 11 Debtors**”). As such I have personal knowledge of the matters deposed to in this affidavit, except where indicated otherwise.

2. On August 6, 2019, each of the Chapter 11 Debtors filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Bankruptcy Code (the “**Chapter 11 Cases**”) with the United States Bankruptcy Court for the Northern District of Georgia (the “**U.S. Court**”).

3. On August 8, 2019, the U.S. Court granted interim and/or final First Day Orders (as defined, and more fully described, in the Affidavit of Greg May, sworn August 8, 2019 (the “**May Affidavit**”)) in each of the Chapter 11 Cases. A copy of the May Affidavit (without exhibits) is attached hereto as **Exhibit “A”**. Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the May Affidavit.

4. On August 9, 2019 (the “**Initial CCAA Application**”), this Court granted:

- (a) an Initial Recognition Order (Foreign Main Proceeding) which, among other things, recognized the Chapter 11 Cases as “foreign main proceedings”, as defined in section 45 of the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36 (the “**CCAA**”), recognized the appointment of the Foreign Representative, and granted related stays of proceedings in favour of the Chapter 11 Debtors; and

- (b) a Supplemental Order (Foreign Main Proceeding) which, among other things, recognized the Foreign Representative Order and nine (9) other First Day Orders entered by the U.S. Court in the “foreign main proceedings”, including the Interim DIP Order, appointed Alvarez & Marsal Canada Inc. as Information Officer in these CCAA proceedings, and granted an administration charge over the Chapter 11 Debtors’ property in Canada in the aggregate amount of \$500,000 as security for the professional fees of the Information Officer, counsel to the Information Officer, and counsel to the Canadian Chapter 11 Debtors.

5. At the time of the Initial CCAA Application, the U.S. Court had granted, but not entered, the following three additional “first day” orders: (a) *Interim Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* (the “**Equity Transfer Order**”); (b) *Order Authorizing Retention and Appointment of Prime Clerk LLC as Claims, Noticing and Solicitation Agent* (the “**Prime Clerk Order**”); and (c) *Interim Order Determining Adequate Assurance of Payment for Future Utility Services* (the “**Interim Utilities Order**”). As a result, the Applicant was not able to seek recognition of the foregoing orders during the Initial CCAA Application.

6. Further details regarding the Equity Transfer Order, the Prime Clerk Order, and the Interim Utilities Order are provided at sub-paragraphs 90(j), (l) and (m) of the May Affidavit. For convenience, copies of the Equity Transfer Motion, Prime Clerk Motion and the Interim Utilities Motion (without exhibits) are attached hereto as **Exhibits “B”, “C” and “D”**, respectively.

7. Since the Initial CCAA Application, the U.S. Court entered:


- (a) the Equity Transfer Order on August 9, 2019, attached hereto as **Exhibit “E”**;
- (b) the Prime Clerk Order on August 12, 2019, attached hereto as **Exhibit “F”**; and

(c) the Interim Utilities Order on August 16, 2019, attached hereto as **Exhibit "G"**.

8. I make this affidavit in support of the within motion for recognition of the Equity Transfer Order, the Prime Clerk Order, and the Interim Utilities Order, and for no other improper purpose.

**SWORN BEFORE ME** at the City of Calgary, in the Province of Alberta on August 20, 2019.

meaganBWatts  
Commissioner for Oaths/Notary Public  
in and for the Province of Alberta

  
**EMILY PAPLAWSKI**

This is Exhibit 'A' referred to in the Affidavit  
of Emily Paplawski, sworn before me this 20th  
day of August, 2019.

Melagan B. Watts  
A COMMISSIONER FOR OATHS/NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF ALBERTA



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AS AMENDED

APPLICANT

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**AFFIDAVIT OF GREG R. MAY**

(Sworn August 8, 2019)

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I, Greg R. May, of the City of Independence, in the State of Missouri, **MAKE OATH**  
**AND SAY THAT:**

1. I am the Chief Financial Officer of Jack Cooper Ventures, Inc. ("JCV") and the 18<sup>1</sup>  
other debtors in possession that recently filed voluntary petitions for relief pursuant to Chapter 11

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<sup>1</sup> In addition to Jack Cooper Ventures, Inc., the other 18 Chapter 11 Debtors are: Jack Cooper Diversified, LLC, Jack Cooper Enterprises, Inc., Jack Cooper Holdings Corp., Jack Cooper Transport Company, Inc., Auto Handling Corporation, CTEMS, LLC, Jack Cooper Logistics, LLC, Auto & Boat Relocation Services, LLC, Axis Logistic Services, Inc., Jack Cooper CT Services, Inc., Jack Cooper Rail And Shuttle, Inc., Jack Cooper Investments, Inc., North American Auto Transportation Corp., Jack Cooper Transport Canada Inc., Jack Cooper

of the U.S. Bankruptcy Code (the “**Chapter 11 Debtors**”). I have served as Chief Financial Officer of JCV since 2019. Prior to 2019, I served as Executive Vice President and Chief Administrative Officer of JCV since February 2017, after spending five years as the chief executive officer of Car Delivery Network. Prior to that, I spent 17 years with the JC Group (defined below) serving as President from 2005 to 2011 and Chief Financial Officer from 1998 to 2005. In total, I have over 30 years of experience in the trucking industry in executive roles and as a consultant to trucking industry clients.

2. As such, I have personal knowledge of the matters to which I depose in this Affidavit, except where such matters are stated to be based on information and belief, in which case I have stated the source of my information and, in all such cases, I believe such information to be true. In preparing this Affidavit, I consulted with the Chapter 11 Debtors’ management team and advisors and reviewed relevant documents and information concerning the Chapter 11 Debtors’ operations, financial affairs and restructuring activities.

3. I swear this Affidavit in support of an application by JCV in its capacity as foreign representative of the Chapter 11 Debtors for, *inter alia*:

- (a) recognition of the Chapter 11 Cases (defined below) as foreign main proceedings pursuant to Part IV of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (“**CCAA**”);
- (b) recognition of certain First Day Orders (defined below);

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Canada GP 1 Inc., Jack Cooper Canada GP 2 Inc., Jack Cooper Canada 1 Limited Partnership, Jack Cooper Canada 2 Limited Partnership.

- (c) the appointment of Alvarez & Marsal Canada Inc. as Information Officer (as defined below) in respect of these proceedings;
- (d) the granting of the Administration Charge and the DIP Charges (all as defined below);
- (e) ordering JC Canada to deposit CDN \$500,000 with the Information Officer to be held in trust for the benefit of the Load Broker Parties (defined below) as security for the payment of amounts due and accruing to them in the ordinary course of business following the Petition Date (defined below), subject to further order of the Court; and
- (f) such further and other relief as counsel may request and this Honourable Court may grant.

4. All monetary references in this Affidavit are in US dollars unless otherwise stated.

## **I. BACKGROUND**

5. On August 6, 2019 (the “**Petition Date**”), each of the Chapter 11 Debtors filed voluntary petitions for relief (the “**Petitions**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Northern District of Georgia (the “**U.S. Court**”).

6. I am advised that copies of the Petitions will be attached to the affidavit of Waleed Malik (the “**Malik Affidavit**”), an associate lawyer with the law firm of Osler, Hoskin & Harcourt LLP (“**Osler**”), Canadian counsel to the Chapter 11 Debtors, and will be provided to the Court at or before the hearing of this Application.

7. The cases commenced by the Chapter 11 Debtors in the U.S. Court are referred to in this Affidavit as the “**Chapter 11 Cases**”.

8. Concurrently with or shortly after the filing of the Petitions, the Chapter 11 Debtors filed several first day motions with the U.S. Court on August 6, 2019. On August 8, 2019, the U.S. Court heard such first day motions, including the following (collectively, the “**First Day Motions**”, all of which are defined separately below):

- (a) Foreign Representative Motion;
- (b) Joint Administration Motion;
- (c) Cash Management Motion;
- (d) Critical Vendor Motion;
- (e) DIP Motion;
- (f) Insurance Motion;
- (g) Wages Motion;
- (h) Surety Bond Motion;
- (i) Taxes and Fees Motion;
- (j) Utilities Motion;
- (k) Customer Programs Motions;
- (l) Equity Transfer Motion; and

(m) Prime Clerk Motion.

I am advised that copies of the First Day Motions (including all schedules and exhibits except the proposed draft orders) will be attached to the Malik Affidavit.

9. The U.S. Court entered interim and/or final First Day Orders (as defined below) in respect of each of the above-noted First Day Motions on August 8, 2019. I understand that copies of the First Day Orders (including a certified copy of the Foreign Representative Order (defined below)) will be attached to the Malik Affidavit.

10. Capitalized terms in this Affidavit that are not otherwise defined herein have the meanings given to them in my declaration sworn August 6, 2019 and filed in support of the First Day Motions attached hereto without exhibits as **Exhibit “A”** (the **“First Day Declaration”**).

11. The First Day Declaration provides a comprehensive overview of the Chapter 11 Debtors and the Non-Debtor Affiliates<sup>2</sup> (collectively, the **“JC Group”**) and the events leading to the commencement of the Chapter 11 Cases. As such, this Affidavit provides a more general overview of the Chapter 11 Debtors and focuses on giving this Honourable Court information to support the finding of the center of main interest (**“COMI”**) of each of the Chapter 11 Debtors and to support the request for recognition of the Chapter 11 Cases as a “foreign main proceeding”, the recognition of the First Day Orders, including the Interim DIP Order, and the granting of the Administration Charge and the DIP Charges. I am not aware of any other foreign recognition insolvency proceedings involving the Chapter 11 Debtors.

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<sup>2</sup> The Non-Debtor Affiliates are JCSV Dutch Cooperatief U.A., JCH Mexico S. de R.L. de C.V., AXIS Operadora Hermosillo SA, AXIS Operadora Mexico SA, AXIS Operadora Monterrey SA, AXIS Operadora Guadalajara SA, AXIS Logistica SRL, Areta SRL, and AXIS Traslados SRL.

## II. THE BUSINESS

### A. Overview

12. The JC Group is a leading provider of finished vehicle logistics in North America for both new and used vehicles, as well as a provider of logistical services in select non-automotive markets. The JC Group is divided into two segments: a transport segment and a diversified asset-light logistics segment.

13. The JC Group's transport segment is a market leader in over-the-road finished vehicle logistics. The transport segment delivers finished vehicles from manufacturing plants, vehicle distribution centres, seaports and railheads to new vehicle dealerships. The JC Group operates a fleet of approximately 1,600 active rigs and a network of 39 terminals across the United States and Canada to haul primarily new vehicles, including two-door automobiles, light trucks, sport utility vehicles and transit vans, including 128 active rigs in Canada (as at June 30, 2019) and 11 Canadian terminals. In 2018, the JC Group transported over 2.5 million finished vehicles and generated operating revenue of \$540.7 million relating to the transport segment.

14. The JC Group's customers in the transport segment are primarily major domestic and foreign original equipment manufacturers, including General Motors ("GM"), Ford Motor Company ("Ford"), Toyota Motor Corporation ("Toyota"), Fiat Chrysler ("Chrysler"), Hyundai Motor Company ("Hyundai"), and Kia Motor Corporation ("Kia"). For the years ended December 31, 2018 and 2017, the JC Group's three largest customers, GM, Ford and Toyota, collectively accounted for the vast majority of total revenues. The JC Group has developed and maintained long-term relationships with their original equipment manufacturer customers and have historically been successful in negotiating contract renewals. Under written contracts, the JC Group has served GM since 1928, Toyota since 1979, and Ford since 1992.

15. The diversified asset-light logistics segment provides a wide range of asset-light services to the previously owned vehicle market, including vehicle inspections, automated claims management, title and key storage services, brokerage and export services, export processing, third-party logistics management and other technical services. The JC Group also helps its customers move vehicles to and from dealerships, inspection lots, and auctions by coordinating transportation by third-party trucking or rail providers. The logistics segment's customers include fleet ownership companies, remarketers, dealers, auctioneers, and relocation-management companies. For the year ended December 31, 2018, the diversified asset-light logistics segment generated operating revenues of approximately \$55.9 million.

16. Jack Cooper Transport Canada Inc. ("**JC Canada**") and its subsidiaries, Jack Cooper Canada GP 1 Inc. ("**GP1**"), Jack Cooper Canada GP 2 Inc. ("**GP2**"), Jack Cooper Canada 1 Limited Partnership ("**LP1**"), and Jack Cooper Canada 2 Limited Partnership ("**LP2**", and collectively with JC Canada, GP1, GP2 and LP1, the "**JC Canada Group**") provide transport segment services to customers of the JC Group throughout Canada. For the most recent financial year ended December 31, 2018, the JC Canada Group accounted for approximately \$30.41 million in gross revenue (approximately 5% of the JC Group's total gross operating revenue and approximately 6% of the JC Group's transport segment gross operating revenue).

17. The JC Canada Group does not operate or provide any services in the JC Group's diversified asset-light logistics segment.

## **B. The Chapter 11 Debtors**

18. All of the Chapter 11 Debtors operate on an integrated basis and are incorporated or established under the laws of the United States, with the exception of the JC Canada Group which is comprised of:

- (a) JC Canada, which is incorporated under the *Canada Business Corporations Act* and which maintains a registered office at 66 Wellington Street West, Suite 5300, Toronto, Ontario. JC Canada is the registered and beneficial owner of 100% of the common shares of each of GP1 and GP2, and is the limited partner (99.99% interest) in each of LP1 and LP2;
- (b) GP1, which is incorporated under the *Business Corporations Act* (Ontario) (“**OBCA**”) and which maintains a registered office at 235100 Ryan Road, Rocky View County, Alberta. GP1 is the general partner (.01% interest) in LP1;
- (c) GP2, which is incorporated under the OBCA and which maintains a registered office at 2709 Av De La Rotonde, Levis, Quebec. GP2 is the general partner (.01% interest) in LP2;
- (d) LP1, which is a partnership formed under the *Limited Partnerships Act* (Ontario) (“**LPA**”) between JC Canada as limited partner (99.99% interest) and GP1 Inc. as general partner. LP1 maintains a registered office at 66 Wellington Street West, Suite 5300, Toronto, Ontario; and
- (e) LP2, which a partnership formed under the LPA between JC Canada as limited partner (99.99% interest) and GP2 as general partner (.01% interest). LP2 maintains a registered office at 66 Wellington Street West, Suite 5300, Toronto, Ontario.

19. Each of the Chapter 11 Debtors, including the JC Canada Group, is a direct or indirect wholly-owned subsidiary of Jack Cooper Investments, Inc. A copy of the JC Group Organizational Chart is attached hereto as **Exhibit “B”**.

### **C. Non-Debtor Affiliates**



20. The Chapter 11 Debtors have the following Non-Debtor Affiliates:
- (a) JCSV Dutch Cooperatief U.A. which is incorporated under the laws of the Netherlands and which is the majority interest holder in JCH Mexico S. de R.L. de C.V.; and
  - (b) JCH Mexico S. de R.L. de C.V., AXIS Operadora Hermosillo SA, AXIS Operadora Mexico SA, AXIS Operadora Monterrey SA, AXIS Operadora Guadalajara SA, AXIS Logistica SRL, Areta SRL, AXIS Trslados SRL, all of which are incorporated under the laws of Mexico and which operate out of Mexico.
21. None of the Non-Debtor Affiliates are liable for any of the Chapter 11 Debtors' outstanding funded debt obligations.

**D. Financial Position of the JC Canada Group**

22. There are no stand-alone audited financial statements for the JC Canada Group. JC Canada's unaudited financial statements have historically been consolidated with the JC Group's financial statements, and audited on a consolidated basis.
23. On a standalone basis, the JC Canada Group is not profitable. As detailed further below, the JC Canada Group only remains cash flow positive because the U.S. Chapter 11 Debtors provide all back office and overhead services to the JC Canada Group, and such amounts are not paid in cash by the JC Canada Group. As at June 30, 2019, the JC Canada Group owed intercompany debts of almost \$17 million to its U.S. affiliates.

24. A copy of the JC Canada Group's unaudited trial balance as at June 30, 2019 (the "**Trial Balance**") is attached hereto as **Exhibit "C"**. The Trial Balance is a direct report from the Chapter 11 Debtors' accounting system, which is summarized below:

25. A review of the information contained in the Trial Balance is as follows:

**(i) Assets**

As at June 30, 2019, the JC Canada Group had total assets of \$8,869,757 comprised of:

- Cash –\$1,446,362
- Accounts Receivable –\$3,944,692
- Prepaids and Other Assets - \$1,145,534
- Inventory - \$294,032
- Property and Equipment - \$2,039,137

**(ii) Liabilities**

As at June 30, 2019, the JC Canada Group had total liabilities of \$19,103,505, comprised of:

- Accounts Payable – \$1,161,527
- Accrued Liabilities –\$1,088,838
- Net Intercompany Balance –\$16,853,141

The above-noted intercompany balance is comprised of various intercompany transactions between the JC Canada Group and their U.S. affiliates giving rise to a net balance owing by the JC Canada Group. The intercompany transactions include payments by the U.S. Chapter 11 Debtors of operating expenses of the JC Canada Group, including on account of credit card transactions, communications expenses, utilities, third party maintenance charges, parts, licensing fees, rent, and other miscellaneous items. In addition, the U.S. Chapter 11 Debtors provide various back office support services for the JC Canada Group as detailed below, and allocate selling, general and administrative expenses to the JC Canada Group on a monthly basis at cost plus a margin. Lastly, Jack Cooper Transport Company, Inc. and North American Auto Transportation Corp. lease certain trucks and trailers to the JC Canada Group at market rates. All of these intercompany transactions are settled pursuant to accounting entries rather than paid in cash.

**(iii) Employees**

26. As of the date of the Petition Date, the Chapter 11 Debtors have 2,884 employees in the United States and Canada, including 1,516 drivers, 507 yard personnel, 201 mechanics, 92 vehicle inspectors, and 523 other personnel that perform a variety of functions critical to the Chapter 11 Debtors' operations (e.g., sales, marketing, legal, accounting, administration, and management). Of the 2,884 employees employed by the Chapter 11 Debtors, 2,478 are full-time employees, 256 are part-time employees and 150 are on leaves of absence (e.g., on workers' compensation or maternity leave).

27. Of the 2,884 employees employed by the Chapter 11 Debtors, approximately 181 are resident in Canada and employed by a member of the JC Canada Group as set out below:

Province	Location	Non-Union	Union	Total
	Virtual	4	0	4

Province	Location	Non-Union	Union	Total
AB	Calgary	5	40	45
AB	Edmonton	4	43	47
BC	Vancouver	2	9	11
MB	Winnipeg	1	12	13
NB	Moncton	1	2	3
NS	Halifax	2	11	13
ON	Cambridge	0	4	4
ON	Oshawa	3	2	5
QC	Charny	1	25	26
SK	Saskatoon	1	9	10
	<b>GRAND TOTAL</b>	<b>24</b>	<b>157</b>	<b>181</b>

28. Included in the 181 employees of the JC Canada Group are approximately 15 contractors (the “**Owner/Operators**”) retained by GP1 in Western Canada to provide over-the-road logistical services exclusively to GP1 using vehicles owned and operated by the Owner/Operator. Prior to providing services to GP1, each Owner/Operator must execute a standard Contractor’s Agreement which provides, among other things, that the Owner/Operator will provide exclusive possession, control and use of the equipment/vehicle to GP1 for the duration of the agreement. All Owner/Operators are covered either by the BC CBA (as defined below) or the Prairie CBA (defined below), depending on their domiciled location.

**(iv) Collective Agreements**

29. Many of the JC Canada Group’s employees and Owner/Operators are parties to the following eight (8) collective agreements (the “**Canadian CBAs**”):

- (a) Collective Agreement between JC Canada and Teamsters Local Union No. 213, effective April 1, 2018 for all Owner/Operators working in Mainland British Columbia or on Vancouver Island, including any marshalling yard operated by LP1 (the “**BC CBA**”). Each unionized Owner/Operator contributes all union premiums

payable under the BC CBA pursuant to payroll deduction. As of June 1, 2019, nine (9) Owners/Operators were unionized under the BC CBA;

- (b) Collective Agreement between Allied Systems (Canada) Company and General Teamsters Local Union No. 362, effective February 13, 2011 for all office employees working in Edmonton, Alberta (the “**Edmonton CBA**”). Each unionized employee contributes all union premiums payable under the Edmonton CBA pursuant to payroll deduction. As of June 1, 2019, 3 employees were unionized under the Edmonton CBA;
- (c) Collective Agreement between LP1 and the Western Canada Council (General Teamsters Local Union No. 362, Teamsters Local Union No. 395, and Teamsters Local Union No. 979), effective June 22, 2014, for all employees and Owner/Operators working as highway drivers, city drivers, yard personnel, mechanics, welders, shop leadhands, or utility/washers/drive-away personnel in Alberta, Saskatchewan and Manitoba (the “**Prairie CBA**”). Each unionized employee and Owner/Operator contributes all union premiums payable under the Prairie CBA pursuant to payroll deduction. As of June 1, 2019, 72 employees and Owners/Operators were unionized under the Prairie CBA;
- (d) Collective Agreement between Jack Cooper Canada LP2 and Unifor Locals 27, 698, 1044 and 1090, effective January 11, 2014 (the “**Unifor CBA**”), for: (i) all employees (save and except foreman, those above the rank of foreman, office staff, sales staff, security guards, janitors, watchmen and stockmen) working at the Charny, Quebec terminal; and (ii) all retired employees unionized under the Unifor CBA in Ontario and Quebec. Each unionized employee contributes all union

premiums payable under the Unifor CBA pursuant to payroll deduction. As of June 1, 2019, 27 employees, 13 retirees in Quebec, and 8 retirees in Ontario were unionized under the Unifor CBA;

- (e) Collective Labour Agreement between Teamsters Quebec, Local 106 and LP2, effective July 1, 2019 (the “**Quebec Teamsters CBA**”) for office employees working at the Charny, Quebec terminal. Each unionized employee contributes all union premiums payable under the Quebec Teamsters CBA pursuant to payroll deduction. As of June 1, 2019, three (3) employees were unionized under the Quebec Teamsters CBA;
- (f) Collective Agreement between LP1 and Teamsters Local 927, effective March 1, 2015, for all company drivers, yardmen, checkers, garage employees, brokers and clerical employees in Nova Scotia (the “**Atlantic CBA**”). Each unionized employee contributes all union premiums payable under the Atlantic CBA pursuant to payroll deduction. As of June 1, 2019, 11 employees and 4 retired employees were unionized under the Atlantic CBA;
- (g) Collective Labour Agreement between Canada Council of Teamsters and JC Canada Ontario Division, effective November 14, 2016, for all drivers of JC Canada working from any location in Ontario, excluding supervisors, dispatchers and those of higher rank (the “**Legacy Ontario CBA**”). The Legacy Ontario CBA is a legacy Agreement which, at present, only governs the contributions which JC Canada makes to a group registered retirement saving plan (discussed further below) for drivers in its Oshawa and Cambridge, Ontario terminals. No monthly union fees are payable thereunder; and

- (h) Collective Labour Agreement between Teamsters Quebec Local 106 and JC Canada, effective December 19, 2015 (the “**Legacy Moncton CBA**”). The Legacy Moncton CBA is a legacy agreement which, at present, only governs the contributions which JC Canada makes to a multi-employer, union-sponsored pension plan (discussed further below) for drivers in its Moncton, New Brunswick terminal. No monthly union fees are payable thereunder.

**(v) Pension and Benefit Plans**

30. The JC Canada Group also pays into a number of multi-employer, union-sponsored pension plans for its Canadian employees. The funding obligations of the applicable member of the JC Canada Group under each pension plan is limited to payment of the contribution amounts required by the applicable Canadian CBA. A list of the JC Canada Group pension plans is as follows:

- (a) Pursuant to the Prairie CBA and the Edmonton CBA, LP1 contributes Cdn\$2.25 per hour worked by each unionized employee and Owner/Operator to the Teamsters Prairie Provinces Pension Plan (T4P), administered by Prairie Teamsters Administration Services Ltd. All contributions to the Teamsters Prairie Provinces Pension Plan are remitted monthly by LP1 prior to the 15<sup>th</sup> day of each month;
- (b) Pursuant to the Unifor CBA, LP2 contributes Cdn\$598 per month per unionized employee to a multi-employer pension plan that is sponsored by Unifor. Each unionized employee contributes Cdn\$160 per month to the Registered Pension Plan pursuant to payroll deductions;

- (c) Pursuant to the Quebec Teamsters CBA, LP2 contributes Cdn\$578 per month per unionized employee to the Teamsters Canadian Pension Plan – Local 106 miscellaneous Industries Division, administered by Teamsters Local 106. Each unionized employee contributes Cdn\$140 per month to the Pension Plan pursuant to payroll deductions; and
  - (d) Pursuant to the Legacy Moncton CBA, JC Canada contributes Cdn\$500 per month per unionized employee to the Teamsters Canadian Pension Plan – Local 106 Miscellaneous Industries Division, administered by Teamsters 106.
- 31. The JC Canada Group also participates in three group registered retirement savings plans (“RRSP”) in respect of its employees, as follows:
  - (a) Pursuant to the Legacy Ontario CBA, JC Canada contributes Cdn\$161.56 per week per employee to a group RRSP plan provided by Canada Council of Teamsters. Each employee contributes Cdn\$50.00 per week of pay pursuant to payroll deductions.
  - (b) Pursuant to the Atlantic CBA, LP1 contributes Cdn\$552.80 per month per employee to a group RRSP plan provided by Sun Life Assurance Company of Canada. Each employee contributes Cdn\$25.00 per week of pay pursuant to payroll deductions; and
  - (c) All salaried employees of the JC Canada Group are eligible to participate in a group RRSP plan with Manulife Financial on a voluntary basis. All RRSP contributions are wholly employee-funded based on monthly contributions pursuant to payroll



deductions. The JC Canada Group does not make any contributions to the Manulife RRSP plan.

32. The JC Canada Group also provides benefits coverage to its employees and Owner/Operators, and to certain retirees, through group benefits plans issued by Manulife Financial under Group Policy No. G0090450 (the “**Benefit Plans**”). The Benefit Plans are designed to assist and protect eligible employees, Owners/Operators, and their dependents in the event of a serious illness, accident, or death, and to help cover the cost of various health and wellness-related items.

33. As described further in the Wages Motion, the Chapter 11 Debtors are seeking relief to continue to pay and/or perform, as applicable, employee related obligations, including those of the JC Canada Group. The JC Canada Group pays its priority payables in the ordinary course, including employee wages, vacation pay, employee source deductions and federal and provincial taxes. As of August 7, 2019, the JC Canada Group had accrued but unpaid liabilities to its employees and Owner/Operators of \$140,000 and \$210,000, respectively (excluding taxes and other source deductions). The Chapter 11 Debtors intend to continue to honour vacation entitlements and to remit source deductions and payroll taxes in the normal course.

34. In addition to the foregoing, I am advised by Andrea Lockhart of Osler, Canadian counsel to the Chapter 11 Debtors that the *Highway Traffic Act* (Ontario) imposes an obligation on the JC Canada Group to hold in trust amounts owed by the JC Canada Group to (i) the Owner/Operators and (ii) third party carriers engaged by the JC Canada Group to haul goods ((i) and (ii), collectively, the “**Load Broker Parties**”). The Chapter 11 Debtors are seeking permission pursuant to the First Day Motions to pay amounts accrued due to the Load Broker Parties as at the Petition Date and to continue to pay amounts owing to the Load Broker Parties in the normal

course. Additionally, the JC Canada Group is seeking authority pursuant to the proposed form of Supplemental Order to segregate CDN \$500,000 of their funds to be held in trust by the proposed Information Officer for the benefit of the Load Broker Parties as security for the payment of amounts due and accruing to them in the ordinary course of business following the Petition Date.

**(vi) Operations in Canada**

35. The JC Canada Group provides transport segment services to customers of the JC Group throughout Canada. The JC Canada Group currently operates eleven (11) trucking terminals in Canada:

- (a) JC Canada leases three (3) trucking terminals in (i) Oshawa, Ontario, (ii) Cambridge, Ontario, (iii) and Moncton, New Brunswick from which it provides over-the-road finished vehicle logistic services;
- (b) LP1: (i) leases five (5) trucking terminals in Vancouver, British Columbia, Edmonton, Alberta, Calgary, Alberta, Saskatoon, Saskatchewan and Halifax, Nova Scotia; (ii) owns one (1) terminal in Winnipeg, Manitoba; and (iii) operates one (1) terminal in Regina, Saskatchewan, from which it provides over-the-road finished vehicle logistic services. LP1 also provides maintenances services to its Western Canadian fleet at its Edmonton and Calgary trucking terminals, and a storage yard at its Winnipeg trucking terminal; and
- (c) LP2 leases (1) trucking terminal in Charny, Quebec from which it provides over-the-road finished vehicle logistic services.

36. The JC Canada Group does not operate or provide any services in the JC Group's diversified asset-light logistics segment.

37. Prior to early 2019, JC Canada leased a general office in Hamilton, Ontario from which approximately three (3) employees of JC Canada provided the JC Canada Group with Canadian fleet licensing, safety, human resources, and other limited services. As of January 31, 2019, the lease between JC Canada and the applicable landlord expired, following which all of these employees have worked remotely from their homes or other private locations.

38. The JC Canada Group does not own any real property in Canada other than the property municipally known as 737 Plinquet, Winnipeg, Manitoba owned by GP1 from which LP1 operates its Winnipeg terminal and maintenance shop (the “**Winnipeg Property**”).

39. The JC Group’s largest customers are GM, Ford, and Toyota which collectively accounted for the vast majority of total revenues. While the applicable contracts for GM and Ford are negotiated, executed, managed and largely performed in the United States, over-the-road finished logistical services required by each customer in Canada are provided by the JC Canada Group. The Canadian-specific services provided by the JC Canada Group to Ford comprise approximately 52% of the revenues realized by the JC Canada Group in 2018. The Canadian-specific services provided by the JC Canada Group to GM comprise approximately 8% of the revenues realized by the JC Canada Group in 2018. The JC Canada Group does not provide services to Toyota.

40. JC Canada is also party to a number of contracts with major foreign original equipment manufacturers and other customers which are negotiated and managed in the United States, but which are performed in Canada and to which only JC Canada is party. The largest such contract is between JC Canada and Glovis Canada, Inc. (“**Glovis**”), on behalf of Kia and Hyundai, pursuant to which the JC Canada Group provides over-the-road finished logistical services to Kia

and Hyundai throughout Canada. Kia and Hyundai together comprise approximately 22% of the JC Canada Group's revenues for 2018.

**(vii) The JC Canada Group's Integrated Operations with U.S.**

41. The JC Canada Group's operations are fully integrated with the Chapter 11 Debtors' U.S. operations. Among other things:

- (a) Financial reporting for the JC Group is done on a consolidated basis in Kansas City, Missouri, by the JC Group's finance department, accounting department and management. The JC's Group's annual consolidated financial statements have been audited by KPMG LLP in Kansas City, Missouri since 2011;
- (b) The JC Canada Group is almost wholly reliant on U.S. managerial services at the JC Group's head office in Kansas, Missouri for overhead services, including accounting, finance, purchasing, logistics, marketing, human resources, IT and other functions. These services are provided for the JC Canada Group's benefit by their U.S. affiliates;
- (c) The entire JC Group shares a common operating platform which is located and operated in Kansas City, Missouri by the JC Group's IT department;
- (d) Apart from one (1) Vice-President who is resident in Ontario, all officers of JC Canada, GP1, and GP2 are residents of the United States;
- (e) Two of the three directors of JC Canada are residents of the United States;

- (f) All risk management, including the procurement of required corporate insurance policies for the JC Group, including the JC Canada Group, is managed in the United States at the JC Group's head office;
- (g) All short, medium and long-term corporate strategies for the entire JC Group are developed by the management team of the JC Group in the United States with input from the one (1) Canadian-based Vice-President on issues and considerations unique to the JC Canada Group;
- (h) All customer relations, including the negotiation, execution and management of all customer contracts for the JC Group, are managed in the United States;
- (i) Apart from one (1) service agreement and one (1) software licensing agreement held by Jack Cooper CT Services, Inc. all intellectual property licenses used by the JC Group are held by Jack Cooper Transport Company, Inc.;
- (j) All patents, trademarks and copyrights used by the JC Group are patented or trademarked under United States law and owned by one or more of the JC Group's U.S. entities;
- (k) All corporate purchasing of supplies including, but not limited to, fuel, tires, parts, office supplies, and janitorial services, is completed in the JC Group's purchasing department in Kansas City, Missouri; and
- (l) Apart from the relationship with Glovis, which is jointly maintained by the JC Canada Group and the JC Group's marketing team in Kansas City, Missouri, all marketing and customer relations are handled in the U.S.

42. In addition, the Chapter 11 Debtors and the Non-Debtor Affiliates operate an integrated, centralized cash management system (the “**Cash Management System**”) to collect, transfer and disburse funds generated by their operations, all of which is described more fully in the Cash Management Motion (defined below). The Cash Management System facilitates cash monitoring, forecasting, and reporting and enables the Chapter 11 Debtors to maintain control over the administration of thirty-three (33) bank accounts.<sup>3</sup> Thirty (30) of the bank accounts are located in the United States with twenty-six (26) held at Wells Fargo Bank, N.A., three (3) at Bank of America, N.A., and one (1) at TD Bank, N.A. The remaining three (3) bank accounts are located in Canada and are held at Scotiabank.

43. Of the thirty-three (33) bank accounts maintained by the Chapter 11 Debtors, five (5) bank accounts are maintained for the JC Canada Group’s Canadian operations, as follows:

- (a) *Lockbox account*: JC Canada maintains one (1) lockbox account at Scotiabank that receives customer receipts paid by cheque. Funds are wired from the lockbox account directly into a depositary account maintained by JC Canada at Scotiabank (the “**Depositary Account**”) on a nightly basis;
- (b) *Depositary Account*: JC Canada maintains one (1) Depositary Account at Scotiabank in Canada which is the central account for JC Canada and operates as the primary receipt and disbursement point for funds in connection with all Canadian operations, including funds received from the lockbox account;

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<sup>3</sup> There are approximately nineteen (19) other bank accounts maintained in the name of, and for the benefit of the Non-Debtor Affiliates. These accounts are operated on a standalone basis by the applicable Non-Debtor Affiliate and are not part of the Chapter 11 Debtors’ Cash Management System. Therefore, they are not discussed in this Affidavit.

- (c) *Legacy account:* JC Canada maintains a legacy account with Scotiabank in Canada which occasionally receives cheques;
- (d) *U.S. dollar chequing account:* JC Canada maintains a U.S. dollar chequing account with Wells Fargo in the U.S. which is utilized to make disbursements on an as needed basis; and
- (e) *U.S. depositary account:* JC Canada maintains a U.S. depositary account with Wells Fargo in the U.S. from which funds are transferred to Jack Cooper Transport Company, Inc.'s main operating account at Wells Fargo in the U.S. on a monthly basis.

44. The Chapter 11 Debtors' Cash Management System is managed wholly by the JC Group's finance department and accounting department in the United States. The JC Group's finance personnel maintain daily oversight over the Cash Management System and implement cash management controls for entering, processing, and releasing funds. The JC Group's accounting department regularly reconciles the Chapter 11 Debtors' books and records to ensure that all transfers have appropriate authorizations and are accounted for properly.

45. As part of the Cash Management System, all accounts receivable and payable, all data processing and payroll, and all tracking and reconciliation of intercompany transactions is managed for the entire JC Group, including the JC Canada Group, in the United States.

46. The Cash Management System reflects the JC Group's integrated business, is vital to the Chapter 11 Debtors' ability to conduct business across North America and is tailored to meet their operating needs. Any disruption of the Cash Management System would be extremely

detrimental to the Chapter 11 Debtors' operations, as their businesses require prompt access to cash and accurate cash tracking.

### **III. PREPETITION CAPITAL STRUCTURE AND INDEBTEDNESS**

#### **A. Chapter 11 Debtors' Prepetition Capital Structure and Indebtedness**

47. The Chapter 11 Debtors' prepetition capital structure consists of outstanding funded-debt obligations in the aggregate principal amount of \$575.4 million, including:

- (a) An \$85 million senior secured revolving credit facility (the **"ABL Facility"**) by and between Jack Cooper Holdings Corp. and certain of its subsidiaries, Wells Fargo Capital Finance, LLC (**"Wells Fargo"**) as lead arranger, sole bookrunner and administrative agent (in such capacity, the **"ABL Agent"**) and the lenders party thereto.
- (b) A \$196 million senior secured term loan due 2023 by and between Jack Cooper Ventures, Inc., Cerberus Business Finance Agency, LLC (**"Cerberus"**), as agent for and on behalf of the lender parties thereto (the **"Cerberus Senior Secured Term Loan"**).
- (c) A \$41 million junior secured term loan facility due 2024 (the **"1.5 Lien Term Loan"**) by and between JCV and Wilmington Trust, National Association, as agent for and on behalf of the lenders party thereto (the **"1.5 Lien Term Loan Lender"**).
- (d) A \$261.1 million junior secured term loan facility due 2024 (the **"Second Lien Term Loan"** and together with the 1.5 Lien Term Loan, the **"Junior Term Loans"**) between JCV and Wilmington Trust, National Association, as agent for



and on behalf of the lenders party thereto (the “**Second Lien Term Loan Lender**” and, together with the 1.5 Lien Term Loan Lender, the “**Junior Term Loan Lenders**”).

**B. Prepetition ABL Facility**

48. Obligations under the ABL Facility are secured on a first-priority basis by liens on certain collateral of the Chapter 11 Debtors, including accounts receivable, inventory, deposit accounts, and securities accounts (subject to certain limited exclusions), including instruments, chattel paper, guarantees, letters of credit, and claims relating to such accounts receivable (the “**ABL Priority Collateral**”). Obligations under the ABL Facility (i) with respect to the Chapter 11 Debtors other than the JC Canada Group (the “**U.S. Chapter 11 Debtors**”) are also secured on a fourth-priority basis, and (ii) with respect to the JC Canada Group, are also secured on a first priority basis, in each case by liens on the Term Loan Priority Collateral (defined below).

49. As of the Petition date, approximately \$49.8 million was outstanding under the ABL Facility.

50. The ABL Facility includes a Canadian sub-facility that permits JC Canada, LP1 and LP2 (the “**Canadian Borrowers**”) to borrow up to \$5 million. The amount available to the Canadian Borrowers at any one time under the Canadian sub-facility is determined by a borrowing base calculation based on eligible accounts receivable and inventory of the Canadian Borrowers less letters of credit issued on behalf of the Canadian Borrowers and other offsets. The amount that the U.S. borrowers may borrow at any given time under the ABL Facility is reduced on a dollar-for-dollar basis by the amount of any outstanding borrowings under the Canadian sub-facility.

51. The Canadian Borrowers have not guaranteed or otherwise granted security for the obligations of the U.S. loan parties under the ABL Facility. However, the U.S. loan parties have guaranteed the Canadian Borrower's obligations under the ABL Facility (the "**Canadian Obligations**") on a secured basis. GP 1 and GP 2 (the "**Canadian Guarantors**") have guaranteed the Canadian Obligations pursuant to a Canadian Guarantee Agreement dated as of February 15, 2018.

52. Pursuant to a Canadian Security Agreement between the Canadian Borrowers, the Canadian Guarantors and the ABL Agent dated as of February 14, 2018 and a Deed of Hypothec between the Canadian Borrowers, the Canadian Guarantors and the ABL Agent dated as of February 14, 2018, each Canadian Borrower and each Canadian Guarantor granted a security interest in substantially all of its present and after acquired personal property, including the proceeds thereof, to secure the Canadian Obligations.

53. As of the Petition Date, there were no outstanding borrowings under the Canadian sub-facility.

### **C. Prepetition Term Loan Facilities**

54. Obligations under the Cerberus Senior Secured Term Loan are secured on: (a) a first-priority basis by liens on substantially all of the assets of the U.S. Chapter 11 Debtors not constituting ABL Priority Collateral (subject to certain customary exclusions), including equity pledges (including pledges of 65% of the equity of first-tier foreign subsidiaries including, but not limited to, JC Canada), interests in real property (including fixtures), equipment (including vehicles), intellectual property, pledged debt instruments, deposit accounts and securities accounts, and all intangibles, instruments, chattel paper, letter-of-credit rights and supporting obligations of

the foregoing (collectively, the “**Term Loan Priority Collateral**”); and (b) a second-priority basis by liens on the ABL Priority Collateral of the U.S. Chapter 11 Debtors.

55. As of the Petition date, approximately \$188.7 million was outstanding under the Cerberus Senior Secured Term Loan.

56. Obligations under:

- (a) the 1.5 Lien Term Loan is secured on a second-priority basis by liens on the Term Loan Priority Collateral of the U.S. Chapter 11 Debtors and on a third-priority basis by liens on the ABL Priority Collateral of the U.S. Chapter 11 Debtors; and
- (b) the Second Lien Term Loan is secured on a third-priority basis by liens on the Term Loan Priority Collateral of the U.S. Chapter 11 Debtors and on a fourth-priority basis by liens on the ABL Priority Collateral of the U.S. Chapter 11 Debtors.

57. As of the Petition Date, approximately \$45.5 million and \$291.4 million was outstanding under the 1.5 Lien Term Loan and the Second Lien Term Loan, respectively.

**D. JC Canada Group Trade Debt**

58. Based on the JC Canada Group’s books and records, as at the Filing Date, approximately \$850,000 is owed to unsecured trade creditors, comprised of the following:

- (a) approximately \$400,000 owing to the Load Broker Parties and other critical vendors. As discussed further in the Critical Vendor Motion, the Chapter 11 Debtors are seeking relief to pay the Load Broker Parties and other critical vendors during these Chapter 11 Cases; and

- (b) approximately \$450,000 owing to various vendors, including parts suppliers, mechanics, logistics and service providers and other suppliers.

#### **E. JC Canada PPSA Searches**

59. I am advised by Andrea Lockhart of Osler and believe that lien searches were conducted on or about July 15, 2019 against each member of the JC Canada Group under the *Personal Property Security Act* (or equivalent legislation) in all the Canadian provinces and territories (collectively, the “PPSA Searches”). I have been further advised by Ms. Lockhart and believe that the PPSA Searches indicate, among other things, that Wells Fargo, as Agent, for and on behalf of the prepetition ABL Facility lenders, registered a security interest against all of the assets of the JC Canada Group in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario, and Saskatchewan and against all of the assets of JC Canada in Quebec. De Lage Landen Financial Services Canada Inc. has filed registrations against JC Canada in Alberta, Manitoba, Nova Scotia, Quebec and Saskatchewan in respect of certain photocopiers. In addition, there are two garage keepers’ liens registered by Integrated Distribution Systems LP o/a Wajax Equipment in the aggregate amount of Cdn\$67,541,22. Lastly, the PPSA Searches reveal that there are certain truck and trailer leases registered in Quebec by Jack Cooper Transport Company, Inc. and Banc of America Leasing & Capital, LLC in respect of JC Canada.

#### **IV. RECENT EVENTS**

60. The Chapter 11 Debtors’ need to restructure is primarily driven by declining revenues over the past several years, unsustainable obligations related to legacy liabilities from certain multiemployer pension plans and collective bargaining agreements in the United States that various of the U.S. Chapter 11 Debtors are party to, and a capital structure that can no longer be sustained in the face of these challenges.

61. Since 2016, the Chapter 11 Debtors' revenue has declined sharply year over year, both as a result of its cost structure and from overall industry dynamics. From 2016 to 2018, the Chapter 11 Debtors' revenues declined by 12.3%, from \$612.5 million to \$537.3 million, and the unit volumes shipped declined by 16.9%, from approximately 3.067 million units to approximately 2.526 million units, in each case primarily due to business lost to non-union competitors. The Chapter 11 Debtors expect further revenue and unit volume declines in 2019.

62. The Chapter 11 Debtors' overall health is also linked to that of the automobile industry generally, which has experienced flat to declining demand for new automobiles. For example, U.S. light vehicle sales are expected to decrease by approximately 7.5%, from 17.3 million in 2018 to approximately 16 million in 2021, and to remain at this level through 2024. Light vehicle sales fell 2.3% year over year in the first quarter of 2019 alone due, in part, to reduced consumer affordability from higher borrowing costs and lower tax-return amounts.

63. The Chapter 11 Debtors' declining performance has also been exacerbated by increasing repair and maintenance costs, as much-needed capital expenditures on its aging rig fleet have been deferred. The Chapter 11 Debtors operate a truck fleet with an average age of over 14 years, and limited remaining useful life based on historical data and performance, and has lacked the financial wherewithal to invest in new equipment and major fleet refurbishments. As a result, from 2016 to 2018, repair and maintenance costs have increased by 19%.

64. In addition, for the years ended December 31, 2018 and 2017, the Chapter 11 Debtors contributed \$29.5 million and \$30.6 million, respectively, to the Central States, Southeast and Southwest Areas Pension Fund (the "CSPF"), the largest multi-employer pension plan in which certain of the Chapter 11 Debtors participate in the United States. The Chapter 11 Debtors

cannot afford to continue making contributions at these levels. The Chapter 11 Debtors also contribute to other multiemployer pension plans in the U.S.

65. The Chapter 11 Debtors engaged in prior restructuring transactions in 2016 and 2017<sup>4</sup> in an effort to delever and bring their capital structure in line with revenues. In addition, the Chapter 11 Debtors reduced its non-unionized workforce in 2019. Unfortunately, the market continued to deteriorate and the deleveraging from the prior transactions proved insufficient. The Chapter 11 Debtors' unsustainable pension obligations and work rules that limit their ability to respond to customer requirements have made it difficult for the Chapter 11 Debtors to compete with the increasing number of lower-cost, non-unionized companies that have entered the carhaul industry over the past few decades.

## **V. RESTRUCTURING EFFORTS AND PATH FORWARD**

66. The Cerberus Senior Secured Term Loan includes a financial covenant that provides for a first-lien leverage ratio that steps up each quarter. On March 31, 2019, the Chapter 11 Debtors received a notice of default and reservation of rights letter from Cerberus for alleged non-compliance with the financial covenant.

67. Moreover, the Chapter 11 Debtors' auditors issued a going concern qualification at the end of their 2018 reporting period. This resulted in a default under the ABL Facility, and on April 15, 2019, the Chapter 11 Debtors and the lenders under the ABL Facility entered into a waiver of this default. Furthermore, on June 30, 2019, the Chapter 11 Debtors determined they did not have the liquidity necessary to make a principal payment due under the Cerberus Senior

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<sup>4</sup> See paragraphs 48 to 50 of the First Day Declaration for further details regarding the Chapter 11 Debtors' prior restructuring transactions in 2016 and 2017.

Secured Term Loan, which required the Chapter 11 Debtors to obtain a forbearance from Cerberus (as agent on behalf on all lenders to the Cerberus Senior Secured Term Loan) to permit the Chapter 11 Debtors to continue pursuing restructuring discussions with the Junior Term Loan Lenders, Cerberus, CSPF (as defined below), and Wells Fargo (discussed further below).

68. Finally, in July 2019, the Chapter 11 Debtors' liquidity levels dipped below the cash dominion threshold of \$8.5 million required under the ABL Facility, causing Wells Fargo to implement cash dominion procedures, which caused the Chapter 11 Debtors' receipts to immediately be used to pay down outstanding obligations under the ABL Facility.

69. With numerous existing defaults, debt service obligations under the ABL Facility, the Cerberus Senior Secured Term Loan, the 1.5 Lien Term Loan, and the Second Lien Term Loan in excess of approximately \$13 million within the next six (6) months, complete reliance on the ABL Facility to fund day-to-day operations, and no ability to obtain bridge financing or otherwise refinance the ABL Facility or the Junior Term Loans, the Chapter 11 Debtors do not have the ability to continue operating as a going concern absent Chapter 11 relief.

70. Accordingly, in April 2019, the Chapter 11 Debtors initially engaged Wells Fargo, Cerberus and the Junior Term Loan Lenders regarding the Chapter 11 Debtors' strategic alternatives and potential transaction structures. The Chapter 11 Debtors determined that building consensus to implement a pre-negotiated transaction would require the Junior Term Loan Lenders to equitize the Junior Term Loans through a credit bid for the Chapter 11 Debtors' assets.

71. The Junior Term Loan Lenders concurred with the Chapter 11 Debtors' assessment that a viable restructuring transaction (a) would require substantial deleveraging, reduction in pension contributions, and other pension and labour contract modifications, and (b) should be

pursued consensually with all parties on a prepetition basis to the maximum extent possible to minimize the risk of disruption to the Chapter 11 Debtors' businesses.

72. The Chapter 11 Debtors also needed to obtain the support of Wells Fargo and Cerberus to provide liquidity and modify their respective debt documents to enable the Chapter 11 Debtors to restructure and to execute on their business plan.

73. After extensive negotiations beginning in April 2019, Cerberus, Wells Fargo and the Junior Term Loan Lenders indicated that they would support a transaction involving a sale pursuant to section 363 of the U.S. Bankruptcy Code (the "**Section 363 Sale**") of all or substantially all of the Chapter 11 Debtors' assets to a newly formed entity to carry on the Chapter 11 Debtors' business ("**New Jack Cooper**"). The Chapter 11 Debtors concurrently commenced extensive negotiations with CSPF and other U.S. pension funds, to reach agreement on certain forms of pension relief and work rule modifications. The Chapter 11 Debtors also engaged with union leadership in the United States regarding proposed modifications to the CBAs.

74. The ongoing negotiations between the Chapter 11 Debtors, Cerberus, and the Junior Term Loan Lenders culminated in an agreement being reached to effect a transaction that would result in a going-concern sale of substantially all of the Chapter 11 Debtors' assets to a newly formed entity formed by or on behalf of an investment vehicle affiliated with the Junior Term Loan Lenders (the "**Stalking Horse Bidder**") pursuant to a credit bid under section 363(b) of the Bankruptcy Code, subject to higher or better offers. More specifically:

- (a) The Stalking Horse Bidder will credit bid its claims under the 1.5 Lien Term Loan, the Second Lien Term Loan and the DIP Term Loan (as defined below) as consideration for the Section 363 Sale;



- (b) Upon consummation of the Section 363 Sale, the Stalking Horse Bidder, or an affiliate thereof, will provide New Jack Cooper a liquidity infusion in an amount to ensure that New Jack Cooper has a minimum of \$20 million in liquidity as of the date of closing;
- (c) Cerberus will waive amortization payments on the Cerberus Senior Secured Term Loan, not seek payment of default rate interest during the Chapter 11 Cases, consent to the credit bid by the Stalking Horse Bidder and agree to the Stalking Horse Bidder's assumption of the Cerberus Senior Secured Term Loan with modifications to the financial covenants and other terms to enable the Stalking Horse Bidder to implement its business plan; and
- (d) Upon consummation of a sale transaction, the Stalking Horse Bidder will have a minimum of \$20 million in liquidity as of the date of closing.

75. The terms of the restructuring are set forth in a Restructuring Support Agreement dated August 6, 2019 (the "**RSA**"), a copy of which is attached hereto as **Exhibit "D"** (including Exhibit A thereto but excluding all other exhibits), executed by the Chapter 11 Debtors, holders of claims under the Cerberus Senior Secured Term Loan, holders of claims under the 1.5 Lien Term Loan and holders of claims under the Second Lien Term Loan. The RSA is the culmination of months of long, hard-fought, arm's length negotiations to gain support for a pre-negotiated restructuring that is intended to streamline the Chapter 11 process and have as little impact as possible on the Chapter 11 Debtors' operations and businesses.

76. As described in more detail below, the RSA contemplates that the Junior Term Loan Lenders will provide a new money junior secured \$15 million multi-draw term loan debtor-in-possession financing facility to the JCV (as defined below, the "**DIP Term Facility**") that will

be credit bid in connection with the sale transaction. In addition, Wells Fargo will provide a senior secured superpriority asset based revolving lending facility with commitments of up to \$85 million (as defined below, the “**DIP ABL Facility**” and, together with the DIP Term Loan, the “**DIP Facilities**”). Without the DIP Facilities, the Chapter 11 Debtors would not be able to sustain operations and effectuate a restructuring. The proposed DIP Facilities will provide critical liquidity necessary to, among other things, operate the business in the ordinary course and administer the Chapter 11 Cases.

77. Importantly, pursuant to the RSA, the Chapter 11 Debtors will market and seek Court approval of the Section 363 Sale through a thorough marketing process to ensure that the Section 363 Sale is open to all bidders and that the Chapter 11 Debtors receive the highest or otherwise best offer for their assets. JCV will seek to recognize and give effect to any Order granted in the Chapter 11 Cases approving the Section 363 Sale by the CCAA Court and to vest the acquired assets of the JC Canada Group free and clear of all encumbrances (apart from permitted encumbrances). The Chapter 11 Debtors believe that the RSA, the Section 363 Sale and the post-petition marketing process will maximize value for the Chapter 11 Debtors’ estates, maintain the Chapter 11 Debtors as a viable going-concern, preserve jobs for the Chapter 11 Debtors’ employees, and put the New Jack Cooper in a position to execute on its business plan, reinvest in the business to upgrade its fleet, and pursue future growth opportunities.

78. To ensure the least disruption to operations and to minimize the cost of the Chapter 11 Cases, the Chapter 11 Debtors and their stakeholders have agreed upon an expedited timeline to effectuate their restructuring. The proposed timeline is as follows, subject to U.S. Court availability and approval of the final DIP Motion:

<b>Deadline</b>	<b>Proposed Date and Time</b>
Final DIP Order and Bidding Procedures Order (U.S. Court)	No later than 25 days after Petition Date
Final DIP Recognition Order and Bidding Procedures Recognition Order (CCAA Court)	No later than 5 days after entry by U.S. Court of Final DIP Order and Bidding Procedures Order
Entry of Order approving the definitive documentation with CSPF (U.S. Court)	No later than September 23, 2019
Sale Order (U.S. Court)	No later than 65 days after Petition Date
Sale Recognition Order (CCAA Court)	No later than 5 days after entry by U.S. Court of Sale Order
Closing Date of Sale	No later than 75 days after Petition Date

## **VI. URGENT NEED FOR RELIEF IN CANADA**

79. The JC Canada Group and the other Chapter 11 Debtors are in urgent need of a stay of proceedings and the recognition of the First Day Orders. Since March 2019, the Chapter 11 Debtors have been unable to comply with the covenants in their funded debt documents, defaulting under the terms of both the ABL Facility and the Cerberus Senior Secured Term Loan. The Chapter 11 Debtors have entered “cash dominion” under the terms of the ABL Facility. Their liquidity situation has become dire. As of the Petition Date, the Chapter 11 Debtors had total remaining cash of approximately \$2 million and total remaining liquidity (when factoring in availability under the ABL Facility) of only approximately \$4.5 million.

80. While the Chapter 11 Debtors have thus far largely been able to maintain all transport segment deliveries and asset light services to their customers (and thus the continued trust of their customers) notwithstanding their liquidity challenges, the Chapter 11 Debtors cannot sustain normal course operations without an immediate infusion of post-petition financing and

access to the DIP Facilities. Any harm to the trust and goodwill between the JC Group and Glovis or their significant customers (GM, Ford and Toyota which collectively accounted for the vast majority of total revenues) could harm the JC Group in a manner which would be difficult, if not impossible, to recover from, and which could undermine the continued viability of the JC Group.

81. The ability of the JC Canada Group to sustain normal operations is entirely tied up with, and dependant on, the ability of the U.S. Chapter 11 Debtors to continue operating. As discussed above, the JC Canada Group is not profitable on a standalone basis. The JC Canada Group only remains cash flow positive because the U.S. Chapter 11 Debtors provide all back office and overhead services to the JC Canada Group and pay certain third party expenses on their behalf. The JC Canada Group owes intercompany debts of almost \$17 million to their U.S. affiliates as of June 30, 2019.

82. Furthermore, it is a condition precedent to each of the DIP ABL Facility and the DIP Term Facility that the proposed Initial Order and Supplemental Order of the CCAA Court, *inter alia* recognizing the Chapter 11 Cases as foreign main proceedings and giving effect to the Interim DIP Order, are issued and entered. As the Chapter 11 Debtors need immediate access to the funds available under the DIP Facilities, it is critical that JCV obtain recognition of the First Day Orders (including the Interim DIP Order) as soon as possible to permit the Chapter 11 Debtors to access the liquidity necessary for them to continue as a going concern and to implement the Section 363 Sale and the post-petition marketing process.

83. If the restructuring is implemented, it is anticipated that the JC Group, including the JC Canada Group, will continue as a going concern, resulting in, among other things, the continued employment of approximately 181 Canadian employees and Owner/Operators. In

addition, it is anticipated that trade creditors, customers, landlords and other third party stakeholders will benefit from the continued operation of the JC Canada Group's business.

84. If, however, the restructuring is not implemented, a liquidation of the business and assets of the Chapter 11 Debtors, including the JC Canada Group, will be the likely result. As detailed in the liquidation scenario prepared by the proposed Information Officer (discussed further below), in a liquidation scenario, the JC Canada Group's unsecured creditors are likely to suffer a substantial shortfall in the recoveries on their claims. The book value of the JC Canada Group's current assets is not reflective of the realizable value of its assets in a liquidation scenario. In addition, the JC Canada Group currently has liabilities of approximately \$18.4 million (as of June 30) and a large number of additional "off balance sheet" liabilities would arise if the JC Canada Group were to cease operations and liquidate, including claims in respect of lease terminations, breach of contract, and termination and severance pay for the JC Group's employees.

85. In light of the foregoing, a going concern outcome is in the best interests of the JC Canada Group and all of its stakeholders. A going concern outcome is only available if the relief sought is granted. The proposed DIP Facilities and the Section 363 Sale are supported by the prepetition ABL Facility lenders, the existing main secured creditor with an economic interest in the JC Canada Group.

## **VII. RELIEF SOUGHT**

### **A. Recognition of Foreign Main Proceedings**

86. JC Canada seeks recognition of the Chapter 11 Cases as "foreign main proceedings" pursuant to Part IV of the CCAA. Other than the JC Canada Group, all of the remaining Chapter 11 Debtors are incorporated or formed under U.S. law, have their registered

head offices and corporate headquarters in the U.S., carry out their business in the U.S. and have all, or substantially all, of their assets located in the U.S. While the JC Canada Group provides transport segment services to customers of the JC Group throughout Canada, only minimal administrative functions are carried out in Canada. The JC Canada Group is, for all intents and purposes, administered and managed out of the U.S.

87. As described above, the JC Canada Group is managed on a consolidated basis and its Canadian operations are dependent on and integrated with the U.S. operations. The JC Canada Group would not be able to function independently without the corporate functions performed by the Chapter 11 Debtors in the U.S.

## **B. Recognition of First Day Orders**

88. By operation of the U.S. Bankruptcy Code, the Chapter 11 Debtors obtained the benefit of a stay of proceedings upon filing the voluntary Petitions with the U.S. Court. A stay of proceedings in Canada is essential to protect the efforts of the Chapter 11 Debtors to proceed with the Chapter 11 Cases and to pursue a restructuring transaction.

89. On August 8, 2019, the U.S. Court granted 14 interim and final orders (the “**First Day Orders**”). One further court date has been scheduled with the U.S. Court to hear certain anticipated “day two” motions.

90. At this time, JC Canada is seeking recognition of the following First Day Orders granted by the U.S. Court:

- (a) *Order (I) Authorizing Jack Cooper Ventures, Inc. to Act as Foreign Representative, and (II) Granting Related Relief* (the “**Foreign Representative Order**”): The

Foreign Representative Order authorizes JCV to act as “authorized foreign representative” in order to seek the relief sought in this Application.

- (b) *Order Directing Joint Administration of Chapter 11 Cases* (the “**Joint Administration Order**”): The Joint Administration Order directs the joint administration of all cases for each of the Chapter 11 Debtors for procedural purposes only.
- (c) *Interim Order (I) Authorizing the Debtors to (A) Continue Using the Cash Management System and (B) Maintain Existing Bank Accounts and Business Forms, (II) Authorizing Continued Intercompany Transactions, (III) Granting Administrative Expense Status to Intercompany Claims, and (IV) Granting Related Relief* (the “**Interim Cash Management Order**”): The Interim Cash Management Order authorizes: (i) continued use of the Cash Management System, including all bank accounts maintained by the Chapter 11 Debtors; (ii) honouring prepetition obligations related to the use of the Cash Management System, and (iii) authorizing continued intercompany funding through the Cash Management System and granting administrative expense status to all post petition intercompany claims among the Chapter 11 Debtors. The five bank accounts of the JC Canada Group, including the 3 Canadian Scotiabank accounts, form part of the larger Cash Management System. The JC Canada Group is dependant on the continued operating of the Cash Management System for management of its accounts receivables and payable, all data processing and payroll, and all tracking and reconciliation of intercompany transactions.

- (d) *Interim Order (I) Authorizing the Debtors to Pay Certain Prepetition Claims of Critical Vendors, Foreign Vendors, and 503(b)(9) Claimants and (II) Granting Related Relief* (the “**Critical Vendor Order**”): The Critical Vendor Order authorizes the Chapter 11 Debtors to pay certain prepetition claims in an amount not exceeding \$6.2 million to critical vendors, foreign vendors, and logistics claimants. The JC Canada Group relies wholly on the JC Group’s purchasing department in Kansas City to secure all supplies required by the JC Canada Group in its operations. It is critical that the JC Group continues to pay certain prepetition claims of critical vendors, foreign vendors, and logistics claimants, so that the JC Canada Group can access required supplies, including fuel, tires and parts, for its continued operation.
- (e) *Interim Order (I) Authorizing the Debtors (A) to Obtain Postpetition Financing and (B) to Use of Cash Collateral, (II) Granting Adequate Protection to Certain Prepetition Secured Parties, (III) Scheduling a Final Hearing; and (B) Granting Related Relief* (the “**Interim DIP Order**”): The Interim DIP Order is described below.
- (f) *Interim Order Authorizing the Debtors to (I) Continue Insurance Coverage Entered into Prepetition and Satisfy Prepetition Obligations Related thereto, (II) Renew, Amend, Supplement, Extend, or Purchase Insurance Policies, (III) Honor the Terms of the Premium Financing Agreements and Pay Premiums thereunder, (Iv) Enter into New Premium Financing Agreements in the Ordinary Course of Business, and (V) Granting Related Relief* (the “**Interim Insurance Order**”): The Interim Insurance Order authorizes the Chapter 11 Debtors to continue insurance policies



and agreements relating thereto, to renew, amend, supplement, extend or purchase insurance coverage in the ordinary course of business, and to honor certain prepetition obligations in respect thereof. The JC Canada Group holds the following four (4) insurance policies: (i) automobile liability, Owner/Operator damage liability and cargo liability insurance with Northbridge Insurance Company; (ii) general liability, property, business income, crime, garage auto, and cybersecurity insurance with Northbridge Insurance Company; (iii) umbrella insurance with Lloyds of London (Markel); and (iv) environment – storage tank insurance with Zurich Insurance Company.

- (g) *Interim Order Authorizing the Debtors to (I) Pay Certain Prepetition Wages, Salaries, Other Compensation, and Reimbursable Employee Expenses and (II) Continue Employee Benefits (“Interim Wages Order”)*: The Interim Wages Order authorizes, but does not direct, the Chapter 11 Debtors, in accordance with their stated policies, collective bargaining agreements, and in the ordinary course of business, to pay prepetition wages, salaries, other compensation, and reimbursable employee expenses, to continue the employee benefits programs in the ordinary course, and granting such other related relief as described in the Wages Motion. The JC Canada Groups employs approximately 181 employees and Owner/Operators which perform a variety of critical function for the JC Canada Group. The Interim Wages Order authorizes the payment of, among other things, all prepetition amounts owing to the JC Canada Group’s employees and Owner/Operators.

- (h) *Interim Order Authorizing (I) the Debtors to Continue and Renew the Surety Bond Program and (II) Granting Related Relief* (the “**Interim Surety Bond Order**”):

The Interim Surety Bond Order authorizes the Chapter 11 Debtors to maintain, continue and renew, in their sole discretion, all surety bonds provided by the Chapter 11 Debtors to third parties to secure the Chapter 11 Debtors’ payment or performance of certain obligations, including the maintenance of collateral and satisfaction of all required payments due on the surety bonds. As it applies to the JC Canada Group, Aon Reed Stenhouse Inc., on behalf of JC Canada and GP2, separately, has issued two separate Cdn\$25,000 bonds to secure amounts owing to the Canada Border Services Agency.

- (i) *Interim Order Authorizing the Payment of Certain Prepetition Taxes and Fees* (the “**Interim Taxes Order**”):

The Interim Taxes Order authorizes the Chapter 11 Debtors to remit and pay all sales, use, excise, income, franchise, property, and other taxes and fees accrued prior to the Petition Date and that will become payable during the pendency of the Chapter 11 Cases. As at the Petition Date, the JC Canada Group owes: (i) property taxes of \$30,357.45 for the Winnipeg Property, (ii) GST/HST in the approximate sum of \$49,276.73 (with further monthly sums becoming due and payable on the last day of each month), and (iii) withholding taxes of approximately \$23,147.38 (with further monthly sums becoming due and payable on the 15<sup>th</sup> day of each month).

- (j) *Interim Order Determining Adequate Assurance of Payment for Future Utility Services* (the “**Interim Utilities Order**”):

The Interim Utilities Order states that the Proposed Adequate Assurance (as defined in the Utilities Motion) provides the

Utility Providers (as defined in the Utilities Motion) with adequate assurance of payment within the meaning of section 366 of the *United States Bankruptcy Code*, prohibiting the Utility Providers from altering, refusing, or discontinuing services, and approving procedures for resolving any dispute concerning adequate assurance in the event that a Utility Provider is not satisfied with the Proposed Adequate Assurance. In connection with the operation of the JC Canada Group's businesses and management of its terminals, the JC Canada Group obtains electricity, telephone, internet, cable, recycling, and other similar services from a number of utility companies or brokers, including from those listed at Exhibit B to the Utilities Motion.

- (k) *Interim Order (I) Authorizing the Debtors to Maintain and Continue Customer Programs and Honor Certain Prepetition Obligations Relating Thereto, and (II) Granting Related Relief* (the “**Interim Customer Programs Order**”): The Interim Customers Program Order authorizes the Chapter 11 Debtors to honour prepetition claims arising under customer programs, including (i) liability for damages to cargo while in the Chapter 11 Debtors' possession, and (ii) reimbursable obligations with respect to services the Chapter 11 Debtors provide on their terminals and lots, and authorizes the Chapter 11 Debtors to continue such customer programs in the ordinary course of business. A portion of the JC Canada Group's accrued accounts payable as at the Petition Date includes amounts owed to their customers under their customer programs, which amounts will be paid pursuant to the Interim Customer Programs Order.

- (l) *Debtors' Motion for Entry of Interim and Final Orders Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* (the “**Equity Transfer Order**”): The Equity Transfer Motion approves certain notification and hearing procedures related to certain transfers of Jack Cooper Investments, Inc.’s existing common stock and warrants to acquire common stock or any beneficial ownership thereof, as detailed in Exhibit 1 to the Interim Order (the “**Equity Transfer Procedures**”); and (b) directing that any purchase, sale, other transfer of, or declaration of worthlessness with respect to, common stock in violation of the Procedures shall be null and void *ab initio*. While the Chapter 11 Debtors are not aware of any Canadian warrant holders of Jack Cooper Investments, Inc., the Chapter 11 Debtors seek recognition of the Equity Transfer Order out of an abundance of caution so that any Canadian warrant holders, to the extent such warrant holders exist, will be bound by the Equity Transfer Procedures.
- (m) *Order Authorizing Retention and Appointing of Prime Clerk LLC as Claims, Noticing and Solicitation Agent* (the “**Prime Clerk Retention Order**”): The Prime Clerk Retention Order appoints Prime Clerk LLC as claims, noticing and solicitation agent in the Chapter 11 Cases *nunc pro tunc* to the Petition Date, including in respect of creditors of the JC Canada Group.

**C. Interim DIP Order**

91. The Interim DIP Order, among other things:
- (a) authorizes:

- (i) JCV, as parent, Jack Cooper Holdings Corp., and certain subsidiaries as borrowers (discussed further below) to obtain post-petition financing pursuant to a senior secured super-priority asset-based revolving credit facility (the “**DIP ABL Facility**”) with Wells Fargo, as lead arranger, sole bookrunner and administrative agent (the “**DIP ABL Agent**”), on behalf of the lenders party thereto (the “**DIP ABL Lenders**”), in an aggregate principal amount of up to \$85 million, comprised of: (i) commitments available for borrowings by the U.S. Borrowers (as defined below) of up to \$80 million; and (ii) commitments available for borrowings by the Canadian Borrowers (as defined below) of up to \$5 million (the “**DIP ABL Credit Agreement**”); and
  - (ii) JCV to obtain post-petition financing pursuant to a junior secured super-priority multi-draw term loan credit facility (the “**DIP Term Facility**” and together with the DIP ABL Facility, the “**DIP Facilities**”) with Wilmington Trust, National Association, as administrative agent (the “**DIP Term Agent**” and together with the DIP ABL Agent, the “**DIP Agents**”), on behalf of the lenders party thereto (the “**DIP Term Lenders**” and together with the DIP ABL Lenders, the “**DIP Lenders**”), in an aggregate principal amount of up to \$15 million (the “**DIP Term Credit Agreement**” and together with the DIP ABL Credit Agreement, the “**DIP Credit Agreements**”).
- (b) authorizes the Chapter 11 Debtors to execute, deliver and enter into the DIP Credit Agreements, together with any other related agreements, documents, security

agreements, or pledge agreements required under the DIP Credit Agreements (collectively, the **“DIP Loan Documents”**), and to perform their obligations thereunder;

- (c) authorizes the Chapter 11 Debtors to pay all amounts, obligations, and liabilities owing or payable to the DIP Lenders 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, disbursements, 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 all Chapter 11 Debtor and/or Guarantor (as defined below) obligations of any kind under the DIP Loan Documents (such obligations as to the DIP ABL Facility, the **“DIP ABL Obligations,”** and such obligations as to the DIP Term Facility, the **“DIP Term Obligations,”** and, collectively, the **“DIP Obligations”**);
- (d) authorizes the Chapter 11 Debtors to use proceeds of the DIP Facilities as permitted under the DIP Loan Documents and the Interim DIP Order; and
- (e) grants the DIP Lenders 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), to secure the DIP Obligations.

92. Full details of the DIP Facilities are provided in the DIP Motion filed by the Chapter 11 Debtors in respect of the Interim DIP Order and are not repeated herein. An overview of the DIP Facilities is as follows:

(a) DIP ABL Facility

- (i) *Borrowers*: Jack Cooper Holdings Corp., Jack Cooper Transport, Pacific Motor, Auto Handling Corporation, Jack Cooper Logistics, Axis Logistic Services, Jack Cooper Rail & Shuttle, Jack Cooper CT Services (collectively, the “**U.S. Borrowers**”), JC Canada, LP1 and LP 2 (collectively, the “**Canadian Borrowers**” and together with the U.S. Borrowers, the “**Borrowers**”).
- (ii) *Canadian Guarantors*: GP1, GP2, the U.S. Borrowers and the U.S. Guarantors (as defined below) (the “**Canadian Guarantors**”).
- (iii) *U.S. Guarantors*: each domestic subsidiary of JVC (other than the U.S. Borrowers) (the “**U.S. Guarantors**”).
- (iv) *Amount*: an aggregate principal amount of up to \$85 million, comprised of:
  - (i) commitments available for borrowings by the U.S. Borrowers of up to \$80 million; and
  - (ii) commitments available for borrowings by the Canadian Borrowers of up to \$5 million (the “**Canadian DIP Sub-Facility**”).
- (v) *Repayment of Existing Secured Obligations*: Upon the entry of the Interim DIP Order, the Borrowers shall borrow loans in an amount sufficient to repay all outstanding principal, accrued interest, accrued fees and expenses, and any other indebtedness and amounts owing under the ABL Facility.

- (vi) *Liability*: Each Borrower is jointly and severally liable for all obligations arising under the DIP ABL Facility.
- (vii) *Security*: Obligations under the DIP ABL Facility are secured: (i) on a first-priority basis by liens on substantially all of the collateral of the Borrowers, Canadian Guarantors, and U.S Guarantors, including accounts receivable, inventory, all instruments, chattel paper, documents of title, all guarantees, letters of credit, security and other enhancements, all claims and causes of action (including commercial tort claims) to the extent relating to any of the accounts receivable constituting DIP ABL Priority Collateral or inventory, all deposit accounts or securities accounts (subject to various exclusion), tax refunds, all assets of JC Canada Group (the “**DIP ABL Priority Collateral**”); and (ii) on a junior priority basis by liens on pledged stock, defined real estate assets, including all fixtured therein, all equipment, including vehicles, all intellectual property, general intangibles, instruments, documents, chattel paper, documents of title, letters-of-credit rights, books and records, goods and supporting obligations related to the foregoing and proceeds (except to the extent any of the foregoing constitute ABL Priority Collateral) (the “**DIP Term Priority Collateral**” and, together with the DIP ABL Priority Collateral, the “**DIP Collateral**”);
- (viii) *Guarantees*: Obligations under the DIP ABL Facility are guaranteed by the Canadian Guarantors pursuant to a Canadian Guarantee (Debtor-In-Possession) Agreement, and by the U.S. Guarantors pursuant to a Guarantee



(Debtor-In-Possession) Agreement, both to be signed and dated concurrently with the DIP Credit Agreements.

- (ix) *Exit Plan:* Upon closing of the Section 363 Sale, the obligations outstanding under the DIP ABL Credit Agreement shall be modified and assumed (or refinanced) by the purchaser (or an affiliate thereof) in the form of an exit revolving credit facility (the “**ABL Exit Facility**”), by and among the purchaser (or an affiliate thereof), as borrower, and all lenders thereto on terms substantially consistent with the existing ABL Facility.

(b) DIP Term Facility:

- (i) *Borrowers:* JCV.
- (ii) *Guarantors:* All Chapter 11 Debtors, including the JC Canada Group.
- (iii) *Amount:* An aggregate principal amount of up to \$15 million.
- (iv) *Credit Bid:* The principal amount outstanding, plus all unpaid interest, fees, expenses, costs, and other charges arising under or related to the DIP Term Facility shall be credit bid as part of the purchase price within the Section 363 Sale.
- (v) *Liability:* All of the Chapter 11 Debtors, including the JC Canada Group, are jointly and severally liable for the obligations arising under the DIP Term Facility.

- (vi) *Security*: Obligations under the DIP Term Facility are secured (i) on a senior priority basis by liens on the Term Loan Priority Collateral, and (ii) on a junior priority basis by liens on the ABL Priority Collateral.
- (vii) *Guarantees*: Obligations under the DIP Term Facility are guaranteed by all of the Chapter 11 Debtors, including the JC Canada Group.
- (viii) *Exit Plan*: Upon closing of the Section 363 Sale:
  - (A) all obligations outstanding under the Cerberus Senior Secured Term Loan, including not less than \$188,650,000 in principal amount outstanding, shall be modified and assumed by the purchaser (or an affiliate thereof) in the form of an exit first lien term loan facility;
  - (B) all obligations outstanding under the 1.5 Lien Term Loan, including approximately \$45,515,729 in principal amount outstanding, plus all unpaid interest, fees, expenses, costs, and other charges arising under or related to the 1.5 Lien Term Loan, shall be credit bid as part of the purchase price within the Section 363 Sale and all obligations under the 1.5 Lien Term Loan shall be deemed fully satisfied; and
  - (C) all obligations outstanding under the Second Lien Term Loan, including approximately \$291 million outstanding, plus all unpaid interest, fees, expenses, costs, and other charges arising under or related to the Second Lien Term Loan shall be credit bid in the amount of \$241,413,174 as part of the purchase price within the

Section 363 Sale. To the extent that a portion of the obligations under the Second Lien Term Loan is not credit bid in connection with the Section 363 Sale, such amount shall constitute a general unsecured claim against the Chapter 11 Debtors' estates.

93. The amount actually borrowed by the Chapter 11 Debtors under the DIP ABL Facility and the DIP Term Facility is proposed to be secured by, among other things, Court-ordered charges on the JC Canada Group's property (in respect of the DIP ABL Facility, the "**DIP ABL Charge**", in respect of the DIP Term Facility, the "**DIP Term Charge**", and together, the "**DIP Charges**"), that rank in priority to all unsecured claims, but are subordinate to the proposed Administration Charge, with the DIP ABL Charge ranking in priority to the DIP Term Charge.

94. Immediate access to incremental liquidity pursuant to the DIP Facilities is critical to preserving the value of the Chapter 11 Debtors' estate (including the JC Canada Group's estate) and maximizing the likelihood of a going-concern restructuring. The Chapter 11 Debtors do not have sufficient liquidity, including cash collateral, to operate their businesses in the ordinary course of business without the financing provided pursuant to the DIP Facilities. The Chapter 11 Debtors' ability to maintain business relationships with their vendors, suppliers, and customers, to pay their employees, pay certain fees and expenses as set forth herein, and to otherwise fund their operations is essential to the Chapter 11 Debtors' continued viability as the Chapter 11 Debtors seek to maximize the value of the assets of the estates for the benefit of all creditors. As discussed above, the ability of the JC Canada Group to sustain normal operations is entirely tied up with, and dependant on, the ability of the U.S. Chapter 11 Debtors to continue operating.

95. Critically, as it pertains to the JC Canada Group, the DIP Lenders, including the DIP Term Lenders, indicated to the Chapter 11 Debtors that they are unwilling to make the DIP

Facilities available to *any* of the Chapter 11 Debtors unless the JC Canada Group is jointly and severally liable for all of the outstanding obligations under the DIP ABL Facility and guarantees all outstanding obligations under the DIP Term Facility (including those incurred by all U.S. Chapter 11 Debtors). In order to mitigate against any material prejudice to the creditors of the JC Canada Group with respect to the security and guarantees provided by the JC Canada Group pursuant to the DIP Facilities, the Interim DIP Order provides that, subject to applicable priorities, the respective DIP Obligations shall be satisfied from the proceeds of DIP Collateral constituting property of those Debtors located in the United States before looking to the Canadian collateral; provided, however, that the foregoing shall not apply to the Canadian DIP Sub-Facility or the Prepetition ABL Canadian Sub-Facility (as defined in the Interim DIP Order).

96. As described further in the DIP Motion, the Chapter 11 Debtors have determined in the exercise of their business judgment, that the terms of the DIP Facilities are reasonable and appropriate in the circumstances. Without immediate access to the DIP Facilities, the Chapter 11 Debtors, including the JC Canada Group on a standalone basis, would be unable to operate their business and maintain business relationships with their vendors, suppliers and customers, pay their employees or otherwise finance their operations, and their ability to preserve and maximize the value of their assets would be irreparably harmed. To survive as a going concern, the JC Canada Group requires the Chapter 11 Debtors in the U.S. to remain a going concern.

97. As discussed above, it is a condition precedent to each of the DIP ABL Facility and the DIP Term Facility that the proposed Initial Order and Supplemental Order of the CCAA Court, *inter alia* recognizing the Chapter 11 Cases as foreign main proceedings and giving effect to the Interim DIP Order, are issued and entered. If the Interim DIP Order is not recognized and given effect by the CCAA Court, the entire restructuring the JC Canada Group will be put in jeopardy.

The continued viability of the JC Canada Group is intertwined with, and dependant on, the continued viability of the U.S. Chapter 11 Debtors. The continued viability of the U.S. Chapter 11 Debtors is dependant access to the funds provided by the DIP Facilities.

### **VIII. APPOINTMENT OF INFORMATION OFFICER**

98. As part of its application, JCV is seeking to appoint Alvarez & Marsal Canada Inc. (“**A&M**”) as the information officer (the “**Information Officer**”) in this proceeding. A&M is a licensed trustee in bankruptcy in Canada and its principals have acted as an information officer in several previous ancillary proceedings (both under Part IV of the CCAA as well as the former section 18.6 of the CCAA).

99. A&M has consented to acting as Information Officer in this proceeding. A copy of A&M’s consent to act as Information Officer is attached hereto as **Exhibit “E”**.

100. The Chapter 11 Debtors propose to grant counsel to the Canadian Chapter 11 Debtors, the proposed Information Officer and its legal counsel an administration charge with respect to their fees and disbursements in the maximum amount of Cdn\$500,000 (the “**Administration Charge**”) on the JC Canada Group’s property in Canada. The U.S. Chapter 11 Debtors do not have any assets in Canada apart from the trucks and trailers leased to the JC Canada Group. 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 Information Officer and its legal counsel.

### **IX. PROPOSED NEXT HEARING**

101. As noted above, JCV, as the Foreign Representative, is seeking recognition of the above noted First Day Orders, including the Interim DIP Order.

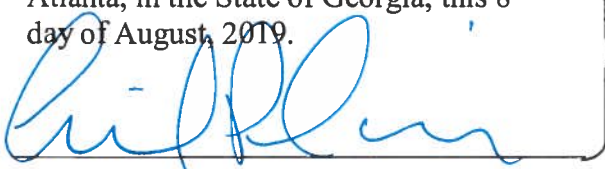
102. JCV intends to seek further hearings for recognition of any corresponding “final orders”, including the Final DIP Order (as defined in the RSA), and any “second day” orders that need to be recognized, if and when entered by the U.S. Court.

**X. NOTICE**


103. This application has been brought on notice to the DIP Lenders and the proposed Information Officer.

104. The information regarding these proceedings will be provided to the JC Group Canada’s stakeholders by and through the Information Officer. If the Orders sought are granted, the Applicant proposes that a notice of the recognition orders be published for two consecutive weeks in *The Globe and Mail* (National Edition) pursuant to the CCAA and all Canadian Court materials in these proceedings will be available on the Information Officer’s website.

**SWORN BEFORE ME** at the City of  
Atlanta, in the State of Georgia, this 8<sup>th</sup>  
day of August, 2019.



Commissioner for Oaths/Notary Public in  
and for the Province of Alberta



Greg R. May

This is Exhibit 'B' referred to in the Affidavit  
of Emily Paplawski, sworn before me this 20th  
day of August, 2019.

*Meagan B. Watt*  
A COMMISSIONER FOR OATHS/NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF ALBERTA

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

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In re:

JACK COOPER VENTURES, INC., *et al.*,<sup>1</sup>

Debtors.

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)  
) Chapter 11  
)  
) Case No. 19-62393 (PWB)  
)  
) (Joint Administration Requested)  
)

**DEBTORS' MOTION FOR ENTRY OF INTERIM AND  
FINAL ORDERS APPROVING NOTIFICATION AND HEARING  
PROCEDURES FOR CERTAIN TRANSFERS OF AND DECLARATIONS OF  
WORTHLESSNESS WITH RESPECT TO COMMON STOCK**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully state as follows in support of this motion:

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors' corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.



**Relief Requested**<sup>1</sup>

1. By this motion, the Debtors seek entry of interim and final orders, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B** (the “Interim Order” and “Final Order,” respectively): (a) approving certain notification and hearing procedures related to certain transfers of, or declarations of worthlessness with respect to, Debtor Jack Cooper Investments, Inc.’s existing common stock and warrants to acquire common stock (the “Common Stock”) or any Beneficial Ownership<sup>2</sup> thereof as detailed in **Exhibit 1** to the Interim Order (the “Procedures”); (b) directing that any purchase, sale, other transfer of, or declaration of worthlessness with respect to, Common Stock in violation of the Procedures shall be null and void *ab initio*; (c) scheduling a final hearing to consider approval of this motion on a final basis; and (d) granting related relief.

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<sup>1</sup> A description of the Debtors’ businesses, the reasons for commencing these chapter 11 cases, the relief sought from the Court to allow for a smooth transition into chapter 11, and the facts and circumstances supporting this motion are set forth in the *Declaration of Greg May, the Debtors’ Chief Financial Officer, in Support of First Day Motions* (the “First Day Declaration”), filed contemporaneously herewith. Capitalized terms used in this Relief Requested section of the Motion but not otherwise defined therein shall have the meanings ascribed to such terms later in the Motion, and any other capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the First Day Declaration.

<sup>2</sup> “Beneficial Ownership” will be determined in accordance with the applicable rules of section 382 of the Internal Revenue Code (the “IRC”), and the Treasury Regulations thereunder (other than Treasury Regulations Section 1.382-2T(h)(2)(i)(A)) and includes direct, indirect, and constructive ownership (e.g., (1) a holding company would be considered to beneficially own all equity securities owned by its subsidiaries, (2) a partner in a partnership would be considered to beneficially own its proportionate share of any equity securities owned by such partnership, (3) an individual and such individual’s family members may be treated as one individual, (4) persons and entities acting in concert to make a coordinated acquisition of equity securities may be treated as a single entity, and (5) to the extent set forth in Treasury Regulations Section 1.382-4, a holder would be considered to beneficially own equity securities that such holder has an Option (as defined herein) to acquire). An “Option” to acquire stock includes all interests described in Treasury Regulations Section 1.382-4(d)(9), including any contingent purchase right, warrant, convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

### **Jurisdiction and Venue**

2. The United States Bankruptcy Court for the Northern District of Georgia has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this motion is a core proceeding pursuant to 28 U.S.C. § 157(b).

3. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are sections 362 and 541 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), Rules 6003 and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and *General Order 26-2019, Procedures for Complex Chapter 11 Cases*, dated February 4, 2019 (the “Complex Case Procedures”).

### **The Tax Attributes**

5. Generally, a company generates net operating losses (“NOLs”) if the operating expenses it has incurred exceed the revenues it has earned during a single tax year. A company may apply, or “carry forward,” NOLs to reduce future tax payments in a tax year or years after the year in which the NOLs were generated (subject to certain conditions as discussed below). I.R.C. § 172. In addition, business interest expense in excess of certain thresholds is disallowed as a deduction (such disallowed business interest expense, together with NOLs and certain other tax attributes, “Tax Attributes”) but may generally be carried forward and deducted in future tax years (subject to certain conditions). I.R.C. § 163(j).

6. The Debtors believe that, as of December 31, 2018, they had state NOLs in the amount of approximately \$238.1 million, federal NOLs in the amount of approximately \$23 million and disallowed business interest carryforwards of approximately \$80 million. These

NOLs and certain other Tax Attributes provide the potential for material future tax savings or other tax structuring possibilities in these chapter 11 cases. The Tax Attributes may be of significant value to the Debtors and their estates because the Debtors can generally carry forward their Tax Attributes to offset their future taxable income, thereby reducing their future aggregate tax obligations. In addition, such Tax Attributes may generally be utilized by the Debtors to offset any taxable income generated by transactions consummated during these chapter 11 cases. The value of the Tax Attributes will inure to the benefit of all of the Debtors' stakeholders.

**I. An "Ownership Change" May Negatively Impact the Debtors' Utilization of the Tax Attributes.**

7. Section 382 of the IRC limits the amount of NOLs and certain other Tax Attributes that a corporation can use to offset its taxable income if the corporation undergoes an "ownership change." Generally, an "ownership change" occurs if the percentage (by value) of the stock of a corporation owned by one or more 5% shareholders has increased by more than 50 percentage points over the lowest percentage of stock owned by such shareholders at any time during the three-year testing period ending on the date of the ownership change. For example, an ownership change would occur in the following situation:

An individual ("A") owns 50.1% of the stock of corporation XYZ. A sells her 50.1% interest to another individual ("B"), who owns 5% of XYZ's stock. Under section 382, an ownership change has occurred because B's interest in XYZ has increased more than 50 percentage points (from 5% to 55.1%) during the testing period. The same result would follow even if B owned no XYZ stock prior to the transaction with A because B both becomes a 5% shareholder and increases his ownership by more than 50 percentage points during the testing period.

8. An "ownership change" can also occur as a result of a "worthless stock deduction" claimed by any "50-percent shareholder." A 50-percent shareholder is any person

that owned 50% or more of a corporation's stock "at any time during the 3-year period ending on the last day of the taxable year" with respect to which the worthless stock deduction is claimed. I.R.C. § 382(g)(4)(D). If the 50-percent shareholder still owns the corporation's stock at the end of the taxable year, section 382 of the IRC essentially treats the person as newly-purchasing the stock on the first day of the next taxable year. For example, if a person with 50% of a corporation's stock claims a worthless stock deduction in 2019 but does not sell such stock that year, that person is treated (a) as not having owned the stock at the end of 2019 and (b) as having purchased the stock on January 1, 2020. That deemed purchase would cause an ownership change, because the 50-percent shareholder would be deemed to have a 50 percentage point increase in its stock ownership. Notably, while the seminal case of *In re Prudential Lines, Inc.*, 928 F.2d 565 (2d Cir. 1991) is generally relied upon to support equity trading motions in general, the specific issue in *Prudential Lines* was, in fact, a worthless stock deduction.

9. If an ownership change occurs, section 382 of the IRC limits the amount of a corporation's future taxable income that may be offset by its "pre-change losses" to an annual amount based on the fair market value of all stock of the corporation prior to the ownership change multiplied by the long-term tax-exempt rate that applies to the month of the ownership change (for August 2019, 2.09%). Pre-change losses include the Debtors' NOLs, certain other Tax Attributes, and any net unrealized built-in loss (as defined in section 382(h)(3) of the IRC). "Net unrealized built in losses" include, among other things, certain tax losses resulting from the disposition of assets. Once an NOL or other Tax Attribute is limited under section 382 of the IRC, its use is limited forever. Thus, certain transfers of or worthless stock deductions with respect to Common Stock effected before the effective date of the Debtors' emergence from

chapter 11 protection or the consummation of a taxable sale of assets of the Debtors may trigger an “ownership change” for IRC purposes, severely endangering the Debtors’ ability to utilize the Tax Attributes and causing substantial damage to the Debtors’ estates. Likewise, if a 50% or greater shareholder of Jack Cooper Investments, Inc. were, for federal or state tax purposes, to treat its Common Stock as having become worthless prior to its emerging from chapter 11 protection or the consummation of a taxable sale of assets of the Debtors, such a claim could trigger an ownership change under section 382(g)(4)(D) of the IRC, thus causing an adverse effect on the Debtors’ ability to use the NOLs.

10. To maximize the use of the Tax Attributes and potentially enhance recoveries for the Debtors’ stakeholders, the Debtors seek limited relief that will enable them to establish Procedures to closely monitor certain transfers of Common Stock and claims of worthless stock deductions so as to be in a position to act expeditiously to prevent such transfers or claims of worthless deductions, if necessary, with the purpose of preserving the Tax Attributes. By establishing and implementing such Procedures, the Debtors will be in a position to object to “ownership changes” that threaten their ability to preserve the value of their NOLs for the benefit of the estates.

11. Notably, the Debtors have limited the relief requested herein to the extent necessary to preserve estate value. Specifically, the Interim Order and Final Order will affect only (a) holders of the equivalent of 4.5 percent or more of outstanding Common Stock, (b) parties who are interested in purchasing sufficient Common Stock to result in such party becoming a holder of 4.5 percent or more of outstanding Common Stock, and (c) any “50-percent shareholder” seeking to claim a worthless stock deduction.

**II. Proposed Procedures for Transfers of, or Declaration of Worthlessness with Respect to, Common Stock.**

12. The Procedures are the mechanism by which the Debtors propose that they will monitor, and, if necessary, object to, certain transfers of Common Stock and declarations of worthlessness with respect to the Common Stock to ensure preservation of the Tax Attributes. The Procedures, which are fully set forth in **Exhibit 1** to the Interim Order, are summarized below for illustrative purposes only.

**Procedures for Transfers of Common Stock**

- a. Any entity (as defined in section 101(15) of the Bankruptcy Code) who currently is or becomes a Substantial Shareholder (as defined herein), must file with the Court, and serve upon: (i) the Debtors, 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu; (ii)(A) proposed counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber, and (B) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders and Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson and Julian Gurule; (v) counsel to the Debtors' prepetition first lien term loan lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders (the "Junior Lenders"), Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Jonathan Henes, and Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Marc Kieselstein and Alexandra Schwarzman; (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases; and (viii) to the extent not listed herein, those parties requesting notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties"), a declaration of such status, substantially in the form of **Exhibit 1A** attached to the Procedures (each, a "Declaration of Status as a Substantial Shareholder"), on or before the later of (A) 30 calendar days after the date of the Notice of Interim Order (as defined herein), or (B) 10 calendar days after becoming a Substantial Shareholder; *provided* that each of Michael Riggs, TMR Holding Company, LLC and the T.

Michael Riggs Irrevocable Trust of 2014 (the “Riggs Shareholders”), shall be deemed a Substantial Shareholder and shall not be required to file a Declaration of Status as a Substantial Shareholder.

- b. Prior to effectuating any transfer of Beneficial Ownership of Common Stock that would result in an increase in the amount of Common Stock of which a Substantial Shareholder has Beneficial Ownership or would result in an entity or individual becoming a Substantial Shareholder, such Substantial Shareholder or potential Substantial Shareholder must file with the Court, and serve upon the Notice Parties, an advance written declaration of the intended transfer of Common Stock, substantially in the form of **Exhibit 1B** attached to the Procedures (each, a “Declaration of Intent to Accumulate Common Stock”).
- c. Prior to effectuating any transfer of Beneficial Ownership of Common Stock that would result in a decrease in the amount of Common Stock of which a Substantial Shareholder has Beneficial Ownership or would result in an entity or individual ceasing to be a Substantial Shareholder, such Substantial Shareholder must file with the Court, and serve upon the Notice Parties, an advance written declaration of the intended transfer of Common Stock, substantially in the form of **Exhibit 1C** attached to the Procedures (each, a “Declaration of Intent to Transfer Common Stock” and together with a Declaration of Intent to Accumulate Common Stock, each, a “Declaration of Proposed Transfer”).
- d. The Debtors shall have 15 calendar days after receipt of a Declaration of Proposed Transfer to file with the Court and serve on such Substantial Shareholder or potential Substantial Shareholder an objection to any proposed transfer of Beneficial Ownership of Common Stock described in the Declaration of Proposed Transfer on the grounds that such transfer might adversely affect the Debtors’ ability to utilize their Tax Attributes. If the Debtors file an objection, the proposed transaction will remain ineffective unless such objection is withdrawn by the Debtors or such transaction is approved by a final and nonappealable order of the Court. If the Debtors do not object within such 15-day period, the proposed transaction can proceed solely as set forth in the Declaration of Proposed Transfer. Further transactions within the scope of this paragraph must be the subject of additional notices in accordance with the procedures set forth herein, with an additional 15-day waiting period for each Declaration of Proposed Transfer.
- e. For purposes of the Procedures: (i) a “Substantial Shareholder” is any entity or individual that has Beneficial Ownership of at least 133,466 shares and warrants exercisable for shares of Common Stock (representing

approximately 4.5% of all issued and outstanding shares of Common Stock, treating each warrant exercisable for shares as an outstanding share for this purpose),<sup>3</sup> including, for the avoidance of doubt, each of the Riggs Shareholders; (ii) “Beneficial Ownership” shall be determined in accordance with the applicable rules of section 382 of the Internal Revenue Code and the Treasury Regulations thereunder (other than Treasury Regulations Section 1.382-2T(h)(2)(i)(A)) and includes direct and indirect ownership (e.g., a holding company would be considered to beneficially own all shares owned or acquired by its subsidiaries and a partner in a partnership would be considered to own its proportionate share of any equity securities owned by such partnership), ownership by such holder’s family members and entities acting in concert with such holder to make a coordinated acquisition of equity securities, and to the extent set forth in Treasury Regulations Section 1.382-4, ownership of equity securities that such holder has an Option to acquire; and (iii) an “Option” to acquire stock includes any contingent purchase right, warrant, convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether such interest is contingent or otherwise not currently exercisable.

Procedures for Declarations of Worthlessness of the Common Stock

- a. Any person or entity that currently is or becomes a 50% Shareholder (as defined below) must file with the Court, and serve the Notice Parties, a notice of such status, in the form of **Exhibit 1D** attached to the Procedures, on or before the later of (i) 30 calendar days after the date of the Notice of Interim Order and (ii) 10 calendar days after becoming a 50% Shareholder; *provided* that each of the Riggs Shareholders shall be deemed a 50% Shareholder and shall not be required to file a notice of such status.
- b. Prior to filing any federal, state or local tax return, or any amendment to such a return, claiming any deduction for worthlessness of the Common Stock, for a tax year ending before the earlier of (i) the Debtors’ emergence from chapter 11 protection and (ii) a taxable sale of substantially all of the assets of the Debtors, such 50% Shareholder must file with the Court, and serve upon the Notice Parties, an advance written notice in the form of **Exhibit 1E** attached to the Procedures (a “Declaration of Intent to Claim a Worthless Stock Deduction”) of the intended claim of worthlessness.

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<sup>3</sup> Based on approximately 2,965,909 shares (and warrants exercisable for shares) of Common Stock outstanding as of the Petition Date.



- c. The Debtors will have 15 calendar days after receipt of a Declaration of Intent to Claim a Worthless Stock Deduction to file with the Court and serve on such 50% Shareholder an objection to any proposed claim of worthlessness described in the Declaration of Intent to Claim a Worthless Stock Deduction on the grounds that such claim might adversely affect the Debtors' ability to utilize their Tax Attributes. During such 15-day period, and while any objection by the Debtors to the proposed claim is pending, such 50% Shareholder shall not claim, or cause to be claimed, the proposed worthless stock deduction to which the Declaration of Intent to Claim a Worthless Stock Deduction relates and thereafter in accordance with the Court's ruling, and, as applicable, any appellate rules and procedures. If the Debtors do not object within such 15-day period, the filing of the tax return with such claim would be permitted solely as set forth in the Declaration of Intent to Claim a Worthless Stock Deduction. Additional tax returns within the scope of this paragraph must be the subject of additional notices as set forth herein, with an additional 15-day waiting period.
- d. For purposes of these Procedures, a "50% Shareholder" is any person or entity that currently is or becomes a "50-percent shareholder" (within the meaning of section 382(g)(4)(D) of the IRC and the applicable Treasury Regulations), including, for the avoidance of doubt, each of the Riggs Shareholders.

#### Other Procedures

- a. No later than two business days following entry of the interim order, the Debtors shall serve by overnight mail, postage prepaid a notice, substantially in the form of **Exhibit 1F** attached to the Procedures (the "Notice of Interim Order"), on: (i) the Office of the United States Trustee for the Northern District of Georgia; (ii) the Debtors' thirty (30) largest unsecured creditors; (iii) counsel to the Prepetition Secured Parties; (iv) counsel to the administrative agents for the Debtors' prepetition credit facilities; (v) counsel to the administrative agents for the Debtors' debtor-in-possession financing facilities; (vi) the United States Securities and Exchange Commission; (vii) the Internal Revenue Service; (viii) the Georgia Department of Revenue; (ix) the Attorney General for the State of Georgia; (x) the United States Attorney for the Northern District of Georgia; (xi) the state attorneys general for states in which the Debtors conduct business; (xii) the Pension Benefit Guaranty Corporation; (xiii) any official committees appointed in these chapter 11 cases; and (xiv) all registered holders of Common Stock. Additionally, no later than two business days following entry of the final order, the Debtors shall serve a Notice of Interim Order modified to reflect that the final order has been

entered (as modified, the “Notice of Final Order”) on the same entities that received the Notice of Interim Order.

- b. All registered holders of Common Stock shall be required to serve the Notice of Interim Order or Notice of Final Order, as applicable, on all holders for whose benefit such registered holder holds such Common Stock down the chain of ownership.
- c. Any entity or broker or agent acting on such entity’s or individual’s behalf who sells in excess of 133,466 shares and warrants exercisable for shares of Common Stock (*i.e.*, approximately 4.5% of all issued and outstanding shares of Common Stock, treating each warrant exercisable for shares as outstanding for this purpose) to another entity shall be required to serve a copy of the Notice of Interim Order or Notice of Final Order, as applicable, on such purchaser of such Common Stock or any broker or agent acting on such purchaser’s behalf.
- d. To the extent confidential information is required in any declaration described in the Procedures, such confidential information may be filed and served in redacted form; *provided, however*, that any such declarations served on the Debtors ***shall not*** be in redacted form. The Debtors shall keep all information provided in such declarations strictly confidential and shall not disclose the contents thereof to any person except (i) to the extent necessary to respond to a petition or objection filed with the Court (ii) to the extent otherwise required by law or (iii) to the extent that the information contained therein is already public; *provided, however*, that the Debtors may disclose the contents thereof to their professional advisors, who shall keep all such declarations strictly confidential and shall not disclose the contents thereof to any other person, subject to further Court order. To the extent confidential information is necessary to respond to a petitioner objection filed with the Court, such confidential information shall be filed under seal or in a redacted form. For the avoidance of doubt, to the extent confidential information is required in any declaration described in these Procedures, such confidential information shall be served in redacted form to the Notice Parties.
- e. The Debtors may, solely with the Junior Lenders’ consent (not to be unreasonably withheld, conditioned or delayed) waive, in writing, any and all restrictions, stays, and notification Procedures contained in this Notice.

### **Basis for Relief**

13. Section 541 of the Bankruptcy Code provides that property of the estate comprises, among other things, “all legal or equitable interests of the debtor in property as of the

commencement of the case.” 11 U.S.C. § 541. The Tax Attributes are property of the Debtors’ estates. *See In re Prudential Lines, Inc.*, 107 B.R. 832, 839 (Bankr. S.D.N.Y. 1989) (“[D]ebtor’s potential ability to utilize NOLs is property of an estate.”), *aff’d*, 119 B.R. 430 (S.D.N.Y. 1990), *aff’d*, 928 F.2d 565 (2d Cir. 1991), *cert. denied*, 502 U.S. 821 (1991); *see also In re Forman Enters., Inc.*, 273 B.R. 408, 416 (Bankr. W.D. Pa. 2002) (holding that NOLs are property of the debtors’ estates); *In re Delta Air Lines, Inc.*, No. 05-17923 (PCB) (Bankr. S.D.N.Y. Sept. 16, 2005) (same); *In re White Metal Rolling & Stamping Corp.*, 222 B.R. 417, 424 (Bankr. S.D.N.Y. 1998) (same). Section 362(a)(3) of the Bankruptcy Code, moreover, stays “any act [of an entity] to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate.” 11 U.S.C. § 362(a)(3). Accordingly, any act of a holder of a debtor’s equity securities that causes the termination, or limits use, of the NOLs violates the automatic stay. *In re Grossman’s, Inc.*, No. 97-695 (PJW), 1997 WL 33446314, at \*1 (Bankr. D. Del. Oct. 9, 1997) (holding that the debtors’ NOLs were property of the debtors’ estates and protected by the automatic stay); *In re Phar-Mor, Inc.*, 152 B.R. 924, 927 (Bankr. N.D. Ohio 1993) (“[T]he sale of stock is prohibited by § 362(a)(3) as an exercise of control over the NOL, which is property of the estate.”).

14. Implementation of the Procedures is necessary and appropriate to enforce the automatic stay and, critically, to preserve the value of the Tax Attributes for the benefit of the Debtors’ estates. Under section 382 of the IRC, certain transfers of, or declarations of worthlessness with respect to, the Common Stock prior to the consummation of a chapter 11 plan could cause the termination, or limit the use, of the Tax Attributes. As stated above, the Debtors believe that, as of December 31, 2018, they had state NOLs of approximately \$238.1 million and

federal NOLs of approximately \$23 million and disallowed business interest carryforwards of approximately \$80 million. The Tax Attributes translate to the potential for material future tax savings or other potential tax structuring opportunities in these chapter 11 cases. The termination or limitation of the Tax Attributes could be materially detrimental to all parties in interest. Thus, granting the relief requested herein will preserve the Debtors' flexibility in operating the Debtors' businesses during the pendency of these chapter 11 cases and implementing an exit plan that makes full and efficient use of the Tax Attributes and maximizes the value of the Debtors' estates.

15. Additionally, the Procedures do not bar all transfers of, or declarations of worthlessness with respect to Beneficial Ownership of Common Stock. The Debtors seek to establish procedures only to monitor those types of transactions that would pose a risk under the ownership change test pursuant to section 382 of the IRC to preserve the Debtors' ability to seek substantive relief if it appears that a proposed transfer or declaration of worthlessness could jeopardize the Debtors' utilization of the Tax Attributes.

16. Courts in this jurisdiction and others have routinely restricted transfers of equity interests in, and declarations of worthlessness with respect to, stock of a debtor, or instituted notice procedures regarding proposed transfers and declarations of worthlessness, to protect a debtor against the possible loss of its tax attributes. *See, e.g., In re Gymboree Group, Inc.*, Case No. 19-30258 (KLP) (Bankr. D. Del Jan. 17, 2019) [Docket No. 82]; *In re Parker Drilling Company*, Case No. 18-36958 (MI) (Bankr. S.D. Tex. Jan. 3, 2019) [Docket. No. 177]; *In re Bon-Ton Stores, Inc.*, Case No. 18-10248 (MFW) (Bankr. D. Del. Mar. 6, 2018) [Docket. No. 287]; *In re iHeartMedia, Inc.*, Case No. 18-31274 (MI) (Bankr. S.D. Tex. April 12, 2018)

[Docket. No. 455]; *In re Payless Holdings, LLC*, Case No. 17-42267-659 (KAS) (Bankr. E.D. Mo. May 9, 2017) [Docket No. 640]; *In re Arch Coal, Inc.*, Case No. 16-40120 (CER) (Bankr. E.D. Mo. Jan. 14, 2016 [Docket. No. 92]; *In re Walter Energy, Inc.*, 15-02741 (TOM11) (Bankr. N.D. Ala. July 16, 2015) [Docket No. 72].<sup>4</sup>

**The Requirements of Bankruptcy Rule 6003 are Satisfied**

17. Under Bankruptcy Rule 6003, the Court may grant relief regarding a motion to use, sell, or lease property of the estate within 21 days after the Petition Date if the relief is necessary to avoid immediate and irreparable harm. The Debtors respectfully submit that Bankruptcy Rule 6003 does not apply to this motion because the Debtors are not seeking to use, sell, or lease property of the estate. *See* Advisory Comm. Note to 2011 Amendment to Fed. R. Bankr. P. 6003 (“[T]he rule does not prohibit the court from entering orders in the first 21 days of the case that *may relate* to the motions and applications set out in (a), (b), and (c); it is only prohibited from granting the relief requested by those motions or applications.” (emphasis added)). Even if Bankruptcy Rule 6003 were applicable to this motion, however, the “immediate and irreparable” harm standard is satisfied. As discussed herein, the NOLs are a key asset of the Debtors’ estates and essential to the Debtors’ restructuring. The loss of the NOLs would therefore cause immediate and irreparable harm to the Debtors’ estates. Accordingly, to the extent Bankruptcy Rule 6003 applies to the relief requested herein, its requirements are satisfied.

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<sup>4</sup> Because of the voluminous nature of the orders cited herein, such orders have not been attached to this motion. Copies of these orders are available upon request of the Debtors’ proposed counsel.

**Waiver of Bankruptcy Rule 6004(a) and 6004(h)**

18. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

**Reservation of Rights**

19. Nothing contained herein is intended or should be construed as an admission as to the validity of any claim against the Debtors, a waiver of the Debtors' or any party in interest's rights to dispute and/or contest any claim, or an approval or assumption of any agreement, contract, or lease under section 365 of the Bankruptcy Code. The Debtors expressly reserve their right to contest any claim related to the relief sought herein. Likewise, if the Court grants the relief sought herein, any payment made pursuant to an order of the Court is not intended to be nor should it be construed as an admission as to the validity of any claim or a waiver of the Debtors' or any party in interest's rights to subsequently dispute and/or contest such claim.

**Notice**

20. The Debtors have provided notice of this motion to: (a) the Office of the United States Trustee for the Northern District of Georgia; (b) the Debtors' thirty (30) largest unsecured creditors; (c) counsel to the Prepetition Secured Parties; (d) counsel to the administrative agents for the Debtors' prepetition credit facilities; (e) counsel to the administrative agents for the Debtors' debtor-in-possession financing facilities; (f) the United States Securities and Exchange Commission; (g) the Internal Revenue Service; (h) the Georgia Department of Revenue; (i) the Attorney General for the State of Georgia; (j) the United States Attorney for the Northern

District of Georgia; (k) the state attorneys general for states in which the Debtors conduct business; (l) the registered and nominee holders of the Common Stock; (m) the Pension Benefit Guaranty Corporation; and (n) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors respectfully submit that no further notice is necessary.

**No Prior Request**

21. No prior request for the relief sought in this motion has been made to this or any other court.

*[Remainder of page intentionally left blank.]*

WHEREFORE, the Debtors respectfully request that the Court enter the Interim Order and Final Order, substantially in the forms attached hereto as **Exhibit A** and **Exhibit B**, (a) granting the relief requested herein, and (b) granting such other relief as is just and proper.

Dated: August 6, 2019  
Atlanta, Georgia

/s/ Sarah R. Borders

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*Proposed Counsel for the Debtors in Possession*



This is Exhibit 'C' referred to in the Affidavit  
of Emily Paplawski, sworn before me this 20th  
day of August, 2019.

*Meagan Watts*  
A COMMISSIONER FOR OATHS/NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF ALBERTA

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

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In re:

JACK COOPER VENTURES, INC., *et al.*<sup>1</sup>

Debtors.

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)  
) Chapter 11  
)  
) Case No. 19-62393 (PWB)  
)  
) (Joint Administration Requested)  
)

**DEBTORS' APPLICATION FOR APPOINTMENT OF  
PRIME CLERK LLC AS CLAIMS, NOTICING AND SOLICITATION AGENT**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) file this application (the “Application”) for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Retention Order”), pursuant to section 156(c) of title 28 of the United States Code and section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), appointing Prime Clerk LLC (“Prime Clerk”) as claims, noticing and solicitation agent (“Claims and Noticing Agent”) in the Debtors’ chapter 11 cases effective *nunc pro tunc* to the Petition Date (as defined below). In support of this Application, the Debtors submit the Declaration of Benjamin J. Steele, Vice President of Prime Clerk (the “Steele Declaration”), attached hereto as

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

**Exhibit B**, and respectfully represent as follows:

**Jurisdiction and Venue**

1. The United States Bankruptcy Court for the Northern District of Georgia (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Application is a core proceeding pursuant to 28 U.S.C. § 157(b).

2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief requested herein are section 156(c) of title 28 of the United States Code, sections 105(a) and 327 of the Bankruptcy Code and Rules 2002(f), 2014(a), and 2016 of the Federal Rules of Bankruptcy Procedure.

**Background**

4. On the date hereof (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

5. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases, and no committees have been appointed or designated.

7. The factual background regarding the Debtors, including their business operations, their capital and debt structure, and the events leading to the filing of these chapter 11 cases, is set forth in more detail in the *Declaration of Greg May, the Debtors’ Chief Financial Officer, in Support of First Day Motions* (the “First Day Declaration”), filed contemporaneously herewith and incorporated herein by reference.

**Relief Requested**

8. The Debtors request entry of an order appointing Prime Clerk as the Claims and Noticing Agent for the Debtors and their chapter 11 cases, to, among other tasks, (i) serve as the noticing agent to mail notices to the estates' creditors, equity security holders, and parties in interest; (ii) provide computerized claims, objection, solicitation, and balloting database services; and (iii) provide expertise, consultation, and assistance in claim and ballot processing and other administrative services with respect to the Debtors' chapter 11 cases, pursuant to the provisions of the Engagement Agreement (defined below). The Debtors' selection of Prime Clerk to act as the Claims and Noticing Agent is appropriate under the circumstances and in the best interest of the estates. Moreover, the Debtors submit, based on all engagement proposals obtained and reviewed, that Prime Clerk's rates are competitive and reasonable given Prime Clerk's quality of services and expertise. The terms of Prime Clerk's retention are set forth in the Engagement Agreement attached hereto as **Exhibit C** (the "Engagement Agreement").

9. Although the Debtors have not yet filed their schedules of assets and liabilities, they anticipate that there will be thousands of persons and entities to be noticed and that many of these parties will file claims. In view of the number of anticipated claimants and the complexity of the Debtors' businesses, the Debtors submit that the appointment of a claims and noticing agent will provide the most effective and efficient means of, and relieve the Debtors and/or the Clerk's Office of the administrative burden of, noticing, administering claims, and soliciting and tabulating votes and is in the best interests of both the Debtors' estates and their creditors.

**Prime Clerk's Qualifications**

10. Prime Clerk is comprised of leading industry professionals with significant experience in both the legal and administrative aspects of large, complex chapter 11 cases. Prime Clerk's professionals have experience in noticing, claims administration, solicitation, balloting, and facilitating other administrative aspects of chapter 11 cases and experience in matters of this size and complexity. Prime Clerk's professionals have acted as debtor's counsel or official claims and noticing agent in many large bankruptcy cases in various districts nationwide. Prime Clerk's active cases include: *In re Bristow Group Inc.*, No. 19-32713 (DRJ) (Bankr. S.D. Tex.); *Parker Drilling Company*, No. 18-36960 (MI) (Bankr. S.D. Tex.); *In re iHeartMedia, Inc.*, No. 18-31274 (MI) (Bank. S.D. Tex.), *Fieldwood Energy LLC*, No. 18-30648 (DRJ) (Bankr. S.D. Tex.); *Castex Energy Partners, L.P.*, No. 17-35835 (MI) (Bankr. S.D. Tex.); *In re Vanguard Natural Resources, LLC*, No. 17-30560 (MI) (Bankr. S.D. Tex.); *TK Holdings Inc.*, No. 17-11375 (BLS) (Bankr. D. Del.); *Checkout Holding Corp.*, No. 18-12794 (KG) (Bankr. D. Del.); *Fairway Energy, LP*, No. 18-12684 (LSS) (Bankr. D. Del.); *Dixie Electric, LLC*, No. 18-12477 (KG) (Bankr. D. Del.); *New MACH Gen GP, LLC*, No. 18-11369 (MFW) (Bankr. D. Del.); *Gibson Brands, Inc.*, No. 18-11028 (CSS) (Bankr. D. Del.); *Bertucci's Holdings, Inc.*, No. 18-10894 (MFW) (Bankr. D. Del.); *Claire's Stores, Inc.*, No. 18-10584 (MFW) (Bankr. D. Del.); *Sears Holdings Corporation*, No. 18-23538 (RDD) (Bankr. S.D.N.Y.); *Aralez Pharmaceuticals US Inc.*, No. 18-12425 (SMB) (Bankr. S.D.N.Y.); *Relativity Media, LLC*, No. 18-11358 (MEW) (Bankr. S.D.N.Y.); *Nine West Holdings, Inc.*, No. 18-10947 (SCC) (Bankr. S.D.N.Y.); *Rentech WP U.S., Inc.*, No. 17-12958 (CSS) (Bankr. D. Del.); *Appvion, Inc.*, No. 17-12082 (KJC) (Bankr. D. Del.); *Global Brokerage, Inc.*, No. 17-13532 (MEW) (Bankr. S.D.N.Y.); *Global A&T*

*Electronics Ltd.*, No. 17-23931 (RDD) (Bankr. S.D.N.Y.); *Pacific Drilling S.A.*, No. 17-13193 (MEW) (Bankr. S.D.N.Y.); *Walter Investment Management Corporation*, No. 17-13446 (JLG) (Bankr. S.D.N.Y.); *Toys “R” Us, Inc.*, No. 17-34665 (KLP) (Bankr. E.D. Va.).

**Services to Be Provided**

11. This Application pertains to the work to be performed by Prime Clerk under 11 U.S.C. § 327(a) and under the delegation of duties by the Office of the Clerk of the Bankruptcy Court (the “Clerk”) permitted by 28 U.S.C. § 156(c). Under the Engagement Agreement, Prime Clerk will perform the following services, as the Notice and Claims Agent, at the request of the Debtors or the Clerk’s Office:

- (a) assist the Debtors with the preparation and distribution of all required notices and documents in accordance with the Bankruptcy Code and the Bankruptcy Rules in the form and manner directed by the Debtors and/or the Court, including: (i) notice of any claims bar date, (ii) notice of any proposed sale of the Debtor’s assets, (iii) notices of objections to claims and objections to transfers of claims, (iv) notices of any hearings on a disclosure statement and confirmation of any plan or plans of reorganization, including under Bankruptcy Rule 3017(d), (v) notice of the effective date of any plan, and (vi) all other notices, orders, pleadings, publications and other documents as the Debtors, Court, or Clerk may deem necessary or appropriate for an orderly administration of these chapter 11 cases;
- (b) maintain an official copy of the Debtors’ schedules of assets and liabilities and statements of financial affairs (collectively, the “Schedules”), listing the Debtors’ known creditors and the amounts owed thereto;
- (c) maintain (i) a list of all potential creditors, equity holders and other parties-in-interest and (ii) a “core” mailing list consisting of all parties described in Bankruptcy Rule 2002(i), (j) and (k) and those parties that have filed a notice of appearance pursuant to Bankruptcy Rule 9010; update and make said lists available upon request by a party-in-interest or the Clerk;
- (d) furnish a notice to all potential creditors of the last date for filing proofs of claim and a form for filing a proof of claim, after such notice and form are approved by the Court, and notify said potential creditors of the existence, amount and

classification of their respective claims as set forth in the Schedules, which may be effected by inclusion of such information (or the lack thereof, in cases where the Schedules indicate no debt due to the subject party) on a customized proof of claim form provided to potential creditors;

- (e) maintain a post office box or address for receiving claims and returned mail, and process all mail received;
- (f) for all notices, motions, orders or other pleadings or documents served, prepare and file or cause to be filed with the Clerk an affidavit or certificate of service within seven (7) days of service which includes (i) either a copy of the notice served or the docket number(s) and title(s) of the pleading(s) served, (ii) a list of persons to whom it was mailed (in alphabetical order) with their addresses, (iii) the manner of service, and (iv) the date served;
- (g) receive and process all proofs of claim received, including those received by the Clerk, check said processing for accuracy and maintain the original proofs of claim in a secure area;
- (h) provide an electronic interface for filing proofs of claim;
- (i) maintain the official claims register for each Debtor (collectively, the “Claims Registers”) on behalf of the Clerk; upon the Clerk’s request, provide the Clerk with certified, duplicate unofficial Claims Registers; and specify in the Claims Registers the following information for each claim docketed: (i) the claim number assigned, (ii) the date received, (iii) the name and address of the claimant and agent, if applicable, who filed the claim, (iv) the address for payment, if different from the notice address; (v) the amount asserted, (vi) the asserted classification(s) of the claim (e.g., secured, unsecured, priority, etc.), and (vii) any disposition of the claim;
- (j) implement necessary security measures to ensure the completeness and integrity of the Claims Registers and the safekeeping of the original claims;
- (k) record all transfers of claims and provide any notices of such transfers as required by Bankruptcy Rule 3001(e);
- (l) relocate, by messenger or overnight delivery, all of the court-filed proofs of claim to the offices of Prime Clerk, not less than weekly;
- (m) monitor the Court’s docket for all notices of appearance, address changes, and claims-related pleadings and orders filed and make necessary notations on and/or changes to the Claims Registers and any service or mailing lists, including to identify and eliminate duplicative names and addresses from such lists;

- (n) identify and correct any incomplete or incorrect addresses in any mailing or service lists;
- (o) assist in the dissemination of information to the public and respond to requests for administrative information regarding these chapter 11 cases as directed by the Debtors or the Court, including through the use of a case website and/or call center;
- (p) monitor the Court's docket in these chapter 11 cases and, when filings are made in error or containing errors, alert the filing party of such error and work with them to correct any such error;
- (q) comply with applicable federal, state, municipal, and local statutes, ordinances, rules, regulations, orders, and other requirements;
- (r) if these chapter 11 cases are converted to cases under chapter 7 of the Bankruptcy Code, contact the Clerk's office within three (3) days of notice to Prime Clerk of entry of the order converting the cases;
- (s) thirty (30) days prior to the close of these chapter 11 cases, to the extent practicable, request that the Debtors submit to the Court a proposed order dismissing Prime Clerk as claims, noticing, and solicitation agent and terminating its services in such capacity upon completion of its duties and responsibilities and upon the closing of these chapter 11 cases;
- (t) within seven (7) days of notice to Prime Clerk of entry of an order closing these chapter 11 cases, provide to the Court the final versions of the Claims Registers as of the date immediately before the close of the cases;
- (u) at the close of these chapter 11 cases, (i) box and transport all original documents, in proper format, as provided by the Clerk's office, to (A) the Philadelphia Federal Records Center, 14700 Townsend Road, Philadelphia, PA 19154 or (B) any other location requested by the Clerk's office; and (ii) docket a completed SF-135 Form indicating the accession and location numbers of the archived claims;
- (v) assist the Debtors with plan-solicitation services including: (i) balloting, (ii) distribution of applicable solicitation materials, (iii) tabulation and calculation of votes, (iv) determining with respect to each ballot cast, its timeliness and its compliance with the Bankruptcy Code, Bankruptcy Rules, and procedures ordered by this Court; (v) preparing an official ballot certification and testifying, if necessary, in support of the ballot tabulation results; and (vi) in connection with the foregoing services, process requests for documents from parties in interest, including, if applicable, brokerage firms, bank back-offices and institutional holders;



- (w) assist with the preparation of the Debtors' schedules of assets and liabilities and statements of financial affairs and gather data in conjunction therewith;
- (x) provide a confidential data room, if requested;
- (y) manage and coordinate any distributions pursuant to a chapter 11 plan; and
- (z) provide such other processing, solicitation, balloting and other administrative services described in the Engagement Agreement that may be requested from time to time by the Debtors, the Court or the Clerk's Office.

12. The Claims Registers shall be open to the public for examination without charge during regular business hours and on a case-specific website maintained by Prime Clerk.

#### **Professional Compensation**

13. The Debtors respectfully request that the undisputed fees and expenses incurred by Prime Clerk in the performance of the above services be treated as administrative expenses of the Debtors' chapter 11 estates pursuant to 28 U.S.C. § 156(c) and section 503(b)(1)(A) of the Bankruptcy Code and be paid in the ordinary course of business pursuant to the Engagement Agreement without further application to or order of the Court. Prime Clerk agrees to maintain records of all services showing dates, categories of services, fees charged, and expenses incurred, and to serve monthly invoices on the Debtors, the Office of the United States Trustee, counsel for the Debtors, counsel for any official committee monitoring the expenses of the Debtors and any party in interest who specifically requests service of the monthly invoices. If any dispute arises relating to the Engagement Agreement or monthly invoices, the parties shall meet and confer in an attempt to resolve the dispute; if resolution is not achieved, the parties may seek resolution of the matter from the Court.

14. Prior to the Petition Date, the Debtors provided Prime Clerk an advance in the amount of \$25,000. Prime Clerk seeks to first apply the advance to all prepetition invoices, and thereafter, to have the advance replenished to the original advance amount, and thereafter, to hold the advance under the Engagement Agreement during these chapter 11 cases as security for the payment of fees and expenses incurred under the Engagement Agreement. Upon cessation of Prime Clerk's engagement, any unused advance amounts after payment of all outstanding fees and expenses under the Engagement Agreement will be returned to the Debtors.

15. Additionally, under the terms of the Engagement Agreement, the Debtors have agreed to indemnify, defend, and hold harmless Prime Clerk and its members, officers, employees, representatives, and agents under certain circumstances specified in the Engagement Agreement, except in circumstances resulting solely from Prime Clerk's gross negligence or willful misconduct or as otherwise provided in the Engagement Agreement or Retention Order. The Debtors believe that such an indemnification obligation is customary, reasonable, and necessary to retain the services of a claims and noticing agent in these chapter 11 cases.

#### **Disinterestedness**

16. Prime Clerk has reviewed its electronic database to determine whether it has any relationships with the creditors and parties in interest provided by the Debtors, and, to the best of the Debtors' knowledge, information, and belief, and except as disclosed in the Steele Declaration, Prime Clerk has represented that it neither holds nor represents any interest materially adverse to the Debtors' estates in connection with any matter on which it would be employed.

17. To the best of the Debtors' knowledge, Prime Clerk is a "disinterested person" as that term is defined in Bankruptcy Code section 101(14), as modified by Bankruptcy Code section 1107(b), as Prime Clerk represents in the Steele Declaration, among other things, that:

- (a) Prime Clerk, its members and employees are not and were not, within two years before the date of the filing of these chapter 11 cases, creditors, equity security holders, insiders or employees of the Debtors;
- (b) Prime Clerk will not consider itself employed by the United States government and shall not seek any compensation from the United States government in its capacity as the Claims and Noticing Agent in these chapter 11 cases;
- (c) By accepting employment in these chapter 11 cases, Prime Clerk waives any rights to receive compensation from the United States government in connection with these chapter 11 cases;
- (d) In its capacity as the Claims and Noticing Agent in these chapter 11 cases, Prime Clerk will not be an agent of the United States and will not act on behalf of the United States;
- (e) Prime Clerk will not employ any past or present employees of the Debtors in connection with its work as the Claims and Noticing Agent in these chapter 11 cases;
- (f) In its capacity as Claims and Noticing Agent in these chapter 11 cases, Prime Clerk will not intentionally misrepresent any fact to any person.
- (g) Prime Clerk shall be under the supervision and control of the Clerk's office with respect to the receipt and recordation of claims and claim transfers;
- (h) Prime Clerk will comply with all requests of the Clerk's office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c); and
- (i) None of the services provided by Prime Clerk as Claims and Noticing Agent in these chapter 11 cases shall be at the expense of the Clerk's office.

Prime Clerk will supplement its disclosure to the Court if any facts or circumstances are

discovered that would require such additional disclosure.

18. To the extent that there is any inconsistency between this Application, the Retention Order, and the Engagement Agreement, the Retention Order shall govern.

### **Notice**

19. The Debtors have provided notice of this Application to: (a) the Office of the United States Trustee for the Northern District of Georgia; (b) the Debtors' thirty (30) largest unsecured creditors; (c) counsel to the Prepetition Secured Parties; (d) counsel to the administrative agents for the Debtors' prepetition credit facilities; (e) counsel to the administrative agents for the Debtors' debtor-in-possession financing facilities; (f) the United States Securities and Exchange Commission; (g) the Internal Revenue Service; (h) the Georgia Department of Revenue; (i) the Attorney General for the State of Georgia; (j) the United States Attorney for the Northern District of Georgia; (k) the state attorneys general for states in which the Debtors conduct business; (l) the Pension Benefit Guaranty Corporation; and (m) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors respectfully submit that no further notice is necessary.

### **No Prior Request**

20. No prior request for the relief sought herein has been made to this or any other court.

WHEREFORE, the Debtors respectfully request entry of an order, substantially in the form attached hereto as **Exhibit A**, authorizing Prime Clerk to act as Claims and Noticing Agent for the Debtors and granting such other relief as may be appropriate.

Dated: August 6, 2019  
Atlanta, Georgia

/s/ Sarah R. Borders

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*Proposed Counsel for the Debtors in Possession*

This is Exhibit 'D' referred to in the Affidavit  
of Emily Paplawski, sworn before me this 20th  
day of August, 2019.

Megan Watts  
A COMMISSIONER FOR OATHS/NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF ALBERTA

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

In re:	)	
	)	Chapter 11
JACK COOPER VENTURES, INC., <i>et al.</i> <sup>1</sup>	)	
	)	Case No. 19-62393 (PWB)
Debtors.	)	(Joint Administration Requested)
	)	

**DEBTORS' MOTION FOR ENTRY OF  
AN ORDER DETERMINING ADEQUATE  
ASSURANCE OF PAYMENT FOR FUTURE UTILITY SERVICES**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully state as follows in support of this motion:

**Relief Requested**<sup>2</sup>

1. By this motion, the Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”), (a) determining that the Proposed Adequate Assurance

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

<sup>2</sup> A description of the Debtors’ businesses, the reasons for commencing these chapter 11 cases, the relief sought from the Court to allow for a smooth transition into chapter 11, and the facts and circumstances supporting this motion are set forth in the *Declaration of Greg May, the Debtors’ Chief Financial Officer, in Support of First Day Motions* (the “First Day Declaration”), filed contemporaneously herewith. Capitalized terms used in this

provides the Utility Providers with adequate assurance of payment within the meaning of section 366 of the Bankruptcy Code, (b) prohibiting the Utility Providers from altering, refusing, or discontinuing services, (c) approving procedures for resolving any dispute concerning adequate assurance in the event that a Utility Provider is not satisfied with the Proposed Adequate Assurance (the “Adequate Assurance Procedures”), and (d) granting related relief.

### **Jurisdiction and Venue**

2. The United States Bankruptcy Court for the Northern District of Georgia has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this motion is a core proceeding pursuant to 28 U.S.C. § 157(b).

3. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are sections 105(a) and 366 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), rule 6004(h) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and *General Order 26, 2019, Procedures for Complex Chapter 11 Cases*, dated February 4, 2019 (the “Complex Case Procedures”).

### **Utility Services and Proposed Adequate Assurance**

#### **I. Utility Services and Utility Providers**

5. In connection with the operation of their businesses and management of their properties, the Debtors obtain electricity, telephone, internet, cable, recycling, and other similar services (collectively, the “Utility Services”) from a number of utility companies or brokers

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Relief Requested section of the Motion but not otherwise defined herein shall have the meanings ascribed to such terms later in the Motion, and any other capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the First Day Declaration.



(collectively, the “Utility Providers”). A non-exclusive list of the Utility Providers and their affiliates that provide Utility Services to the Debtors as of the Petition Date (the “Utility Service List”) is attached hereto as **Exhibit B**.<sup>3</sup>

6. Uninterrupted Utility Services are essential to the Debtors’ ongoing operations and the overall success of these chapter 11 cases. Should any Utility Provider refuse or discontinue service, even for a brief period, the Debtors’ business operations could be severely disrupted, and such disruption could jeopardize the Debtors’ ability to manage their reorganization efforts. Accordingly, it is essential that the Utility Services continue uninterrupted during these chapter 11 cases.

7. On average, the Debtors pay approximately \$453,150<sup>4</sup> each month for the Utility Services, calculated as a historical average over the last twelve months (or where historical averages were not available, based on projected expenditures). The Debtors estimate that the cost for the Utility Services during the next two weeks (not including any deposits to be paid) will be approximately \$209,200. Of the approximately 104 Utility Providers, approximately 16 of the Utility Providers hold deposits in the aggregated amount of approximately \$36,100.

## **II. Proposed Adequate Assurance of Payment**

8. The Debtors intend to pay postpetition obligations owed to the Utility Providers in the ordinary course of business and in a timely manner. The Debtors believe that cash held by the

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<sup>3</sup> Although the Debtors believe that the Utility Service List includes all of their Utility Providers, the Debtors reserve the right to supplement the list if they inadvertently omitted any Utility Provider. Additionally, the listing of an entity on the Utility Service List is not an admission that such entity is a utility within the meaning of section 366 of the Bankruptcy Code, and the Debtors reserve the right to contest any such characterization in the future.

<sup>4</sup> Approximately 25 of the Debtors’ Utility Providers are located in Canada and bill the Debtors in Canadian dollars. These amounts have been converted into U.S. dollars at the prevailing exchange rate of approximately 1.31 Canadian dollar per U.S. dollar.

Debtors and generated in the ordinary course of business will provide sufficient liquidity to pay the Utility Providers for Utility Services in accordance with prepetition practice during the pendency of these chapter 11 cases.

9. To provide additional assurance of payment, the Debtors propose to deposit \$209,125 (the “Adequate Assurance Deposit”) into a newly created, segregated, interest-bearing bank account (the “Adequate Assurance Account”) within five (5) business days of the entry of an order granting the relief requested herein. The Adequate Assurance Deposit is equal to the estimated aggregate cost paid to the Utility Providers, prorated for two weeks of Utility Services, calculated as a historical average over the last twelve months. The Adequate Assurance Deposit will be held in the Adequate Assurance Account for the duration of these chapter 11 cases and may be applied to any postpetition defaults in payment to the Utility Providers. The Debtors submit that the Adequate Assurance Deposit, in conjunction with the Debtors’ cash flow from operations and cash on hand, demonstrates their ability to pay for future Utility Services in accordance with prepetition practice (collectively, the “Proposed Adequate Assurance”) and constitutes sufficient adequate assurance to the Utility Providers in full satisfaction of section 366 of the Bankruptcy Code.

### **III. The Adequate Assurance Procedures**

10. In light of the severe consequences to the Debtors’ businesses and operations that would result from any interruption in Utility Services, but recognizing the right of the Utility Providers to evaluate the Proposed Adequate Assurance, if a Utility Provider believes additional adequate assurance is required, they may request such assurance pursuant to the Adequate Assurance Procedures below:

- a. The Debtors will serve a copy of this motion and the order granting the relief requested herein to each Utility Provider within five (5) business days after entry of the Order by the Court.
- b. The Debtors will deposit the Adequate Assurance Deposit, in the aggregate amount of \$209,125.00, in the Adequate Assurance Account within five business days after entry of the order granting this motion; *provided* that to the extent any Utility Provider receives any value from the Debtors as adequate assurance of payment, the Debtors may reduce the Adequate Assurance Deposit maintained in the Adequate Assurance Account by such amount.
- c. Each Utility Provider shall be entitled to the funds in the Adequate Assurance Account in the amount set forth for such Utility Provider in the column labeled “Adequate Assurance Deposit” on the Utility Service List.
- d. If an amount relating to Utility Services provided postpetition by a Utility Provider is unpaid, and remains unpaid beyond any applicable grace period, such Utility Provider may request a disbursement from the Adequate Assurance Account by giving notice to: (i) the Debtors, 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu; (ii)(A) proposed counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber, and (B) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders, Leia Clement Shermohammed, and Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors’ prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson; (v) counsel to the Debtors’ prepetition first lien term loan lenders (the “First Lien Lenders”), Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors’ prepetition junior lien term loan lenders (the “Junior Lenders”), Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Alexandra Schwarzman; and (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases (collectively, the “Notice Parties”). The Debtors shall honor such request within five business days after the date the request is received by the Debtors, subject to the ability of the Debtors and any such requesting Utility Provider to resolve any dispute regarding such request without further order of the Court; *provided* that in no event shall a Utility Provider be permitted to receive aggregate disbursements in excess of the total amount set forth for such Utility Provider under the column labeled “Adequate Assurance Deposit” on the Utility Service List.

- e. The portion of the Adequate Assurance Deposit attributable to each Utility Provider shall be removed from the account and returned to the Debtors on the earlier of (i) the Debtors' termination of Utility Services from such Utility Provider and (ii) the effective date of any chapter 11 plan approved in these chapter 11 cases.
- f. Any Utility Provider desiring additional assurances of payment in the form of deposits, prepayments, or otherwise must serve a request for additional assurance (an "Additional Assurance Request") on the Notice Parties.
- g. Any Additional Assurance Request must (i) be in writing, (ii) identify the location and account number(s) for which the Utility Services are provided, (iii) summarize the Debtors' payment history relevant to the affected account(s), including any security deposits, (iv) certify the amount that is equal to two weeks of the Utility Services the Utility Provider provides to the Debtors, calculated as a historical average over the last twelve months, (v) certify that the Utility Provider does not already hold a deposit equal to or greater than two weeks of Utility Services, (vi) certify that the Utility Provider is not currently paid in advance for the Utility Services, and (vii) explain why the Utility Provider believes the Adequate Assurance Deposit is insufficient adequate assurance of payment.
- h. Any Additional Assurance Request must be made and actually received by all the Notice Parties by no later than 20 days after entry of the Order. If a Utility Provider fails to timely file an Additional Assurance Request, the Utility Provider shall be (i) deemed to have received "satisfactory" adequate assurance of payment in compliance with section 366 of the Bankruptcy Code and (ii) forbidden from discontinuing, altering, or refusing Utility Services to, or discriminating against, the Debtors on account of any unpaid prepetition charges, or requiring additional assurance of payment other than the Proposed Adequate Assurance.
- i. Upon the Debtors' receipt of any Additional Assurance Request, the Debtors shall have the greater of (i) 20 days from the receipt of such Additional Assurance Request and (ii) 30 days from entry of the Order (the "Resolution Period") to negotiate with such Utility Provider to resolve such Utility Provider's Additional Assurance Request; *provided* that the Debtors and the applicable Utility Provider may extend the Resolution Period by mutual agreement.
- j. The Debtors may, in consultation with (i) counsel to the First Lien Lenders and (ii) counsel to the Junior Lenders, and without further order from this Court, resolve any Additional Assurance Request by mutual agreement with a Utility Provider and the Debtors may, in connection with any such agreement, provide a Utility Provider with additional adequate assurance of

payment, including, but not limited to, cash deposits, payments of prepetition balances, prepayments, or other forms of security if the Debtors believe such additional assurance is reasonable.

- k. If the Debtors, in consultation with (i) counsel to the First Lien Lenders and (ii) counsel to the Junior Lenders, determine that the Additional Assurance Request is unreasonable and are not able to reach an alternative resolution with the Utility Provider during the Resolution Period, the Debtors, during or immediately after the Resolution Period, will request a hearing before the Court to determine the adequacy of the Proposed Adequate Assurance as an assurance of payment with respect to the applicable Utility Provider (a “Determination Hearing”) pursuant to section 366(c)(3) of the Bankruptcy Code.
- l. Pending resolution of any such Determination Hearing, the Utility Provider filing such Additional Assurance Request shall be prohibited from altering, refusing, or discontinuing Utility Services to the Debtors on account of unpaid charges for prepetition services or on account of any objections to the Proposed Adequate Assurance.

#### **IV. Modifications to the Utility Service List**

11. The Debtors have made an extensive and good-faith effort to identify all Utility Providers and include them on the Utility Service List. Nonetheless, to the extent the Debtors subsequently identify additional Utility Providers or discontinue any Utility Services, the Debtors seek authority, in their sole discretion, to amend the Utility Service List to add or remove any Utility Provider. The Debtors further request that the relief requested in this motion, including the proposed Adequate Assurance Procedures, and any order granting this motion shall apply to any subsequently identified Utility Provider, regardless of when such Utility Provider was added to the Utility Service List. The Debtors will serve a copy of this motion and the Order on any Utility Provider subsequently added to the Utility Service List and any subsequently added Utility Provider shall have 20 days from the date of service of this motion and the applicable order to make a request for adequate assurance of payment. Further, the Debtors shall have the Resolution

Period to seek to resolve any subsequently added Utility Provider's request for adequate assurance of payment by mutual agreement with the Utility Provider without further order of the Court or the need to schedule a Determination Hearing.

12. The Debtors request that all Utility Providers, including Utility Providers subsequently added to the Utility Service List, be prohibited from altering, refusing, or discontinuing any Utility Services to the Debtors absent further order of the Court.

**Basis For Relief**

13. Section 366 of the Bankruptcy Code protects a debtor against the immediate termination or alteration of utility services after the Petition Date. *See* 11 U.S.C. § 366. Further, section 366(c) of the Bankruptcy Code requires a debtor to provide “adequate assurance” of payment for postpetition utility services in a form “satisfactory” to a utility provider within 30 days of the petition, or the utility company may alter, refuse, or discontinue service. 11 U.S.C. § 366(c)(2). Section 366(c)(1) of the Bankruptcy Code provides a non-exhaustive list of examples of what constitutes “assurance of payment.” 11 U.S.C. § 366(c)(1). Although assurance of payment must be “adequate,” it need not constitute an absolute guarantee of the debtor's ability to pay. *See, e.g., In re Continental Common, Inc.*, 2011 WL 13238210, at \*6 (N.D. Tex. Feb. 14, 2011) (“[A]dequate assurance of payment does not entail a guarantee of payment.”); *In re Great Atl. & Pac. Tea Co.*, No. 11-CV-1338 (CS), 2011 WL 5546954, at \*5 (Bankr. S.D.N.Y. Nov. 14, 2011) (“Courts will approve an amount that is adequate enough to insure against unreasonable risk of nonpayment, but are not required to give the equivalent of a guaranty of payment in full.” (citation omitted)); *In re Anchor Glass Container Corp.*, 342 B.R. 872, 875 (Bankr. M.D. Fla. 2005) (“Section 366 requires a determination that a utility is not subject to unreasonable risk of

nonpayment, but does not require a guarantee of payment.”); *In re C.T. Harris, Inc.*, 295 B.R. 405, 406-07 (Bankr. M.D. Ga. 2003) (noting that debtor’s “current liquidity” was adequate assurance of future payment).

14. When considering whether a given assurance of payment is “adequate,” a court should examine the totality of the circumstances to make an informed decision as to whether a utility provider will be subject to an unreasonable risk of nonpayment. *See, e.g., Mass. Elec. Co. v. Keydata Corp. (In re Keydata Corp.)*, 12 B.R. 156, 158 (B.A.P. 1st Cir. 1981) (citing *In re Cunha*, 1 B.R. 330 (Bankr. E.D. Va. 1979)); *In re Adelphia Bus. Solutions, Inc.*, 280 B.R. 63, 82–83 (Bankr. S.D.N.Y. 2002). In determining the level of adequate assurance, however, “a bankruptcy court must focus upon the need of the utility for assurance, and . . . require that the debtor supply no more than that, since the debtor almost perforce has a conflicting need to conserve scarce financial resources.” *Va. Elec. & Power Co. v. Caldor, Inc.*, 117 F.3d 646, 650 (2d Cir. 1997) (internal quotations omitted) (citing *In re Penn Jersey Corp.*, 72 B.R. 981, 985 (Bankr. E.D. Pa. 1987)); *see also Great Atl. & Pac.*, 2011 WL 5546954, at \*5–6 (holding that no additional adequate assurance deposit was necessary where such deposit would impose an unreasonable burden on reorganizing debtors).

15. Here, the Proposed Adequate Assurance adequately assures the Utility Providers against any risk of nonpayment for future Utility Services. The Adequate Assurance Deposit and the Debtors’ ongoing ability to meet obligations as they come due in the ordinary course provide assurance of the Debtors’ payment of future utility obligations. Moreover, termination of the Utility Services could result in the Debtors’ inability to operate their businesses to the detriment of all stakeholders. *Cf. In re Monroe Well Serv., Inc.*, 83 B.R. 317, 321–22 (Bankr. E.D. Pa. 1988)

(noting that without utility service the debtors “would have to cease operations” and that section 366 of the Bankruptcy Code “was intended to limit the leverage held by utility companies, not increase it”).

16. Courts are permitted to fashion reasonable procedures, such as the Adequate Assurance Procedures proposed herein, to implement the protections afforded under section 366 of the Bankruptcy Code. *See, e.g., In re Circuit City Stores, Inc.*, No. 08-35653 (KRH), 2009 WL 484553, at \*5 (Bankr. E.D. Va. Jan. 14, 2009) (“The plain language of § 366 of the Bankruptcy Code allows the court to adopt the Procedures set forth in the Utility Order.”). Absent such procedures, the Debtors “could be forced to address numerous requests by utility companies in an unorganized manner at a critical period in their efforts to reorganize.” *Id.* Here, notwithstanding a determination that the Proposed Adequate Assurance constitutes sufficient adequate assurance, any rights the Utility Providers believe they have under sections 366(b) and (c)(2) of the Bankruptcy Code are wholly preserved under the Adequate Assurance Procedures. *Id.* The Utility Providers still may choose, in accordance with the Adequate Assurance Procedures, to request modification of the Proposed Adequate Assurance. *Id.* at \*6. The Adequate Assurance Procedures, however, avoid a haphazard and chaotic process whereby each Utility Provider could make an extortionate, last-minute demand for adequate assurance that would force the Debtors to pay under the threat of losing critical Utility Services. *Id.* at \*5.

17. Because the Adequate Assurance Procedures are reasonable and in accord with section 366 of the Bankruptcy Code, the Court should grant the relief requested herein.

18. Further, the Court possesses the power, under section 105(a) of the Bankruptcy Code, to “issue any order, process, or judgment that is necessary or appropriate to carry out the



provisions of this title.” 11 U.S.C. § 105(a). The Adequate Assurance Procedures and the Proposed Adequate Assurance are necessary and appropriate to carry out the provisions in the Bankruptcy Code, particularly section 366 thereof. Accordingly, the Court should exercise its powers under sections 366 and 105(a) of the Bankruptcy Code and approve both the Adequate Assurance Procedures and the Proposed Adequate Assurance.

19. Bankruptcy courts in this district routinely grant relief similar to that requested herein in other chapter 11 cases. *See, e.g., In re LakePoint Land, LLC*, Case No. 18-41337 (BEM) (Bankr. N.D. Ga. July 3, 2018) [Docket No. 63]; *In re Beaulieu Grp., LLC*, Case No. 17-41677 (PWB) (Bankr. N.D. Ga. Aug. 31, 2017) [Docket No. 246]; *In re AstroTurf, LLC*, Case No. 16-41504 (PWB) (Bankr. N.D. Ga. July 7, 2016) [Docket No. 56]; *In re Park Meridian, LLC*, Case No. 15-20447 (JRS) (Bankr. N.D. Ga. Mar. 16, 2015) [Docket No. 31]; *In re Green Mountain Mgmt., LLC*, Case No. 14-64287 (BEM) (Bankr. N.D. Ga. Aug. 29, 2014) [Docket No. 53]; *In re Tortilleria El Maizal, Inc.*, Case No. 13-59899 (CRM) (Bankr. N.D. Ga. May 10, 2013) [Docket No. 24]; *In re GK Mgmt., Inc.*, Case No. 12-23945 (REB) (Bankr. N.D. Ga. Nov. 20, 2012) [Docket No. 29]; *In re Cagle’s, Inc.*, Case No. 11-80202 (JB) (Bankr. N.D. Ga. Oct. 20, 2011) [Docket No. 32]; *In re Currahee Partners, LLC*, Case No. 09-73838 (WLH) (Bankr. N.D. Ga. June 23, 2009) [Docket No. 47]; *In re Rhodes, Inc.*, Case No. 04-78434 (MGD) (Bankr. N.D. Ga. Nov. 8 2004) [Docket No. 49].<sup>5</sup>

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<sup>5</sup> Because of the voluminous nature of the orders cited herein, such orders have not been attached to this motion. Copies of these orders are available upon request to the Debtors’ proposed counsel.

**Waiver of Bankruptcy Rules 6004(a) and 6004(h)**

20. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

**Reservation of Rights**

21. Nothing contained herein is intended or should be construed as an admission as to the validity of any claim against the Debtors, a waiver of the Debtors' or any party in interest's rights to dispute and/or contest any claim, or an approval or assumption of any agreement, contract, or lease under section 365 of the Bankruptcy Code. The Debtors expressly reserve their right to contest any claim related to the relief sought herein. The Debtors expressly reserve the right to contest that any party is a "utility" under section 366 of the Bankruptcy Code. Likewise, if the Court grants the relief sought herein, any payment made pursuant to an order of the Court is not intended to be nor should it be construed as an admission as to the validity of any claim or a waiver of the Debtors' or any party in interest's rights to subsequently dispute and/or contest such claim.

**Notice**

22. The Debtors have provided notice of this motion to: (a) the Office of the United States Trustee for the Northern District of Georgia; (b) the Debtors' thirty (30) largest unsecured creditors; (c) counsel to the Prepetition Secured Parties; (d) counsel to the administrative agents for the Debtors' prepetition credit facilities; (e) counsel to the administrative agents for the Debtors' debtor-in-possession financing facilities; (f) the United States Securities and Exchange Commission; (g) the Internal Revenue Service; (h) the Georgia Department of Revenue; (i) the

Attorney General for the State of Georgia; (j) the United States Attorney for the Northern District of Georgia; (k) the state attorneys general for states in which the Debtors conduct business; (l) the Utility Providers; (m) the Pension Benefit Guaranty Corporation; and (n) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors respectfully submit that no further notice is necessary.

**No Prior Request**

23. No prior request for the relief sought in this motion has been made to this or any other court.

*[Remainder of page intentionally left blank.]*

WHEREFORE, the Debtors respectfully request entry of the Order, substantially in the form attached hereto as **Exhibit A**, (a) granting the relief requested herein, and (b) granting such other relief as is just and proper.

Dated: August 6, 2019  
Atlanta, Georgia

/s/ Sarah R. Borders

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-and-

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*Proposed Counsel for the Debtors in Possession*

This is Exhibit 'E' referred to in the Affidavit  
of Emily Paplawski, sworn before me this 20th  
day of August, 2019.

*Megan Watts*  
A COMMISSIONER FOR OATHS/NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF ALBERTA



**IT IS ORDERED as set forth below:**

**Date: August 9, 2019**

**Paul W. Bonapfel  
U.S. Bankruptcy Court Judge**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

In re:

JACK COOPER VENTURES, INC., *et al.*,<sup>1</sup>

Debtors.

) Chapter 11

) Case No. 19-62393 (PWB)

) (Jointly Administered)

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors' corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

**INTERIM ORDER APPROVING  
NOTIFICATION AND HEARING PROCEDURES FOR  
CERTAIN TRANSFERS OF AND DECLARATIONS OF  
WORTHLESSNESS WITH RESPECT TO COMMON STOCK**

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Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an interim order (this “Interim Order”), (a) approving the Procedures related to transfers of Beneficial Ownership of Common Stock, (b) directing that any purchase, sale, other transfer of, or declaration of worthlessness with respect to, Common Stock in violation of the Procedures shall be null and void *ab initio*, and (c) scheduling a hearing to consider approval of the Motion on a final basis, all as more fully set forth in the Motion; and this Court having found that it has 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 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 a hearing, if any, 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

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<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

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 on an interim basis as set forth herein; *provided* that all parties in interest shall have the opportunity to object to entry of the Final Order attached as **Exhibit B** to the Motion.

2. The final hearing on the Motion shall be held on August 27, 2019, at 10:00 a.m., prevailing Eastern Time. Any objection to entry of the Final Order must be filed with the Court and served on the following parties: (i) Jack Cooper Ventures, Inc., 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu and Taejin Kim; (ii) counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: Kelley A. Cornish and Brian S. Hermann and King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders, Leia Clement Shermohammed, and Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson and Julian Gurule; (v) counsel to the Debtors' prepetition first lien term loan lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders, Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Marc Kieselstein and Alexandra Schwarzman; (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases; and (viii) any party that has requested notice pursuant to Bankruptcy Rule 2002, in



each case to allow actual receipt by no later than 4:00 p.m. (prevailing Eastern time) on August 20, 2019.

3. The Procedures, as set forth in **Exhibit 1** attached hereto are approved on an interim basis.

4. Any transfer of, or declaration of worthlessness with respect to, Beneficial Ownership of Common Stock in violation of the Procedures, including but not limited to the notice requirements, shall be null and void *ab initio*, and the person or entity making such transfer or declaration shall be required to take such steps as the court determines are necessary in order to be consistent with such transfer or declaration being null and void *ab initio*.

5. In the case of any such declaration of worthlessness with respect to Beneficial Ownership of Common Stock in violation of the Procedures, including the notice requirements, the person or entity making such declaration shall be required to file an amended tax return revoking such declaration and any related deduction to appropriately reflect that such declaration is void *ab initio*.

6. The Debtors may waive, in writing, any and all sanctions, remedies, restrictions, stays, and notification procedures set forth in the Procedures or imposed by this Interim Order on parties other than the Debtors.

7. The requirements set forth in this Interim Order are in addition to the requirements of all applicable law and do not excuse compliance therewith.

8. The requirements set forth in Bankruptcy Rule 6003 are deemed inapplicable to the Motion.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a), the Bankruptcy Local Rules for the Northern District of Georgia and the Complex Case Procedures are satisfied by such notice.

10. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

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

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

END OF ORDER

Prepared and presented by:

/s/ Sarah R. Borders

Sarah R. Borders

Georgia Bar No. 610649

Leia Clement Shermohammed

Georgia Bar No. 972711

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Georgia Bar No. 625752

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-and-

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*Proposed Counsel for the Debtors in Possession*

**Exhibit 1**

**Procedures for Transfers of, or Declaration of Worthlessness  
with Respect to, Beneficial Ownership of Common Stock**

**PROCEDURES FOR TRANSFERS OF, AND DECLARATIONS OF WORTHLESSNESS  
WITH RESPECT TO, BENEFICIAL OWNERSHIP OF COMMON STOCK**

The following procedures apply to transfers of Beneficial Ownership Common Stock:<sup>1</sup>

- a. Any entity (as defined in section 101(15) of the Bankruptcy Code) who currently is or becomes a Substantial Shareholder (as defined herein) must file with the Court, and serve upon: (i) the Debtors, 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu; (ii)(A) proposed counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber, and (B) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders and Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson and Julian Gurule; (v) counsel to the Debtors' prepetition first lien term loan lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders (the "Junior Lenders"), Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Jonathan Henes, and Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Marc Kieselstein and Alexandra Schwarzman; and (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases (viii) to the extent not listed herein, those parties requesting notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties"), a declaration of such status, substantially in the form of **Exhibit 1A** attached to the Procedures (each, a "Declaration of Status as a Substantial Shareholder"), on or before the later of (A) 30 calendar days after the date of the Notice of Interim Order (as defined herein), or (B) 10 calendar days after becoming a Substantial Shareholder; *provided* that each of Michael Riggs, TMR Holding Company, LLC and the T. Michael Riggs Irrevocable Trust of 2014 (the "Riggs Shareholders") shall be deemed a Substantial Shareholder and shall not be required to file a Declaration of Status as a Substantial Shareholder.
- b. Prior to effectuating any transfer of Beneficial Ownership of Common Stock that would result in an increase in the amount of Common Stock of which a Substantial Shareholder has Beneficial Ownership or would result

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<sup>1</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the motion.

in an entity or individual becoming a Substantial Shareholder, such Substantial Shareholder or potential Substantial Shareholder must file with the Court, and serve upon the Notice Parties, an advance written declaration of the intended transfer of Common Stock, substantially in the form of **Exhibit 1B** attached to these Procedures (each, a “Declaration of Intent to Accumulate Common Stock”).

- c. Prior to effectuating any transfer of Beneficial Ownership of Common Stock that would result in a decrease in the amount of Common Stock of which a Substantial Shareholder has Beneficial Ownership or would result in an entity or individual ceasing to be a Substantial Shareholder, such Substantial Shareholder must file with the Court, and serve upon the Notice Parties, an advance written declaration of the intended transfer of Common Stock, substantially in the form of **Exhibit 1C** attached to these Procedures (each, a “Declaration of Intent to Transfer Common Stock,” and together with a Declaration of Intent to Accumulate Common Stock, each, a “Declaration of Proposed Transfer”).
- d. The Debtors shall have 15 calendar days after receipt of a Declaration of Proposed Transfer to file with the Court and serve on such Substantial Shareholder or potential Substantial Shareholder an objection to any proposed transfer of Beneficial Ownership of Common Stock described in the Declaration of Proposed Transfer on the grounds that such transfer might adversely affect the Debtors’ ability to utilize their Tax Attributes. If the Debtors file an objection, the proposed transaction will remain ineffective unless such objection is withdrawn by the Debtors or such transaction is approved by a final and nonappealable order of the Court. If the Debtors do not object within such 15-day period, the proposed transaction can proceed solely as set forth in the Declaration of Proposed Transfer. To the extent that the Debtors receive an appropriate Declaration of Proposed Transfer and determine in their business judgment not to object, they shall provide written notice (whereby electronic mail is sufficient) of that decision as soon as reasonably practicable, and in no event later than 2 calendar days prior to the expiration of the aforementioned 15-day period, to counsel to the Junior Lenders. Further transactions within the scope of this paragraph must be the subject of additional notices in accordance with the procedures set forth herein, with an additional 15-day waiting period for each Declaration of Proposed Transfer.
- e. For purposes of these Procedures: (i) a “Substantial Shareholder” is any entity or individual that has Beneficial Ownership of at least 133,466 shares and warrants exercisable for shares of Common Stock (representing approximately 4.5% of all issued and outstanding shares of

Common Stock, treating each warrant exercisable for shares as an outstanding share for this purpose)<sup>2</sup> and any entity or individual that has Beneficial Ownership (ii) “Beneficial Ownership” shall be determined in accordance with the applicable rules of section 382 of the Internal Revenue Code and the Treasury Regulations thereunder (other than Treasury Regulations Section 1.382-2T(h)(2)(i)(A)) and includes direct and indirect ownership (*e.g.*, a holding company would be considered to beneficially own all shares owned or acquired by its subsidiaries and a partner in a partnership would be considered to own its proportionate share of any equity securities owned by such partnership), ownership by such holder’s family members and entities acting in concert with such holder to make a coordinated acquisition of equity securities, and to the extent set forth in Treasury Regulations Section 1.382-4, ownership of equity securities that such holder has an Option to acquire; and (iii) an “Option” to acquire stock includes any contingent purchase, warrant, convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether such interest is contingent or otherwise not currently exercisable.

The following procedures apply to declarations for worthlessness with respect to Common Stock:

- a. Any person or entity that currently is or becomes a 50% Shareholder (as defined below) must file with the Court, and serve the Notice Parties, a notice of such status, in the form of **Exhibit 1D** attached to these Procedures, on or before the later of (i) 30 calendar days after the date of the Notice of Interim Order and (ii) 10 calendar days after becoming a 50% Shareholder.
- a. Prior to filing any federal, state or local tax return, or any amendment to such a return, claiming any deduction for worthlessness of the Common Stock, for a tax year ending before the earlier of (i) Debtors’ emergence from chapter 11 protection and (ii) a taxable sale of substantially all of the assets of the Debtor, such 50% Shareholder must file with the Court, and serve upon the Notice Parties, an advance written notice in the form of **Exhibit 1E** attached to these Procedures (a “Declaration of Intent to Claim a Worthless Stock Deduction”) of the intended claim of worthlessness.
- b. The Debtors will have 15 calendar days after receipt of a Declaration of Intent to Claim a Worthless Stock Deduction to file with the Court and serve on such 50% Shareholder an objection to any proposed claim of

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<sup>2</sup> Based on approximately 2,965,909 shares of Common Stock outstanding as of the Petition Date.

worthlessness described in the Declaration of Intent to Claim a Worthless Stock Deduction on the grounds that such claim might adversely affect the Debtors' ability to utilize their Tax Attributes. During such 15-day period, and while any objection by the Debtors to the proposed claim is pending, such 50% Shareholder shall not claim, or cause to be claimed, the proposed worthless stock deduction to which the Declaration of Intent to Claim a Worthless Stock Deduction relates and thereafter in accordance with the Court's ruling, and, as applicable, any appellate rules and procedures. If the Debtors do not object within such 15-day period, the filing of the tax return or amendment with such claim would be permitted solely as set forth in the Declaration of Intent to Claim a Worthless Stock Deduction. To the extent that the Debtors receive an appropriate Declaration of Intent to Claim a Worthless Stock Deduction and determine in their business judgment not to object, they shall provide written notice (whereby electronic mail is sufficient) of that decision as soon as is reasonably practicable, and in no event later than 2 calendar days prior to the expiration of the aforementioned 15-day period, to counsel to the Junior Lenders. Additional tax returns or amendments within the scope of this paragraph must be the subject of additional notices as set forth herein, with an additional 15-day waiting period.

- c. For purposes of these Procedures, a "50% Shareholder" is any person or entity that currently is or becomes a "50-percent shareholder" (within the meaning of section 382(g)(4)(D) of the IRC and the applicable Treasury Regulations), including, for the avoidance of doubt, each of the Riggs Shareholders.



The following notice procedures apply to these Procedures:

- a. No later than two business days following entry of the interim order, the Debtors shall serve by overnight mail, postage prepaid a notice, substantially in the form of **Exhibit 1F** attached to these Procedures (the “Notice of Interim Order”), on: (i) the Office of the United States Trustee for the Northern District of Georgia; (ii) the Debtors’ thirty (30) largest unsecured creditors; (iii) counsel to the Prepetition Secured Parties; (iv) counsel to the administrative agents for the Debtors’ prepetition credit facilities; (v) counsel to the administrative agents for the Debtors’ debtor-in-possession financing facilities; (vi) the United States Securities and Exchange Commission; (vii) the Internal Revenue Service; (viii) the Georgia Department of Revenue; (ix) the Attorney General for the State of Georgia; (x) the United States Attorney for the Northern District of Georgia; (xi) the state attorneys general for states in which the Debtors conduct business; (xii) the Pension Benefit Guaranty Corporation; (xiii) any official committees appointed in these chapter 11 cases; and (xiv) all registered holders of Common Stock. Additionally, no later than two business days following entry of the final order, the Debtors shall serve a Notice of Interim Order modified to reflect that the final order has been entered (as modified, the “Notice of Final Order”) on the same entities and individuals that received the Notice of Interim Order.
- b. All registered and nominee holders of Common Stock shall be required to serve the Notice of Interim Order or Notice of Final Order, as applicable, on all holders for whose benefit such registered or nominee holder holds such Common Stock down the chain of ownership.
- c. Any entity, individual or broker or agent acting on such entity’s or individual’s behalf who sells in excess of 133,466 shares exercisable for shares of Common Stock (treating each warrant exercisable for shares as an outstanding share for this purpose) to another entity or individual shall be required to serve a copy of the Notice of Interim Order or Notice of Final Order, as applicable, on such purchaser of such Common Stock or any broker or agent acting on such purchaser’s behalf.
- d. To the extent confidential information is required in any declaration described in these Procedures, such confidential information may be filed and served in redacted form; *provided, however*, that any such declarations served on the Debtors ***shall not*** be in redacted form. The Debtors shall keep all information provided in such declarations strictly confidential and shall not disclose the contents thereof to any person except (i) to the extent necessary to respond to a petition or objection filed with the Court (ii) to the extent otherwise required by law or (iii) to the extent that the

information contained therein is already public; *provided, however*, that the Debtors may disclose the contents thereof to their professional advisors, who shall keep all such declarations strictly confidential and shall not disclose the contents thereof to any other person, subject to further Court order. To the extent confidential information is necessary to respond to a petitioner objection filed with the Court, such confidential information shall be filed under seal or in a redacted form. For the avoidance of doubt, to the extent confidential information is required in any declaration described in these Procedures, such confidential information shall be served in redacted form to the Notice Parties.

- e. The Debtors may, solely with Junior Lenders' consent (not to be unreasonably withheld, conditioned or delayed) waive, in writing, any and all restrictions, stays, and notification Procedures contained in this Notice.

*[Remainder of page intentionally left blank.]*

**Exhibit 1A**

**Declaration of Status as a Substantial Shareholder**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

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In re:	)	Chapter 11
	)	
JACK COOPER VENTURES, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 19-62393 (PWB)
	)	
Debtors.	)	(Jointly Administered)
	)	

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**DECLARATION OF STATUS AS A SUBSTANTIAL SHAREHOLDER**

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**PLEASE TAKE NOTICE** that the undersigned party is/has become a Substantial Shareholder with respect to the common stock of Jack Cooper Investments, Inc. and warrants to acquire common stock (the “Common Stock”) or of any Beneficial Ownership therein.<sup>2</sup> Debtor

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

<sup>2</sup> For purposes of these Procedures: (i) a “Substantial Shareholder” is any entity or individual that has Beneficial Ownership of at least 133,466 shares and warrants exercisable for shares of Common Stock (representing approximately 4.5% of all issued and outstanding shares of Common Stock, treating each warrant exercisable for shares as an outstanding share for this purpose); (ii) “Beneficial Ownership” will be determined in accordance with the applicable rules of section 382 of the Internal Revenue Code (the “IRC”), and the Treasury Regulations thereunder (other than Treasury Regulations Section 1.382-2T(h)(2)(i)(A)) and includes direct, indirect, and constructive ownership (e.g., (1) a holding company would be considered to beneficially own all equity securities owned by its subsidiaries, (2) a partner in a partnership would be considered to beneficially own its proportionate share of any equity securities owned by such partnership, (3) an individual and such individual’s family members may be treated as one individual, (4) persons and entities acting in concert to make a coordinated acquisition of equity securities may be treated as a single entity, and (5) to the extent set forth in Treasury Regulations Section 1.382-4, a holder would be considered to beneficially own equity securities that such holder has an Option (as defined herein) to acquire). An “Option” to acquire stock includes all interests described in Treasury Regulations Section 1.382-4(d)(9), including any contingent purchase right, warrant, (Continued...)

Jack Cooper Investments, Inc. is a debtor and debtor in possession in Case No. 19-62393 (PWB) pending in the United States Bankruptcy Court for the Northern District of Georgia (the “Court”).

**PLEASE TAKE FURTHER NOTICE** that, as of \_\_\_\_\_, 2019, the undersigned party currently has Beneficial Ownership of \_\_\_\_\_ shares of Common Stock. The following table sets forth the date(s) on which the undersigned party acquired Beneficial Ownership or otherwise has Beneficial Ownership of such Common Stock:

Number of Shares	Date Acquired

(Attach additional page or pages if necessary)

**PLEASE TAKE FURTHER NOTICE** that the last four digits of the taxpayer identification number of the undersigned party are \_\_\_\_\_.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to that certain [*Interim/Final*] *Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* [Docket No. \_\_\_\_] (the “Order”), this declaration (this “Declaration”) is being filed with the Court and served upon (i) the Debtors, 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu; (ii)(A) proposed counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285

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convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber, and (B) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders and Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson; (v) counsel to the Debtors' prepetition first lien term loan lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Jonathan Henes, and Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Marc Kieselstein and Alexandra Schwarzman; and (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that he or she has examined this Declaration and accompanying attachments (if any), and, to the best of his or her knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

Respectfully submitted,

(Name of Substantial Shareholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

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

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_\_\_  
\_\_\_\_\_, \_\_\_\_\_(City) (State)

**Exhibit 1B**

**Declaration of Intent to Accumulate Common Stock**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

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In re:	)	Chapter 11
	)	
JACK COOPER VENTURES, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 19-62393 (PWB)
	)	
Debtors.	)	(Jointly Administered)
	)	

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**DECLARATION OF INTENT TO ACCUMULATE COMMON STOCK**

**PLEASE TAKE NOTICE** that the undersigned party hereby provides notice of its intention to purchase, acquire, or otherwise accumulate (the “Proposed Transfer”) one or more shares of common stock of Debtor Jack Cooper Investments, Inc. and warrants to acquire common stock (the “Common Stock”) or of any Beneficial Ownership therein.<sup>2</sup> Debtor Jack

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

<sup>2</sup> For purposes of these Procedures: (i) a “Substantial Shareholder” is any entity or individual that has Beneficial Ownership of at least 133,466 shares and warrants exercisable for shares of Common Stock (representing approximately 4.5% of all issued and outstanding shares of Common Stock, treating each warrant exercisable for shares as an outstanding share for this purpose); (ii) “Beneficial Ownership” will be determined in accordance with the applicable rules of section 382 of the Internal Revenue Code (the “IRC”), and the Treasury Regulations thereunder (other than Treasury Regulations Section 1.382-2T(h)(2)(i)(A)) and includes direct, indirect, and constructive ownership (e.g., (1) a holding company would be considered to beneficially own all equity securities owned by its subsidiaries, (2) a partner in a partnership would be considered to beneficially own its proportionate share of any equity securities owned by such partnership, (3) an individual and such individual’s family members may be treated as one individual, (4) persons and entities acting in concert to make a coordinated acquisition of equity securities may be treated as a single entity, and (5) to the extent set forth in Treasury Regulations Section 1.382-4, a holder would be considered to beneficially own equity securities that such holder has an Option (as defined herein) to acquire). An “Option” to acquire stock includes all interests described in Treasury Regulations Section 1.382-4(d)(9), including any contingent purchase right, warrant,

(Continued...)



Cooper Investments, Inc. is a debtor and debtor in possession in Case No. 19-62393 (PWB) pending in the United States Bankruptcy Court for the Northern District of Georgia (the “Court”).

**PLEASE TAKE FURTHER NOTICE** that, if applicable, on \_\_\_\_\_, 2019, the undersigned party filed a declaration of status as a Substantial Shareholder with the Court and served copies thereof as set forth therein.

**PLEASE TAKE FURTHER NOTICE** that the undersigned party currently has Beneficial Ownership of \_\_\_\_\_ shares of Common Stock.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Proposed Transfer, the undersigned party proposes to purchase, acquire, or otherwise accumulate Beneficial Ownership of \_\_\_\_\_ shares of Common Stock or an Option with respect to \_\_\_\_\_ shares of Common Stock. If the Proposed Transfer is permitted to occur, the undersigned party will have Beneficial Ownership of \_\_\_\_\_ shares of Common Stock after such transfer becomes effective.

**PLEASE TAKE FURTHER NOTICE** that the last four digits of the taxpayer identification number of the undersigned party are \_\_\_\_\_.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to that certain [*Interim/Final*] *Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* [Docket No. \_\_\_\_] (the “Order”), this declaration (this “Declaration”) is being filed with the Court and served upon (i) the Debtors,

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convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu; (ii)(A) proposed counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber, and (B) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders and Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson; (v) counsel to the Debtors' prepetition first lien term loan lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Jonathan Henes, and Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Marc Kieselstein and Alexandra Schwarzman; and (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Order, the undersigned party acknowledges that it is prohibited from consummating the Proposed Transfer unless and until the undersigned party complies with the Procedures set forth therein.

**PLEASE TAKE FURTHER NOTICE** that the Debtors have 15 calendar days after receipt of this Declaration to object to the Proposed Transfer described herein. If the Debtors file an objection, such Proposed Transfer will remain ineffective unless such objection is withdrawn by the Debtors or such transaction is approved by a final and nonappealable order of the Court.

If the Debtors do not object within such 15-day period, then after expiration of such period the Proposed Transfer may proceed solely as set forth in this Declaration.

**PLEASE TAKE FURTHER NOTICE** that any further transactions contemplated by the undersigned party that may result in the undersigned party purchasing, acquiring, or otherwise accumulating Beneficial Ownership of additional shares of Common Stock will each require an additional notice filed with the Court to be served in the same manner as this Declaration.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that he or she has examined this Declaration and accompanying attachments (if any), and, to the best of his or her knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

Respectfully submitted,

(Name of Declarant)

By: \_\_\_\_\_

Name: \_\_\_\_\_

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

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_, \_\_\_\_\_

(City)

(State)

**Exhibit 1C**

**Declaration of Intent to Transfer Common Stock**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

In re:	)	
	)	Chapter 11
JACK COOPER VENTURES, INC., <i>et al.</i> , <sup>1</sup>	)	
	)	Case No. 19-62393 (PWB)
Debtors.	)	(Jointly Administered)
	)	

**DECLARATION OF INTENT TO TRANSFER COMMON STOCK**

**PLEASE TAKE NOTICE** that the undersigned party hereby provides notice of its intention to sell, trade, or otherwise transfer (the “Proposed Transfer”) one or more shares of common stock of Jack Cooper Investments, Inc. or warrants to acquire the common stock (the “Common Stock”) or of any Beneficial Ownership therein.<sup>2</sup> Jack Cooper Investments, Inc. is a

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

<sup>2</sup> For purposes of these Procedures: (i) a “Substantial Shareholder” is any entity or individual that has Beneficial Ownership of at least 133,466 shares and warrants exercisable for shares of Common Stock (representing approximately 4.5% of all issued and outstanding shares of Common Stock, treating each warrant exercisable for shares as an outstanding share for this purpose); (ii) “Beneficial Ownership” will be determined in accordance with the applicable rules of section 382 of the Internal Revenue Code (the “IRC”), and the Treasury Regulations thereunder (other than Treasury Regulations Section 1.382-2T(h)(2)(i)(A)) and includes direct, indirect, and constructive ownership (e.g., (1) a holding company would be considered to beneficially own all equity securities owned by its subsidiaries, (2) a partner in a partnership would be considered to beneficially own its proportionate share of any equity securities owned by such partnership, (3) an individual and such individual’s family members may be treated as one individual, (4) persons and entities acting in concert to make a coordinated acquisition of equity securities may be treated as a single entity, and (5) to the extent set forth in Treasury Regulations Section 1.382-4, a holder would be considered to beneficially own equity securities that such holder has an Option (as defined herein) to acquire). An “Option” to acquire stock includes all interests described in Treasury Regulations Section 1.382-4(d)(9), including any contingent purchase right, warrant, (Continued...)

debtor and debtor in possession in Case No. 19-62393 (PWB) pending in the United States Bankruptcy Court for the Northern District of Georgia (the "Court").

**PLEASE TAKE FURTHER NOTICE** that, if applicable, on \_\_\_\_\_, 2019, the undersigned party filed a declaration of status as a Substantial Shareholder with the Court and served copies thereof as set forth therein.

**PLEASE TAKE FURTHER NOTICE** that the undersigned party currently has Beneficial Ownership of \_\_\_\_\_ shares of Common Stock.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Proposed Transfer, the undersigned party proposes to sell, trade, or otherwise transfer Beneficial Ownership of \_\_\_\_\_ shares of Common Stock or an Option with respect to \_\_\_\_\_ shares of Common Stock. If the Proposed Transfer is permitted to occur, the undersigned party will have Beneficial Ownership of \_\_\_\_\_ shares of Common Stock after such transfer becomes effective.

**PLEASE TAKE FURTHER NOTICE** that the last four digits of the taxpayer identification number of the undersigned party are \_\_\_\_\_.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to that certain [*Interim/Final*] *Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* [Docket No. \_\_\_\_] (the "Order"), this declaration (this "Declaration") is being filed with the Court and served upon (i) the Debtors, 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu; (ii)(A) proposed counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285

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convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber, and (B) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders and Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson; (v) counsel to the Debtors' prepetition first lien term loan lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Jonathan Henes, and Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Marc Kieselstein and Alexandra Schwarzman; and (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Order, the undersigned party acknowledges that it is prohibited from consummating the Proposed Transfer unless and until the undersigned party complies with the Procedures set forth therein.

**PLEASE TAKE FURTHER NOTICE** that the Debtors have 15 calendar days after receipt of this Declaration to object to the Proposed Transfer described herein. If the Debtors file an objection, such Proposed Transfer will remain ineffective unless such objection is withdrawn by the Debtors or such transaction is approved by a final and nonappealable order of the Court. If the Debtors do not object within such 15-day period, then after expiration of such period the Proposed Transfer may proceed solely as set forth in this Declaration.

**PLEASE TAKE FURTHER NOTICE** that any further transactions contemplated by the undersigned party that may result in the undersigned party selling, trading, or otherwise transferring Beneficial Ownership of additional shares of Common Stock will each require an additional notice filed with the Court to be served in the same manner as this Declaration.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that he or she has examined this Declaration and accompanying attachments (if any), and, to the best of his or her knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

Respectfully submitted,

(Name of Declarant)

By: \_\_\_\_\_

Name: \_\_\_\_\_

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

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_, \_\_\_\_\_

(City)

(State)



**Exhibit 1D**

**Declaration of Status as 50% Shareholder**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

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In re:

JACK COOPER VENTURES, INC., *et al.*,<sup>1</sup>

Debtors.

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)  
) Chapter 11  
)  
) Case No. 19-62393 (PWB)  
)  
) (Jointly Administered)  
)

**DECLARATION OF STATUS AS A 50% SHAREHOLDER**

**PLEASE TAKE NOTICE** that the undersigned party is/has become a 50% Shareholder with respect to the common stock of Jack Cooper Investments, Inc. and warrants to acquire the common stock (the “Common Stock”) or of any Beneficial Ownership therein.<sup>2</sup> Jack Cooper

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

<sup>2</sup> For purposes of this Declaration: (i) a “50% Shareholder” is any person or entity that currently is or becomes a “50-percent shareholder” (within the meaning of IRC § 382(g)(4)(D) and the applicable Treasury Regulations), including, for the avoidance of doubt, each of the Riggs Shareholders; (ii) “Beneficial Ownership” will be determined in accordance with the applicable rules of section 382 of the Internal Revenue Code (the “IRC”), and the Treasury Regulations thereunder (other than Treasury Regulations Section 1.382-2T(h)(2)(i)(A)) and includes direct, indirect, and constructive ownership (e.g., (1) a holding company would be considered to beneficially own all equity securities owned by its subsidiaries, (2) a partner in a partnership would be considered to beneficially own its proportionate share of any equity securities owned by such partnership, (3) an individual and such individual’s family members may be treated as one individual, (4) persons and entities acting in concert to make a coordinated acquisition of equity securities may be treated as a single entity, and (5) to the extent set forth in Treasury Regulations Section 1.382-4, a holder would be considered to beneficially own equity securities that such holder has an Option (as defined herein) to acquire). An “Option” to acquire stock includes all interests described in Treasury Regulations Section 1.382-4(d)(9), including any contingent purchase right, warrant, convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

Investments, Inc. is a debtor and debtor in possession in Case No. 19-62393 (PWB) pending in the United States Bankruptcy Court for the Northern District of Georgia (the “Court”).

**PLEASE TAKE FURTHER NOTICE** that, as of \_\_\_\_\_, 2019, the undersigned party currently has Beneficial Ownership of \_\_\_\_\_ shares of Common Stock. The following table sets forth the date(s) on which the undersigned party acquired Beneficial Ownership or otherwise has Beneficial Ownership of such Common Stock:

Number of Shares	Date Acquired

(Attach additional page or pages if necessary)

**PLEASE TAKE FURTHER NOTICE** that the last four digits of the taxpayer identification number of the undersigned party are \_\_\_\_\_.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to that certain [*Interim/Final*] *Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* [Docket No. \_\_\_\_] (the “Order”), this declaration (this “Declaration”) is being filed with the Court and served upon (i) the Debtors, 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu; (ii)(A) proposed counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber, and (B) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders and Britney Baker; (iii) the Office of the United States Trustee for the Northern District

of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson; (v) counsel to the Debtors' prepetition first lien term loan lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Jonathan Henes, and Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Marc Kieselstein and Alexandra Schwarzman; and (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that he or she has examined this Declaration and accompanying attachments (if any), and, to the best of his or her knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

*[Remainder of page intentionally left blank.]*

Respectfully submitted,

(Name of 50% Shareholder)

By: \_\_\_\_\_

Name: \_\_\_\_\_

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

\_\_\_\_\_  
Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_, \_\_\_\_\_

(City)

(State)

**Exhibit 1E**

**Declaration of Intent to Claim a Worthless Stock Deduction**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

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In re:

JACK COOPER VENTURES, INC., *et al.*,<sup>1</sup>

Debtors.

---

)  
) Chapter 11  
)  
) Case No. 19-62393 (PWB)  
)  
) (Jointly Administered)  
)

**DECLARATION OF INTENT TO CLAIM A WORTHLESS STOCK DEDUCTION**

**PLEASE TAKE NOTICE** that the undersigned party hereby provides notice of its intention to claim a worthless stock deduction with respect to one or more shares of common stock of Jack Cooper Investments, Inc. and warrants to acquire the common stock (the “Common Stock”) or of any Beneficial Ownership therein.<sup>2</sup> Jack Cooper Investments, Inc. is a debtor and

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

<sup>2</sup> For purposes of this Declaration: (i) a “50% Shareholder” is any person or entity that currently is or becomes a “50-percent shareholder” (within the meaning of IRC § 382(g)(4)(D) and the applicable Treasury Regulations), including, for the avoidance of doubt, each of the Riggs Shareholders; (ii) “Beneficial Ownership” will be determined in accordance with the applicable rules of section 382 of the Internal Revenue Code (the “IRC”), and the Treasury Regulations thereunder (other than Treasury Regulations Section 1.382-2T(h)(2)(i)(A)) and includes direct, indirect, and constructive ownership (e.g., (1) a holding company would be considered to beneficially own all equity securities owned by its subsidiaries, (2) a partner in a partnership would be considered to beneficially own its proportionate share of any equity securities owned by such partnership, (3) an individual and such individual’s family members may be treated as one individual, (4) persons and entities acting in concert to make a coordinated acquisition of equity securities may be treated as a single entity, and (5) to the extent set forth in Treasury Regulations Section 1.382-4, a holder would be considered to beneficially own equity securities that such holder has an Option (as defined herein) to acquire). An “Option” to acquire stock includes all interests described in Treasury Regulations Section 1.382-4(d)(9), including any contingent

(Continued...)

debtor in possession in Case No. 19-62393 (PWB) pending in the United States Bankruptcy Court for the Northern District of Georgia (the “Court”).

**PLEASE TAKE FURTHER NOTICE** that, if applicable, on \_\_\_\_\_, 2019, the undersigned party filed a declaration of status as a 50% Shareholder with the Court and served copies thereof as set forth therein.

**PLEASE TAKE FURTHER NOTICE** that the undersigned party currently has Beneficial Ownership of \_\_\_\_\_ shares of Common Stock.

**PLEASE TAKE FURTHER NOTICE** that, the undersigned party proposes to declare for [federal/state] tax purposes that \_\_\_\_\_ shares of Common Stock became worthless during the tax year ending \_\_\_\_\_ (the “Proposed Worthlessness Claim”).

**PLEASE TAKE FURTHER NOTICE** that the last four digits of the taxpayer identification number of the undersigned party are \_\_\_\_\_.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to that certain [*Interim/Final*] *Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* [Docket No. \_\_\_\_] (the “Order”), this declaration (this “Declaration”) is being filed with the Court and served upon (i) the Debtors, 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu; (ii)(A) proposed counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber, and (B) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders and

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purchase right, warrant, convertible debt, put, call, stock subject to risk of forfeiture, contract to acquire stock, or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson; (v) counsel to the Debtors' prepetition first lien term loan lenders, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Jonathan Henes, and Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Marc Kieselstein and Alexandra Schwarzman; and (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Order, the undersigned party acknowledges that the Debtors have 15 calendar days after receipt of this Declaration to object to the Proposed Worthlessness Claim described herein. If the Debtors file an objection, such Proposed Worthlessness Claim will not be effective unless such objection is withdrawn by the Debtors or such action is approved by a final order of the Bankruptcy Court that becomes nonappealable. If the Debtors do not object within such 15-day period, then after expiration of such period the Proposed Worthlessness Claim may proceed solely as set forth in this Notice.

**PLEASE TAKE FURTHER NOTICE** that any further transactions contemplated by the undersigned party that may result in the undersigned party purchasing, acquiring, or otherwise accumulating, or selling, trading or otherwise transferring Beneficial Ownership of additional shares of Common Stock will each require an additional notice filed with the Court to be served in the same manner as this Declaration.



**PLEASE TAKE FURTHER NOTICE** that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, the undersigned party hereby declares that he or she has examined this Declaration and accompanying attachments (if any), and, to the best of his or her knowledge and belief, this Declaration and any attachments hereto are true, correct, and complete.

Respectfully submitted,

(Name of Declarant)

By: \_\_\_\_\_

Name: \_\_\_\_\_

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

\_\_\_\_\_  
Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

\_\_\_\_\_, \_\_\_\_\_

(City)

(State)

**Exhibit 1F**

**Notice of Interim Order**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

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In re:	)	Chapter 11
	)	
JACK COOPER VENTURES, INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 19-62393 (PWB)
	)	
Debtors.	)	(Jointly Administered)
	)	

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**NOTICE OF (I) DISCLOSURE PROCEDURES APPLICABLE  
TO CERTAIN HOLDERS OF COMMON STOCK, AND  
(II) DISCLOSURE PROCEDURES FOR TRANSFERS OF AND  
DECLARATIONS OF WORTHLESSNESS WITH RESPECT TO COMMON  
STOCK, AND (III) FINAL HEARING ON THE APPLICATION THEREOF**

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**TO: ALL ENTITIES (AS DEFINED BY SECTION 101(15) OF THE BANKRUPTCY CODE) THAT MAY HOLD BENEFICIAL OWNERSHIP OF COMMON STOCK AND WARRANTS TO ACQUIRE COMMON STOCK OF, INC. (THE “COMMON STOCK”):**

**PLEASE TAKE NOTICE** that on August 6, 2019 (the “Petition Date”), the above-captioned debtors and debtors in possession (collectively, the “Debtors”), filed petitions with the United States Bankruptcy Court for the Northern District of Georgia (the “Court”) under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”). Subject to certain exceptions, section 362 of the Bankruptcy Code

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

operates as a stay of any act to obtain possession of property of or from the Debtors' estates or to exercise control over property of or from the Debtors' estates.

**PLEASE TAKE FURTHER NOTICE** that on the Petition Date, the Debtors filed the *Debtors' Motion for Entry of Interim and Final Orders Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* [Docket No. 13].

**PLEASE TAKE FURTHER NOTICE** that on [\_\_\_\_\_], 2019, the Court entered the *Interim Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* [Docket No. \_\_\_\_] (the "Order") approving procedures for certain transfers of Common Stock, set forth in **Exhibit 1** attached to the Order (the "Procedures").<sup>2</sup>

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Order, a Substantial Shareholder or person that may become a Substantial Shareholder may not consummate any purchase, sale, or other transfer of Common Stock or Beneficial Ownership of Common Stock in violation of the Procedures, and any such transaction in violation of the Procedures shall be null and void *ab initio* and the 50% Shareholder shall be required to file an amended tax return revoking such proposed deduction.

**PLEASE TAKE FURTHER NOTICE THAT** pursuant to the Order, a 50% Shareholder may not claim a worthless stock deduction in respect of the Common Stock or

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<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Order or the motion, as applicable.

Beneficial Ownership of Common Stock in violation of the Procedures, and any such deduction in violation of such Procedures is null and void *ab initio*.

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Order, the Procedures shall apply to the holding and transfers of Common Stock or any Beneficial Ownership therein by a Substantial Shareholder or someone who may become a Substantial Shareholder.

**PLEASE TAKE FURTHER NOTICE** that upon the request of any entity, the proposed notice, solicitation, and claims agent for the Debtors, Prime Clerk, LLC, will provide a copy of the Order and a form of each of the declarations required to be filed by the Procedures in a reasonable period of time. Such declarations are also available via PACER on the Court's website at <https://ecf.nysb.uscourts.gov> for a fee, or by accessing the Debtors' restructuring website at [www.primeclerk.com/jackcooper](http://www.primeclerk.com/jackcooper).

**PLEASE TAKE FURTHER NOTICE THAT FAILURE TO FOLLOW THE PROCEDURES SET FORTH IN THE ORDER SHALL CONSTITUTE A VIOLATION OF, AMONG OTHER THINGS, THE AUTOMATIC STAY PROVISIONS OF SECTION 362 OF THE BANKRUPTCY CODE.**

**PLEASE TAKE FURTHER NOTICE THAT ANY PROHIBITED PURCHASE, SALE, OTHER TRANSFER OF, OR DECLARATION OF WORTHLESSNESS WITH RESPECT TO, COMMON STOCK, BENEFICIAL OWNERSHIP THEREIN, OR OPTION WITH RESPECT THERETO IN VIOLATION OF THE ORDER IS PROHIBITED AND SHALL BE NULL AND VOID *AB INITIO* AND MAY BE SUBJECT TO ADDITIONAL SANCTIONS AS THIS COURT MAY DETERMINE.**

**PLEASE TAKE FURTHER NOTICE** that the requirements set forth in the Order are in addition to the requirements of applicable law and do not excuse compliance therewith.

*[Remainder of page intentionally left blank]*

*l*

Dated: August [\_\_\_], 2019  
Atlanta, Georgia

/s/

Sarah R. Borders  
Georgia Bar No. 610649  
Leia Clement Shermohammed  
Georgia Bar No. 972711  
Britney Baker  
Georgia Bar No. 625752  
**KING & SPALDING LLP**  
1180 Peachtree Street NE  
Atlanta, Georgia 30309  
Telephone: (404) 572-4600  
Email: sborders@kslaw.com  
Email: lshermohammed@kslaw.com  
Email: bbaker@kslaw.com

-and-

Kelley A. Cornish (*pro hac vice* pending)  
New York Bar No. 1930767  
Brian S. Hermann (*pro hac vice* pending)  
New York Bar No. 2810232  
**PAUL, WEISS, RIFKIND, WHARTON &  
GARRISON LLP**  
1285 Avenue of the Americas  
New York, New York 10019  
Telephone: (212) 373-3000  
Email: kcornish@paulweiss.com  
Email: bhermann@paulweiss.com

*Proposed Counsel for the Debtors in Possession*

This is Exhibit 'F' referred to in the Affidavit  
of Emily Paplawski, sworn before me this 20th  
day of August, 2019.

*Megan B. Watts*  
A COMMISSIONER FOR OATHS/NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF ALBERTA





**IT IS ORDERED as set forth below:**

**Date: August 12, 2019**

**Paul W. Bonapfel**  
**U.S. Bankruptcy Court Judge**

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**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

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In re:	)	
	)	Chapter 11
JACK COOPER VENTURES, INC., <i>et al.</i> <sup>1</sup>	)	
	)	Case No. 19-62393 (PWB)
	)	
Debtors.	)	(Jointly Administrated)
	)	

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**ORDER AUTHORIZING RETENTION AND APPOINTMENT  
OF PRIME CLERK LLC AS CLAIMS, NOTICING  
AND SOLICITATION AGENT**

Upon the application (the “Application”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for retention and appointment of Prime Clerk LLC (“Prime Clerk”) as claims, noticing and solicitation agent (“Claims and Noticing Agent”)

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Application.

pursuant to 28 U.S.C. § 156(c) and sections 105(a) and 327(a) of the Bankruptcy Code to, among other things, (i) distribute required notices to parties in interest, (ii) receive, maintain, docket, and otherwise administer the proofs of claim filed in the Debtors' chapter 11 cases and (iii) provide such other administrative services—as required by the Debtors—that would fall within the purview of services to be provided by the Clerk's office; and upon the First Day Declaration and the Steele Declaration submitted in support of the Application; and the Debtors having estimated that there are thousands of creditors and parties in interest in these chapter 11 cases, many of which are expected to file proofs of claim; and it appearing that the receiving, docketing, and maintaining of proofs of claim would be unduly time consuming and burdensome for the Clerk; and the Court being authorized under 28 U.S.C. § 156(c) to utilize, at the Debtors' expense, outside agents and facilities to provide notices to parties in title 11 cases and to receive, docket, maintain, photocopy, and transmit proofs of claim; and the Court being satisfied that Prime Clerk has the capability and experience to provide such services and that Prime Clerk does not hold an interest adverse to the Debtors or the estates respecting the matters upon which it is to be engaged; and good and sufficient notice of the Application having been given under the circumstances and no other or further notice being required; and it appearing that the employment of Prime Clerk is in the best interests of the Debtors, their estates and creditors; and sufficient cause appearing therefor; it is HEREBY ORDERED THAT:

1. Notwithstanding the terms of the Engagement Agreement attached to the Application, the Application is approved solely as set forth in this Order.

2. The Debtors are authorized to retain Prime Clerk as Claims and Noticing Agent effective *nunc pro tunc* to the Petition Date under the terms of the Engagement Agreement, and Prime Clerk is authorized and directed to perform noticing services and to receive, maintain,

record, and otherwise administer the proofs of claim filed in these chapter 11 cases, and all related tasks, all as described in the Application and the Engagement Agreement. The Clerk's office shall provide Prime Clerk with ECF credentials that allow Prime Clerk to receive ECF notifications and file certificates of service.

3. Prime Clerk shall serve as the custodian of court records and shall be designated as the authorized repository for all proofs of claim filed in these chapter 11 cases and is authorized and directed to maintain official claims registers for each of the Debtors and to provide the Clerk with a certified duplicate thereof upon the request of the Clerk.

4. Prime Clerk is authorized and directed to provide an electronic interface for filing proofs of claim and to obtain a post office box or address for the receipt of proofs of claim.

5. Prime Clerk is authorized to take such other action to comply with all duties and services set forth in the Application.

6. The Debtors are authorized to compensate Prime Clerk in accordance with the terms of the Engagement Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by Prime Clerk and the rates charged for each, and to reimburse Prime Clerk for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for Prime Clerk to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses.

7. Prime Clerk shall maintain records of all services showing dates, categories of services, fees charged and expenses incurred, and shall serve monthly invoices on the Debtors, the prepetition junior lien term loan lenders, the Office of the United States Trustee, counsel for the Debtors, counsel for any official committee monitoring the expenses of the Debtors, and any party in interest who specifically requests service of the monthly invoices.

8. The parties shall meet and confer in an attempt to resolve any dispute that may arise relating to the Engagement Agreement or monthly invoices; *provided* that the parties may seek resolution of the matter from the Court if resolution is not achieved.

9. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of Prime Clerk under this Order shall be an administrative expense of the Debtors' estates.

10. Prime Clerk may apply its advance to all prepetition invoices, which advance may be replenished to the original advance amount, and thereafter, Prime Clerk may hold its advance under the Engagement Agreement during the chapter 11 cases as security for the payment of fees and expenses incurred under the Engagement Agreement. Upon cessation of Prime Clerk's engagement, any unused advance amounts after payment of all outstanding fees and expenses under the Engagement Agreement will be returned to the Debtors.

11. The Debtors shall indemnify Prime Clerk under the terms of the Engagement Agreement, as modified pursuant to this Order.

12. Prime Clerk shall not be entitled to indemnification, contribution, or reimbursement pursuant to the Engagement Agreement for services other than the services provided under the Engagement Agreement, unless such services and the indemnification, contribution, or reimbursement therefor are approved by the Court.

13. Notwithstanding anything to the contrary in the Engagement Agreement, the Debtors shall have no obligation to indemnify Prime Clerk, or provide contribution or reimbursement to Prime Clerk, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from Prime Clerk's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of Prime Clerk's contractual obligations if the Court determines that indemnification, contribution,

or reimbursement would not be permissible pursuant to *In re United Artists Theater Co.*, 315 F.3d 217 (3d Cir. 2003); or (iii) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which Prime Clerk should not receive indemnity, contribution, or reimbursement under the terms of the Engagement Agreement as modified by this Order.

14. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these chapter 11 cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these chapter 11 cases, Prime Clerk believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution, and/or reimbursement obligations under the Engagement Agreement (as modified by this Order), including the advancement of defense costs, Prime Clerk must file an application therefor in this Court, and the Debtors may not pay any such amounts to Prime Clerk before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by Prime Clerk for indemnification, contribution, or reimbursement, and not a provision limiting the duration of the Debtors' obligation to indemnify Prime Clerk. All parties in interest shall retain the right to object to any demand by Prime Clerk for indemnification, contribution, or reimbursement.

15. In the event Prime Clerk is unable to provide the services set out in this order, Prime Clerk will immediately notify the Clerk and the Debtors' attorney and, upon approval of the Court, cause to have all original proofs of claim and computer information turned over to another claims and noticing agent with the advice and consent of the Clerk and the Debtors' attorney.

16. After entry of an order terminating Prime Clerk's services, upon the closing of these cases, or for any other reason, Prime Clerk shall be responsible for archiving all proofs of claim with the Federal Archives Record Administration, if applicable, and shall be compensated by the Debtors in connection therewith.

17. Notwithstanding anything to the contrary in the Engagement Agreement, any bank accounts to be opened by Prime Clerk on behalf of the Debtors may only be opened at a bank which is on the list of approved depositories maintained by the United States Trustee, unless otherwise ordered by the Court.

18. Notwithstanding anything to the contrary in the Engagement Agreement, the Debtors shall not be obligated to pay or reimburse any taxes imposed upon Prime Clerk's income that are applicable to services performed under the Engagement Agreement or that are measured by payments made thereunder and are required to be collected by Prime Clerk or paid by Prime Clerk to a taxing authority.

19. The Debtors and Prime Clerk are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

20. Notwithstanding any provision in the Bankruptcy Rules to the contrary, this Order shall be immediately effective and enforceable upon its entry.

21. Prime Clerk shall not cease providing claims processing services during the chapter 11 case(s) for any reason, including nonpayment, without an order of the Court.

22. In the event of any inconsistency between the Engagement Agreement, the Application and the Order, the Order shall govern.

23. Notwithstanding any term in the Engagement Agreement to the contrary, the Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

END OF ORDER

Prepared and presented by:

/s/ Sarah R. Borders

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Georgia Bar No. 610649

Leia Clement Shermohammed

Georgia Bar No. 972711

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*Proposed Counsel for the Debtors in Possession*



This is Exhibit 'G' referred to in the Affidavit  
of Emily Paplawski, sworn before me this 20th  
day of August, 2019.

Meagan Watts  
A COMMISSIONER FOR OATHS/NOTARY PUBLIC  
IN AND FOR THE PROVINCE OF ALBERTA



**IT IS ORDERED as set forth below:**

**Date: August 16, 2019**

A handwritten signature in black ink, reading "Paul W. Bonapfel".

**Paul W. Bonapfel  
U.S. Bankruptcy Court Judge**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

In re:

JACK COOPER VENTURES, INC., *et al.*,<sup>1</sup>

Debtors.

) Chapter 11

) Case No. 19-62393 (PWB)

) (Jointly Administered)

**INTERIM ORDER DETERMINING ADEQUATE  
ASSURANCE OF PAYMENT FOR FUTURE UTILITY SERVICES**

The debtors and debtors in possession in these cases (collectively, the “Debtors”) have filed a motion (the “Motion”) [Docket No. 15]<sup>2</sup> for entry of an order (this “Interim Order”) to establish Adequate Assurance Procedures to provide the Utility Providers (as listed on Exhibit “A” attached

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Jack Cooper Ventures, Inc. (0805); Jack Cooper Diversified, LLC (9414); Jack Cooper Enterprises, Inc. (3001); Jack Cooper Holdings Corp. (2446); Jack Cooper Transport Company, Inc. (3030); Auto Handling Corporation (4011); CTEMS, LLC (7725); Jack Cooper Logistics, LLC (3433); Auto & Boat Relocation Services, LLC (9095); Axis Logistic Services, Inc. (2904); Jack Cooper CT Services, Inc. (3523); Jack Cooper Rail and Shuttle, Inc. (7801); Jack Cooper Investments, Inc. (6894); North American Auto Transportation Corp. (8293); Jack Cooper Transport Canada Inc. (8666); Jack Cooper Canada GP 1 Inc. (7030); Jack Cooper Canada GP 2 Inc. (2373); Jack Cooper Canada 1 Limited Partnership (3439); and Jack Cooper Canada 2 Limited Partnership (7839). The location of the Debtors’ corporate headquarters and service address is: 630 Kennesaw Due West Road NW, Kennesaw, Georgia 30152.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Motion.

hereto) with adequate assurance of payment within the meaning of section 366 of the Bankruptcy Code and prohibiting the Utility Providers from altering, refusing, or discontinuing services, all as more fully set forth in the Motion.<sup>3</sup>

The Court considered the Motion on a preliminary basis at a hearing (the “Hearing”) on August 8, 2019 after sufficient notice to the Utility Providers. Based on the First Day Declaration [Docket No. 19] and the representations of the Debtors and their counsel in the Motion and at the Hearing, and for the reasons stated by the Court at the Hearing, it is hereby Ordered as follows:

1. This is an interim order and is subject to objection by any Utility Provider. Any objection must (i) be filed with the Clerk of this Court on or before 4:00 p.m. (prevailing Eastern time) on **September 10, 2019**; and (ii) be promptly served on counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: Kelley A. Cornish and Brian S. Hermann and King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders, Leia Clement Shermohammed, and Britney Baker. The Court will hold a hearing on the Motion and any objection on **September 12, 2019**, at **10 o’clock a.m.** in Courtroom 1401, 75 Ted Turner Drive, SW, Atlanta, Georgia. Thereafter, the Court will enter an appropriate Final Order.

2. Until further order of the Court, all Utility Providers set forth on the Utility Service List attached hereto as Exhibit A are prohibited from altering, refusing, or discontinuing service to, or discriminating against, the Debtors as a result of the Debtors’ bankruptcy filing or any outstanding prepetition invoices, or requiring payment of a deposit or receipt or any other security

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<sup>3</sup> The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. It is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

for continued service postpetition, other than in accordance with the following Adequate Assurance Procedures:

**Creation of Adequate Assurance Account**

a. The Debtors will deposit the Adequate Assurance Deposit, in the aggregate amount of \$209,125, in the Adequate Assurance Account within five business days after entry of this Order. Said funds shall provide an Adequate Assurance for each of the Utility Providers. To the extent any Utility Provider receives any postpetition value from the Debtors as other adequate assurance of payment, the Debtors may reduce the Adequate Assurance Deposit maintained in the Adequate Assurance Account on account of such Utility Provider by such amount.

**Disbursements From the Adequate Assurance Account; Termination of Services**

b. If an amount relating to Utility Services provided postpetition by a Utility Provider is unpaid, and remains unpaid beyond any applicable grace period, such Utility Provider may request a disbursement from the Adequate Assurance Account by giving notice to counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber.

c. Within five (5) business days after the date the request is received by the Debtors, the Debtors shall either (i) bring the account current or (ii) honor the request, subject to the ability of the Debtors and any such requesting Utility Provider to resolve any dispute regarding such request without further order of the Court. In no event shall a Utility Provider be permitted to receive aggregate disbursements in excess of the total amount set forth for such Utility Provider under the column labeled "Adequate Assurance" on Exhibit "A".

d. If the Debtors do not bring the account current in accordance with paragraph c, the Utility Provider may terminate Utility Services as to the account for which such disbursement from the Adequate Assurance Account is required.

**Additional Assurance Requests**

e. Any Utility Provider desiring additional assurances of payment in the form of deposits, prepayments, or otherwise must serve a request for additional assurance (an “Additional Assurance Request”) on counsel to the Debtors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn.: John T. Weber.

f. Any Additional Assurance Request must (i) be in writing, (ii) identify the location and account number(s) for which the Utility Services are provided, (iii) summarize the Debtors’ payment history relevant to the affected account(s), including any security deposits, (iv) certify the amount that is equal to two weeks of the Utility Services the Utility Provider provides to the Debtors, calculated as a historical average over the last twelve months, (v) certify that the Utility Provider does not already hold a deposit equal to or greater than two weeks of Utility Services, (vi) certify that the Utility Provider is not currently paid in advance for the Utility Services, and (vii) explain why the Utility Provider believes the Adequate Assurance Deposit is insufficient adequate assurance of payment.

g. Any Additional Assurance Request must be made by no later than 60 days after entry of the Final Order. If a Utility Provider fails to timely file an Additional Assurance Request, the Utility Provider shall be (i) deemed to have received “satisfactory” adequate assurance of payment in compliance with section 366 of the Bankruptcy Code and (ii) forbidden from

discontinuing, altering, or refusing Utility Services to, or discriminating against, the Debtors on account of any unpaid prepetition charges, or requiring additional assurance of payment other than the Adequate Assurance set forth in this Order.

**Resolution of Additional Assurance Requests**

h. Upon the Debtors' receipt of any Additional Assurance Request, the Debtors shall have 20 days from the receipt of such Additional Assurance Request (the "Resolution Period") to negotiate with such Utility Provider to resolve such Utility Provider's Additional Assurance Request; *provided* that the Debtors and the applicable Utility Provider may extend the Resolution Period by mutual agreement.

i. The Debtors may, in consultation with (i) counsel to the First Lien Lenders and (ii) counsel to the Junior Lenders, and without further order from this Court, resolve any Additional Assurance Request by mutual agreement with a Utility Provider and the Debtors may, in connection with any such agreement, provide a Utility Provider with additional adequate assurance of payment, including, but not limited to, cash deposits, payments of prepetition balances, prepayments, or other forms of security if the Debtors believe such additional assurance is reasonable.

j. If the Debtors, in consultation with (i) counsel to the First Lien Lenders and (ii) counsel to the Junior Lenders, determine that the Additional Assurance Request is unreasonable and are not able to reach an alternative resolution with the Utility Provider during the Resolution Period, the Debtors, during or immediately after the Resolution Period, will request a hearing before the Court to determine the adequacy of the Proposed Adequate Assurance as an assurance

of payment with respect to the applicable Utility Provider (a “Determination Hearing”) pursuant to section 366(c)(3) of the Bankruptcy Code.

k. Pending resolution of any such Determination Hearing, the Utility Provider filing such Additional Assurance Request shall be prohibited from altering, refusing, or discontinuing Utility Services to the Debtors on account of unpaid charges for prepetition services or on account of any objections to the Proposed Adequate Assurance.

3. A Utility Provider shall be deemed to have received adequate assurance of payment satisfactory to such Utility Provider in compliance with section 366 of the Bankruptcy Code unless and until, subject to the limitations of this Interim Order, (a) the Debtors agree to (i) an Additional Assurance Request or (ii) an alternative adequate assurance payment with the Utility Provider during the Resolution Period; or (b) this Court enters an order at any Determination Hearing requiring that additional adequate assurance of payment be provided.

4. Subject to entry of the Final Order, the Adequate Assurance set forth herein shall be adequate assurance of payment as such term is used in section 366 of the Bankruptcy Code.

5. The Debtors may amend the Utility Service List to add or remove a Utility Provider by filing a motion with the Court.

6. The portion of the Adequate Assurance Deposit attributable to each Utility Provider shall be removed from the Adequate Assurance Account on the earlier of (a) the Debtors’ termination of Utility Services from such Utility Provider, including pursuant to a sale of all or substantially all of the Debtors’ assets and payment in full of amounts due for post-petition services, and (b) further order of this Court.

7. Notwithstanding the relief granted herein and any actions taken, nothing contained in the Motion or this Interim Order or any payment made pursuant to this Interim Order shall constitute, nor is it intended to constitute, an admission as to the validity or priority of any claim or lien against the Debtors, a waiver of the Debtors' or any party in interest's rights to subsequently dispute and/or contest such claim or lien, or the assumption or adoption of any agreement, contract, or lease under section 365 of the Bankruptcy Code.

8. The time periods set forth in this Interim Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

9. Service of the Motion and this Interim Order as provided herein shall be good and sufficient notice of such Motion, and the requirements of Bankruptcy Rule 6004(a), the Bankruptcy Local Rules for the Northern District of Georgia and the Complex Case Procedures are satisfied by such service.

10. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

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

12. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

13. Any notices served by or on the Debtors' counsel pursuant to this Interim Order shall be forwarded by the Debtors' counsel to the following parties: (i) the Debtors, 630 Kennesaw Due West Road, Kennesaw, Georgia 30152, Attn.: Theo Ciupitu, (ii) King & Spalding LLP, 1180 Peachtree Street NE, Atlanta, Georgia 30309, Attn.: Sarah R. Borders, Leia Clement



Shermohammed, and Britney Baker; (iii) the Office of the United States Trustee for the Northern District of Georgia, 75 Ted Turner Dr. S.W., Room 362, Atlanta, Georgia 30303; (iv) counsel to the Debtors' prepetition secured revolving lenders, Buchalter, P.C., 1000 Wilshire Blvd., 15<sup>th</sup> Floor, Los Angeles, California 90017, Attn.: Robert J. Davidson; (v) counsel to the Debtors' prepetition first lien term loan lenders (the "First Lien Lenders"), Schulte Roth & Zabel LLP, 919 Third Avenue, New York, New York 10022, Attn.: Adam Harris; (vi) counsel to the Debtors' prepetition junior lien term loan lenders (the "Junior Lenders"), Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, Attn.: Alexandra Schwarzman; and (vii) counsel to the official committee of unsecured creditors (if any) appointed in these chapter 11 cases.

14. Any Utility Provider may request relief from this Interim Order and may request an expedited hearing on such request.

15. The Debtors will serve a copy of the Motion and this Interim Order on each Utility Provider within two business days after entry of this Interim Order by the Court.

END OF ORDER

Modified by the Court based on proposed order prepared and submitted by:

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-and-

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*Proposed Counsel for the Debtors in Possession*

**Exhibit A**

Utility Service List

United States

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
ALTAWORX, LLC	PO BOX 1451 FAIRHOPE, AL 36533	300006468	Telecom	\$ 36,600.50	\$ 16,892.54		Jack Cooper Transport Company, Inc.
AMBIT ENERGY	PO BOX 660462, DALLAS, TX 75266-0462	A5201143	Electricity	\$ 3,179.04	\$ 1,467.25		Jack Cooper Transport Company, Inc.
AMEREN MISSOURI	PO BOX 88068, CHICAGO, IL 60680-1068	3630007228	Electricity	\$ 2,367.89	\$ 1,092.87		Jack Cooper Transport Company, Inc.
AMEREN MISSOURI	PO BOX 88068, CHICAGO, IL 60680-1068	5630007422	Natural Gas	\$ 1,516.52	\$ 699.93		Jack Cooper Transport Company, Inc.
AMERIGAS	10501 AIRPORT HIGHWAY, SWANTON, OH 43558-0238	202441999	Gas	\$ 146.63	\$ 67.68		Jack Cooper CT Services, Inc
ARLINGTON UTILITIES	P.O. BOX 90020, ARLINGTON, TX 76004-3020	480113300	Water / Sewer	\$ 2,270.35	\$ 1,047.85		Jack Cooper Transport Company, Inc.
ARLINGTON UTILITIES	P.O. BOX 90020, ARLINGTON, TX 76004-3020	461464800	Storm Drainage	\$ 42.86	\$ 19.78		Jack Cooper Transport Company, Inc.
AT & T	P. O. BOX 105414 ATLANTA, GA 30348-5414	817 649-0328 099 1	Telecom	\$ 128.82	\$ 59.46		Jack Cooper Transport Company, Inc.
AT&T	PO BOX 105262 ATLANTA, GA 30348-5262	270 393-0244 245 0483	Telecom	\$ 306.50	\$ 141.46		Jack Cooper Transport Company, Inc.
AT&T	PO BOX 105262 ATLANTA, GA 30348-5262	502 426-0605 001 0482	Telecom	\$ 274.35	\$ 126.62		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
AT&T	P. O. BOX 5080 CAROL STREAM, IL 60197-5080	313 982-1130 851 6	Telecom	\$ 164.16	\$ 75.77		Jack Cooper Transport Company, Inc.
AT&T	P.O. BOX 105262 ATLANTA, GA 30348-5262	502 375-1534 052 0485	Telecom	\$ 359.66	\$ 166.00		Jack Cooper Transport Company, Inc.
AT&T	PO BOX 105262 ATLANTA, GA 30348-5262	502 326-3076 002 0480	Telecom	\$ 109.76	\$ 50.66		Jack Cooper Transport Company, Inc.
AT&T	PO BOX 5001 CAROL STREAM, IL 60197-5001	090 034-2067 761 4	Telecom	\$ 89.05	\$ 41.10		Jack Cooper Transport Company, Inc.
AT&T MOBILITY	PO BOX 6463 CAROL STREAM, IL 60197-6463	7258034590	Telecom	\$ 28,270.58	\$ 13,047.96		Jack Cooper Transport Company, Inc.
AT&T MOBILITY	PO BOX 6463 CAROL STREAM, IL 60197-6463	287291218109	Telecom	\$ 55,722.72	\$ 25,718.18		Jack Cooper Transport Company, Inc.
AT&T MOBILITY	PO BOX 6463 CAROL STREAM, IL 60197-6463	821802840	Telecom	\$ 17,371.87	\$ 8,017.79		Jack Cooper Transport Company, Inc.
AT&T MOBILITY	PO BOX 6463 CAROL STREAM, IL 60197-6463	287289670800	Telecom	\$ 5,293.60	\$ 2,443.20		North American Auto Transportation Corporation
AT&T U-VERSE	PO BOX 5014 CAROL STREAM, IL 60197-5014	111567599	Telecom	\$ 113.21	\$ 52.25		Jack Cooper Transport Company, Inc.
AT&T VOIP	PO Box 5014 - Carol Stream, IL 60197-5014	293673093	Telecom	\$ 200.00	\$ 92.31		CTEMS, LLC/Jack Cooper Diversified, LLC
ATMOS ENERGY	PO BOX 790311, ST LOUIS, MO 63179-0311	4003562725	Gas	\$ 609.72	\$ 281.41	\$ 350.00	Jack Cooper Transport Company, Inc.
ATMOS ENERGY	PO BOX 790311, ST LOUIS, MO 63179-0311	3022446870	Gas	\$ 1,633.45	\$ 753.90		Jack Cooper Transport Company, Inc.
BEAUMONT HEALTH	PO Box 675140, Detroit, MI 48267	33-100	Electric	\$ 1,599.79	\$ 738.36		Jack Cooper CT Services, Inc
BULLSEYE TELECOM	PO BOX 6558 CAROL STREAM, IL 60197-6558	00389C2	Telecom	\$ 141.95	\$ 65.52		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
CENTURYLINK	PO BOX 2961 PHOENIZ, AZ 85062-2961	310114007	Telecom	\$ 71.95	\$ 33.21		Jack Cooper CT Services, Inc
CENTURYLINK4300	P.O. BOX 4300 CAROL STREAM, IL 60197-4300	301946895	Telecom	\$ 177.58	\$ 81.96		Jack Cooper Transport Company, Inc.
CENTURYLINK4300	P.O. BOX 4300 CAROL STREAM, IL 60197-4300	416821220	Telecom	\$ 195.82	\$ 90.38		Jack Cooper Transport Company, Inc.
CENTURYLINK4300	P.O. BOX 4300 CAROL STREAM, IL 60197-4300	413021895	Telecom	\$ 186.88	\$ 86.25		Jack Cooper Transport Company, Inc.
CENTURYLINK4300	P.O. BOX 4300 CAROL STREAM, IL 60197-4300	5-KFQCKGXL	Telecom	\$ 776.29	\$ 358.29		Jack Cooper Transport Company, Inc.
CITY OF DEARBORN	WATER DEPT 3101, P O BOX 30516, LANSING, MI 48909-8016	906703-001	Water / Sewer	\$ 200.13	\$ 92.37		Jack Cooper Rail and Shuttle, Inc
CITY OF MILPITAS	PO Box 7006 - San Francisco, CA 94120	2041404	Water, Sewer, Fire	\$ 330.00	\$ 152.31		CTEMS, LLC/Jack Cooper Diversified, LLC
CITY OF PEARL	PO BOX 54195, PEARL, MS 39288-4915	35-0276001	Water / Sewer	\$ 85.53	\$ 39.48	\$ 60.00	Jack Cooper Transport Company, Inc.
CITY OF ROMULUS	11111 WAYNE ROAD, ROMULUS, MI 48174	5201-7108	Water / Sewer	\$ 25.47	\$ 11.76		Jack Cooper Transport Company, Inc.
CITY OF WAYNE	3355 SOUTH WAYNE ROAD, WAYNE, MI 48184	0108-06600-01-1	Water	\$ 79.33	\$ 36.62		Jack Cooper Transport Company, Inc.
CITY OF WENTZVILLE	1001 SCHROEDER CREEK BOULEVARD, WENTZVILLE, MO 63385	14-12670-02	Water / Sewer	\$ 176.26	\$ 81.35		Jack Cooper Transport Company, Inc.
CITY OF WESTLAND - WATER	PO BOX 55000, DETROIT, MI 48255-1807	71499-599782	Water / Sewer	\$ 251.74	\$ 116.19		Jack Cooper Transport Company, Inc.
CITY UTILITIES	ROOM 270 - CITY COUNTY BLG, ONE MAIN STREET, FORT WAYNE, IN 46802	00005648-003-1	Water / Sewer	\$ 585.75	\$ 270.35		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
CITY UTILITIES	ROOM 270 - CITY COUNTY BLG, ONE MAIN STREET, FORT WAYNE, IN 46802	00005261-003-7	Water / Sewer	\$ 540.40	\$ 249.42		Jack Cooper Transport Company, Inc.
CITY UTILITIES	ROOM 270 - CITY COUNTY BLG, ONE MAIN STREET, FORT WAYNE, IN 46802	00006961-002-0	Fire Service	\$ 81.61	\$ 37.67		Jack Cooper Transport Company, Inc.
CLARK COUNTY REMC	PO BOX 950179, LOUISVILLE, KY 40295- 0179	92080001	Water	\$ 1,695.46	\$ 782.52		Jack Cooper Transport Company, Inc.
CLAYTON COUNTY WATER AUTHORITY	1600 Battle Creek Rd., Morrow, GA 30260	250209-01	Water	\$ 519.66	\$ 239.84		Jack Cooper Transport Company, Inc.
CLAYTON COUNTY WATER AUTHORITY	1600 Battle Creek Rd., Morrow, GA 30260	250207-01	Water	\$ 541.73	\$ 250.03		Jack Cooper Transport Company, Inc.
CLAYTON COUNTY WATER AUTHORITY	1600 Battle Creek Rd., Morrow, GA 30260	047238-02	Water	\$ 371.40	\$ 171.42		Jack Cooper Transport Company, Inc.
COBB COUNTY WATER SYSTEM	PO Box 580440 Charlotte, NC 28258-0440	577394-274408	Water	\$ 138.61	\$ 63.97		Jack Cooper Ventures, Inc
COBB COUNTY WATER SYSTEM	PO Box 580440 Charlotte, NC 28258-0440	577394-152733	Water	\$ 28.80	\$ 13.29		Jack Cooper Ventures, Inc
COBB EMC	PO Box 369 Marietta, GA 30061-0369	145273002	Electric	\$ 147.92	\$ 68.27		Jack Cooper Ventures, Inc
COBB EMC	PO Box 369 Marietta, GA 30061-0369	425952002	Electric	\$ 1,611.62	\$ 743.83	\$ 3,000.00	Jack Cooper Ventures, Inc
COLUMBIA GAS OF OHIO	PO BOX 742510, CINCINNATI, OH 45274- 2510	18674311	Natural gas	\$ 546.90	\$ 252.42		Jack Cooper Transport Company, Inc.
CONSUMERS ENERGY	ONE ENERGY PLAZA, JACKSON, MI 49201-2276	100049433830	Electric	\$ 2,797.48	\$ 1,291.15		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
CONSUMERS ENERGY	ONE ENERGY PLAZA, JACKSON, MI 49201-2276	100048677304	Electric	\$ 222.26	\$ 102.58		Jack Cooper Transport Company, Inc.
CONSUMERS ENERGY	ONE ENERGY PLAZA, JACKSON, MI 49201-2276	100048690661	Electric	\$ 315.42	\$ 145.58		Jack Cooper Transport Company, Inc.
CONSUMERS ENERGY	ONE ENERGY PLAZA, JACKSON, MI 49201-2276	100048403610	Electric	\$ 415.50	\$ 191.77		Jack Cooper Transport Company, Inc.
CONSUMERS ENERGY	ONE ENERGY PLAZA, JACKSON, MI 49201-2276	100058298801	Electric	\$ 3,240.84	\$ 1,495.77		Jack Cooper Transport Company, Inc.
CONSUMERS ENERGY	ONE ENERGY PLAZA, JACKSON, MI 49201-2276	100058298637	Electric	\$ 811.89	\$ 374.72		Jack Cooper Transport Company, Inc.
COX BUSINESS	DEPT 781110, PO BOX 78000, DETROIT, MI 48278	0015110135047202	Telecom	\$ 81.52	\$ 37.62		Auto & Boat Relocation Services, LLC
DOMINION POWER	PO BOX 26543, RICHMOND, VA 23290-0001	8943030414	Electric	\$ 102.28	\$ 47.20		Jack Cooper Transport Company, Inc.
DTE ENERGY	PO BOX 740786, CINCINNATI, OH 45274-0786	9300 037 0668 4	Electric	\$ 2,488.09	\$ 1,148.35		Jack Cooper Transport Company, Inc.
DTE ENERGY	PO BOX 740786, CINCINNATI, OH 45274-0786	9100 303 9824 2	Electric	\$ 1,495.24	\$ 690.11		Jack Cooper Transport Company, Inc.
DTE ENERGY	PO BOX 740786, CINCINNATI, OH 45274-0786	9300 037 0675 9	Electric	\$ 5,801.49	\$ 2,677.61		Jack Cooper Rail and Shuttle, Inc
DUKE ENERGY	P O BOX 1326, CHARLOTTE, NC 28201-1326	23252 68113	Electric	\$ 320.10	\$ 147.74	\$ 635.00	Jack Cooper Transport Company, Inc.
EMPIRE DISTRICT ELECTRIC	PO BOX 219239, KANSAS CITY, MO 64121-9239	070127-86-5	Electric	\$ 426.46	\$ 196.83	\$ 1,495.00	Jack Cooper Transport Company, Inc.



Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
ERIE COUNTY WATER AUTHORITY	P O BOX 5148, BUFFALO, NY 14240-5148	60589180-6	Water / Sewer	\$ 418.54	\$ 193.17		Jack Cooper Transport Company, Inc.
ERS	PO Box 711097 Cincinnati, OH 45271-1097	8143	Telecom	\$ 598.00	\$ 276.00		Jack Cooper Transport Company, Inc.
EVERSOURCE	P.O. BOX 56002, BOSTON, MA 02205	5179-655-8039	Electric	\$ 280.00	\$ 129.23		Auto & Boat Relocation Services, LLC
FRONTIER	PO BOX 740407, CINCINNATI, OH 45274	8602241028060618-5	Telecom	\$ 232.42	\$ 107.27		Auto & Boat Relocation Services, LLC
FRONTIER COMMUNICATIONS	525 Almanor Avenue, Suite 200, Sunnyvale, CA 94085	4085194432	Telecom	\$ 20.00	\$ 9.23		CTEMS, LLC/Jack Cooper Diversified, LLC
FRONTIER COMMUNICATIONS	PO BOX 740407 CINCINNATI OH 45274-0407	90985563970823100	Telecom	\$ 62.05	\$ 28.64		North American Auto Transportation Corporation
FRONTIER COMMUNICATIONS	PO BOX 740407 CINCINNATI OH 45274-0407	90988908940823100	Telecom	\$ 62.05	\$ 28.64		North American Auto Transportation Corporation
FRONTIER COMMUNICATIONS	PO BOX 740407 CINCINNATI OH 45274-0407	90988563990823100	Telecom	\$ 62.05	\$ 28.64		North American Auto Transportation Corporation
FRONTIER CONFERENCEING	P. O. BOX 740407 CINCINNATI, OH 45274-0407	260-478-1817-040511-5	Telecom	\$ 83.83	\$ 38.69		Jack Cooper Transport Company, Inc.
FRONTIER CONFERENCEING	P. O. BOX 740407 CINCINNATI, OH 45274-0407	260-672-0146-053012-5	Telecom	\$ 189.44	\$ 87.43		Jack Cooper Transport Company, Inc.
FRONTIER CONFERENCEING	P. O. BOX 740407 CINCINNATI, OH 45274-0407	812-385-8249-081516-5	Telecom	\$ 86.00	\$ 39.69		Jack Cooper Transport Company, Inc.
GAS SOUTH	PO Box 530552, Atlanta, GA 30353-0552	7748192667	Natural Gas	\$ 423.67	\$ 195.54		Jack Cooper Ventures, Inc

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
GAS SOUTH	PO Box 530552, Atlanta, GA 30353-0552	9682046934	Natural Gas	\$ 49.52	\$ 22.86		Jack Cooper Ventures, Inc
GEORGIA NATURAL GAS	P O BOX 71245, CHARLOTTE, NC 28272-1245	004010740-4023119	Gas	\$ 2,142.50	\$ 988.85	\$ 250.00	Jack Cooper Transport Company, Inc.
GEORGIA POWER	752A MAIN ST, FOREST PARK, GA 30297	3599962029	Electric	\$ 3,050.68	\$ 1,408.00		Jack Cooper Transport Company, Inc.
GRANITE TELECOMMUNICATIONS	CLIENT ID #311 BOSTON, MA 02298-3119	02979932	Telecom	\$ 16,405.18	\$ 7,571.62		Jack Cooper Transport Company, Inc.
GRANITE TELECOMMUNICATIONS	CLIENT ID #311 BOSTON, MA 02298-3119	03270831	Telecom	\$ 16,405.18	\$ 7,571.62		Jack Cooper Transport Company, Inc.
GXS, INC	PO Box 640371 Pittsburgh, PA 15264-0371	US01-21104	Telecom	\$ 400.00	\$ 184.62		Jack Cooper Transport Company, Inc.
HANNING & BEAN	7108 Covington Road, Fort Wayne, IN 46804	27-04060.01	Gas	\$ 820.64	\$ 378.76		Jack Cooper Transport Company, Inc.
HANNING & BEAN	7108 Covington Road, Fort Wayne, IN 46804	21157001	Sewer	\$ 257.81	\$ 118.99		Jack Cooper Transport Company, Inc.
HEARTLAND REMC	4563 EAST MARKLE ROAD, MARKLE, IN 46770	91514001	Electric	\$ 5,038.83	\$ 2,325.61		Jack Cooper Transport Company, Inc.
IBACH ENTERPRISES	12900 Haggerty Road, Belleville, MI 48111	Meter #10486506	Water	\$ 392.65	\$ 181.22		Jack Cooper Transport Company, Inc.
IBACH ENTERPRISES	12900 Haggerty Road, Belleville, MI 48111	1000 4281 0158	Electric & Gas	\$ 3,483.91	\$ 1,607.96		Jack Cooper Transport Company, Inc.
IBACH ENTERPRISES	12900 Haggerty Road, Belleville, MI 48111	1000 5081 0025	Electric & Gas	\$ 1,903.88	\$ 878.71		Jack Cooper Transport Company, Inc.
JEFFERSONVILLE WASTEWATER DEPARTMENT	PO BOX 1588, JEFFERSONVILLE, IN 47131-1588	0027036	Wastewater	\$ 558.92	\$ 257.96		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
KANSAS CITY BOARD OF PUBLIC UTILITIES	540 MINNESOTA AVE, KANSAS CITY, KS 66101-2930	2006566	Electric	\$ 11,620.62	\$ 5,363.36		Jack Cooper Transport Company, Inc.
KANSAS CITY BOARD OF PUBLIC UTILITIES	540 MINNESOTA AVE, KANSAS CITY, KS 66101-2930	2006565	Water / Sewer	\$ 1,921.17	\$ 886.69		Jack Cooper Transport Company, Inc.
KANSAS CITY POWER & LIGHT	P.O. BOX 219330, KANSAS CITY, MO 64121-9330	0190-28-6424	Electric	\$ 398.02	\$ 183.70		Jack Cooper Transport Company, Inc.
KANSAS CITY POWER & LIGHT	P.O. BOX 219330, KANSAS CITY, MO 64121-9330	2808-15-3572	Electric	\$ 434.30	\$ 200.45		Jack Cooper Transport Company, Inc.
KANSAS CITY POWER & LIGHT	P.O. BOX 219330, KANSAS CITY, MO 64121-9330	4259-42-8678	Electric	\$ 337.80	\$ 155.91		Jack Cooper Transport Company, Inc.
KANSAS CITY POWER & LIGHT	P.O. BOX 219330, KANSAS CITY, MO 64121-9330	8157-27-2726	Electric	\$ 3,872.11	\$ 1,787.13		Jack Cooper Transport Company, Inc.
KANSAS CITY POWER & LIGHT	P.O. BOX 219330, KANSAS CITY, MO 64121-9330	8964-80-7460	Electric	\$ 383.11	\$ 176.82		Jack Cooper Transport Company, Inc.
KANSAS CITY POWER & LIGHT	P.O. BOX 219330, KANSAS CITY, MO 64121-9330	5100-75-4852	Electric	\$ 33.43	\$ 15.43		Jack Cooper Transport Company, Inc.
KANSAS GAS SERVICE	P.O. BOX 219046, KANSAS CITY, MO 64121-9046	1562837 09	Natural gas	\$ 1,149.97	\$ 530.75		Jack Cooper Transport Company, Inc.
KC WATER SERVICES	P O BOX 807045, KANSAS CITY, MO 64180-7045	000176824 0186875 7	Water / Sewer	\$ 505.48	\$ 233.30		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
KC WATER SERVICES	P O BOX 807045, KANSAS CITY, MO 64180-7045	000176824 0375896 0	Water / Sewer	\$ 505.48	\$ 233.30		Jack Cooper Transport Company, Inc.
KENTUCKY AMERICAN WATER	PO BOX 578, ALTON, IL 62002-0578	210008242308	Water	\$ 56.48	\$ 26.07		Jack Cooper Transport Company, Inc.
KU	P. O. BOX 9001954, LOUISVILLE, KY 40290-1954	3000-2729-9761	Electric	\$ 730.20	\$ 337.01		Jack Cooper Transport Company, Inc.
KU	P. O. BOX 9001954, LOUISVILLE, KY 40290-1954	3000-0196-6062	Electric	\$ 840.09	\$ 387.73		Jack Cooper Transport Company, Inc.
KU	P. O. BOX 9001954, LOUISVILLE, KY 40290-1954	3000-0715-2378	Electric	\$ 328.83	\$ 151.77		Jack Cooper Transport Company, Inc.
LEVEL 3 COMMUNICATIONS	P O BOX 910182 DENVER, CO 80291-0182	1-CRC89C	Telecom	\$ 8,964.90	\$ 4,137.65		Jack Cooper Transport Company, Inc.
LG&E	PO BOX 538612, ATLANTA, GA 30353-7108	3000-2690-1136	Electric	\$ 1,460.00	\$ 673.85	\$ 4,683.72	Jack Cooper Transport Company, Inc.
LK PROPERTY	5642 Coventry Lane, Fort Wayne, IN 46804	0491519381	Water	\$ 2,215.56	\$ 1,022.57		Jack Cooper Transport Company, Inc.
LK PROPERTY	5642 Coventry Lane, Fort Wayne, IN 46804	3000-3153-3197	Gas	\$ 1,448.46	\$ 668.52		Jack Cooper Transport Company, Inc.
LOUISVILLE WATER COMPANY	PO BOX 32460, LOUISVILLE, KY 40232-2460	9677500000	Stormwater	\$ 749.71	\$ 346.02		Jack Cooper Transport Company, Inc.
MEMPHIS LIGHT, GAS AND WATER	PO BOX 388, MEMPHIS, TN 38145-0388	00090-9515-1091-173	Electric / Gas	\$ 1,405.80	\$ 648.83		Jack Cooper Transport Company, Inc.
MISSOURI GAS ENERGY (SPIRE ENERGY)	DRAWER 2, SAINT LOUIS, MO 63171	1724821111	Electric/Gas /Water/Misc	\$ 1,747.61	\$ 806.59		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
NATIONAL FUEL	P O BOX 371835, PITTSBURGH, PA 15250-7835	733734610	Gas	\$ 756.24	\$ 349.03	\$ 5,320.00	Jack Cooper Transport Company, Inc.
NATIONAL GRID	P. O. BOX 11737, NEWARK, NJ 07101-4737	7680964048	Electric	\$ 1,472.71	\$ 679.71		Jack Cooper Transport Company, Inc.
NEW YORK STATE ELECTRIC & GAS	PO BOX 11745, NEWARK, NY 07101-4745	1004-0329-103	Electric	\$ 6,636.68	\$ 3,063.08		Jack Cooper Transport Company, Inc.
NIPSCO	P.O. BOX 13007, MERRILLVILLE, IN 46411-3007	312-466-006-0	Electric	\$ 1,427.02	\$ 658.63	\$ 10,009.00	Jack Cooper Transport Company, Inc.
OHIO EDISON	PO BOX 3637, AKRON, OH 44309-3637	110064505727	Electric	\$ 2,093.44	\$ 966.20	\$ 295.00	Jack Cooper Transport Company, Inc.
OHIO EDISON	PO BOX 3637, AKRON, OH 44309-3637	110064505768	Electric	\$ 79.87	\$ 36.86		Jack Cooper Transport Company, Inc.
OOMA TELO	525 Almanor Avenue, Suite 200, Sunnyvale, CA 94085	4085204004	Telecom	\$ 20.00	\$ 9.23		CTEMS, LLC/Jack Cooper Diversified, LLC
PG&E	Box 997300 - Sacramento, CA 95899-7300	0164657773-2	Electric	\$ 2,300.00	\$ 1,061.54		CTEMS, LLC/Jack Cooper Diversified, LLC
PG&E	Box 997300 - Sacramento, CA 95899-7300	7978771906-5	Gas	\$ 250.00	\$ 115.38		CTEMS, LLC/Jack Cooper Diversified, LLC
PRESCOTT WATER & SEWER	800 BORNER STREET NORTH, PRESCOTT, WI 54021-2012	7378.00	Water / Sewer	\$ 62.83	\$ 29.00		Jack Cooper Transport Company, Inc.
Prince George Utility Department	PO BOX 175, PRINCE GEORGE, VA 23875	09-26-0680-010	Sewer	\$ 17.34	\$ 8.00	\$ 120.00	Jack Cooper Transport Company, Inc.
PSE&G Co.	PO BOX 14444, NEW BRUNSWICK, NJ 08906-4444	70 491 516 02	Water	\$ 2,670.16	\$ 1,232.38		Jack Cooper Transport Company, Inc.
PSE&G Co.	PO BOX 14444, NEW BRUNSWICK, NJ 08906-4444	70 0310 51 01	Electric	\$ 2,670.16	\$ 1,232.38		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
PUBLIC WATER SUPPLY DISTRICT NO. 2	8600 KAILL ROAD, PLEASANT VALLEY, MO 64068	00000136	Water / Sewer/ Stormwater	\$ 66.03	\$ 30.48		Jack Cooper Transport Company, Inc.
PUGET SOUND ENERGY	PO BOX 91269, BELLEVUE, WA 98009-9269	220018284350	Electric	\$ 279.89	\$ 129.18	\$ 878.00	North American Auto Transportation Corporation
SHEFFIELD VILLAGE WATER DEPARTMENT	PO BOX 75610, CLEVELAND, OH 44101-4755	01-03860-03	Water	\$ 444.11	\$ 204.97		Jack Cooper Transport Company, Inc.
SHELBYVILLE MUNICIPAL WATER & SEWER COMMISSION	1059 WASHINGTON STREET, SHELBYVILLE, KY 40066	116-84700-03	Water / Sewer	\$ 26.28	\$ 12.13	\$ 100.00	Jack Cooper Transport Company, Inc.
SPRINT	PO BOX 4181 CAROL STREAM, IL 60197-4181	456782533	Telecom	\$ 242.41	\$ 111.88		Jack Cooper Transport Company, Inc.
ST CROIX GAS	415 S 2ND ST, RIVER FALLS, WI 54022	25320	Gas	\$ 245.37	\$ 113.25		Jack Cooper Transport Company, Inc.
TIME WARNER CABLE	P O BOX 1104 CAROL STREAM, IL 60132-1104	20505 103114306 1001	Telecom	\$ 185.58	\$ 85.65		Jack Cooper Transport Company, Inc.
TXU Energy	P.O. BOX 650638, DALLAS, TX 75265-0638	900010941809	Electric	\$ 308.97	\$ 142.60		Jack Cooper Transport Company, Inc.
TXU Energy	P.O. BOX 650638, DALLAS, TX 75265-0638	900010941544	Gas	\$ 34.34	\$ 15.85		Jack Cooper Transport Company, Inc.
VALLEY VIEW SEWER DISTRICT	PO BOX 69550, SEATTLE, WA 98168-9550	04-761846-00	Sewer	\$ 29.92	\$ 13.81		North American Auto Transportation Corporation
VECTREN ENERGY	PO BOX 6248, INDIANAPOLIS, IN 46206-6248	02-621464262-50540525	Electric	\$ 689.89	\$ 318.41	\$ 7,807.00	Jack Cooper Transport Company, Inc.
VELOCITI INC	PO BOX 872287 KANSAS CITY, MO 64187-2287	VRJA01	Telecom	\$ 4,871.62	\$ 2,248.44		Jack Cooper Transport Company, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
VERIZON - 28000	P. O. BOX 25505 LEHIGH VALLEY, PA 18002-5505	281010578-00001	Telecom	\$ 1,195.01	\$ 551.54		Jack Cooper Transport Company, Inc.
VERIZON 382040	P O BOX 660794 DALLAS, TX 75266-0794	05573244	Telecom	\$ 154.58	\$ 71.34		Jack Cooper Transport Company, Inc.
VERIZON WIRELESS25505	P O BOX 25505 LEHIGH VALLEY, PA 18002-5505	580004568-00001	Telecom	\$ 6,982.53	\$ 3,222.71		Jack Cooper Transport Company, Inc.
VERIZON WIRELESS25505	P O BOX 25505 LEHIGH VALLEY, PA 18002-5505	655-882-977-0001-15	Telecom	\$ 1.00	\$ 0.46		Jack Cooper Transport Company, Inc.
WATSON WATER COMPANY	4106 UTICA SELLERSBURG RD., JEFFERSONVILLE, IN 47130	110958	Water	\$ 86.00	\$ 39.69	\$ 100.00	Jack Cooper Transport Company, Inc.
WEST UNIFIED COMMUNICATIONS SERVICES, INC.	11808 MIRACLE HILLS DRIVE OMAHA, NE 68154	1177829	Telecom	\$ 12,759.28	\$ 5,888.90		Jack Cooper Transport Company, Inc.
WEST UNIFIED COMMUNICATIONS SERVICES, INC.	11808 MIRACLE HILLS DRIVE OMAHA, NE 68154	853701	Telecom	\$ 1.00	\$ 0.46		Jack Cooper Transport Company, Inc.
WILLIAM G. SMITH REAL ESTATE	PO Box 197247 Louisville, KY 40259	3000-3095-2828	Gas	\$ 1,448.46	\$ 668.52		Jack Cooper Transport Company, Inc.
WINDSTREAM	PO BOX 9001013 LOUISVILLE KY 40290-1013	639201832001	Telecom	\$ 3,500.00	\$ 1,615.38		North American Auto Transportation Corporation
WINDSTREAM HOLDING, INC	4001 RODNEY PARHAM ROAD LITTLE ROCK, AR 72212-2442	4757440	Telecom	\$ 92,602.43	\$ 42,739.58		Jack Cooper Transport Company, Inc.
XCEL ENERGY	P.O. BOX 9477, MINNEAPOLIS, MN 55484-9477	52-0384994-3	Electric	\$ 964.83	\$ 445.31		Jack Cooper Transport Company, Inc.

Canada

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$CAD)	Adequate Assurance (in \$CAD)	Existing Deposit	Debtor(s)
BELL ALIANT	PO BOX 2226 STN CENTRAL RPO HALIFAX, NS B3J 3C7	2317956 7	Telecom	\$ 422.50	\$ 195.00		Jack Cooper Canada 1 Limited Partnership
BELL ALLIANT	P. O. BOX 2226 STN CENTRAL RPO HALIFAX, NS B3J 3C7	46186649/506 389 3611	Telecom	\$ 535.48	\$ 247.14		Jack Cooper Transport Canada, Inc.
BELL CANADA	CENTRE DE VERSEMENTS CLIENTS MONTREAL, QC H3C 5R7	510163186	Telecom	\$ 338.52	\$ 156.24		Jack Cooper Transport Canada, Inc.
BELL CANADA	P. O. BOX 9000 NORTH YORK, ON M3C 2X7	905 432 3573 (491)	Telecom	\$ 411.99	\$ 190.15		Jack Cooper Transport Canada, Inc.
BELL CANADA	P. O. BOX 9000 NORTH YORK, ON M3C 2X7	905 725 8617 (353)	Telecom	\$ 141.39	\$ 65.26		Jack Cooper Transport Canada, Inc.
BELL CANADA	PO Box 8712 Succ Downtown, Montreal, QC H3C 3P6	418 832 8707 (899)	Telecom	\$ 35.00	\$ 16.15		Jack Cooper Canada 2 Limited Partnership
BELL CANADA	CASE POSTALE 8713 MONTREAL, QC H3C 4L6	418 832 8707 (Wats)	Telecom	\$ 988.50	\$ 456.23		Jack Cooper Canada 2 Limited Partnership
DIRECT ENERGY	PO BOX 1520, 639 5TH AVE SW, CALGARY, AB T2P 5R6	760005123103	Natural Gas	\$ 850.07	\$ 392.34		Jack Cooper Canada 1 Limited Partnership
ENMAX	PO BOX 2900 STN M, CALGARY, AB T2P 3A7	501506245	Electric	\$ 6,935.54	\$ 3,201.02		Jack Cooper Canada 1 Limited Partnership
ENMAX	PO BOX 2900 STN M, CALGARY, AB T2P 3A7	501862423	Natural Gas	\$ 980.99	\$ 452.76		Jack Cooper Canada 1 Limited Partnership



Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
EPCOR	PO BOX 500, EDMONTON, AB T5J 3Y3	27340587	Electric	\$ 1,540.96	\$ 711.21		Jack Cooper Canada 1 Limited Partnership
GRANITE TELECOMMUNICATIONS	C/O T9906 TORONTO, ON M5W 2J2	08888712	Telecom	\$ 3,333.35	\$ 1,538.47		Jack Cooper Transport Canada, Inc.
HYDRO QUEBEC	C.P. 11022 SUCC. CENTRE-VILLE, MONTREAL, QC H3C-4V6	299072 886045	Electric	\$ 255.83	\$ 118.08	\$ 1,301.55	Jack Cooper Canada 2 Limited Partnership
HYDRO QUEBEC	C.P. 11022 SUCC. CENTRE-VILLE, MONTREAL, QC H3C-4V6	299072 886268	Electric	\$ 200.25	\$ 92.42		Jack Cooper Canada 2 Limited Partnership
HYDRO QUEBEC	C.P. 11022 SUCC. CENTRE-VILLE, MONTREAL, QC H3C-4V6	299076 185482	Electric	\$ 914.04	\$ 421.87		Jack Cooper Canada 2 Limited Partnership
MANITOBA HYDRO	P O BOX 7900 STN MAIN, WINNIPEG, MB R3C 5R1	8494098 6023670	Electric/ Natural Gas	\$ 1,483.84	\$ 684.85		Jack Cooper Canada 1 Limited Partnership
MTS	PO BOX 7500 WINNIPEG, MB R3C 3B5	2243 059 9	Telecom	\$ 48.21	\$ 22.25		Jack Cooper Canada 1 Limited Partnership
MTS	PO BOX 7500 WINNIPEG, MB R3C 3B5	2242 998 9	Telecom	\$ 168.94	\$ 77.97		Jack Cooper Canada 1 Limited Partnership
MTS	PO BOX 7500 WINNIPEG, MB R3C 3B5	2243 027 6	Telecom	\$ 177.37	\$ 81.86		Jack Cooper Canada 1 Limited Partnership
STRATHCONA COUNTY	2001 SHERWOOD PARK, SHARWOOD PARK, AB T8A 3W7	10066128.01	Water	\$ 160.00	\$ 73.85		Jack Cooper Canada 1 Limited Partnership
TELUS	PO BOX 5300 BURLINGTON, ON L7R 4S8	24322017	Telecom	\$ 3,665.49	\$ 1,691.76		Jack Cooper Transport Canada, Inc.

Company Name	Address	Account Number	Service	Monthly Average Spend (in \$USD)	Adequate Assurance (in \$USD)	Existing Deposit	Debtor(s)
TELUS	PO BOX 7575 VANCOUVER, BC V6B 8N9	29499127	Telecom	\$ 7,701.81	\$ 3,554.68		Jack Cooper Canada 1 Limited Partnership
TELUS	PO BOX 7575 VANCOUVER, BC V6B 8N9	207073217 9	Telecom	\$ 364.80	\$ 168.37		Jack Cooper Canada 1 Limited Partnership
TRAVANA NETWORKS LTD	PO BOX 44163 BEDFORD, NS B4A 3Z8	8880/14793	Telecom	\$ 230.63	\$ 106.44		Jack Cooper Canada 2 Limited Partnership
WINNIPEG WATER AND WASTE DEPARTMENT	510 Main Street, Winnipeg, MB R3B 3M2	19601100001	Water / Sewer	\$ 313.87	\$ 144.86		Jack Cooper Canada 1 Limited Partnership

# TAB 3

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,  
C. C-36, AS AMENDED

AND IN THE MATTER OF JACK COOPER VENTURES, INC., JACK COOPER  
DIVERSIFIED, LLC, JACK COOPER ENTERPRISES, INC., JACK COOPER HOLDINGS  
CORP., JACK COOPER TRANSPORT COMPANY, INC., AUTO HANDLING  
CORPORATION, CTEMS, LLC, JACK COOPER LOGISTICS, LLC, AUTO & BOAT  
RELOCATION SERVICES, LLC, AXIS LOGISTIC SERVICES, INC., JACK COOPER CT  
SERVICES, INC., JACK COOPER RAIL AND SHUTTLE, INC., JACK COOPER  
INVESTMENTS, INC., NORTH AMERICAN AUTO TRANSPORTATION CORP., JACK  
COOPER TRANSPORT CANADA INC., JACK COOPER CANADA GP 1 INC., JACK  
COOPER CANADA GP 2 INC., JACK COOPER CANADA 1 LIMITED PARTNERSHIP,  
JACK COOPER CANADA 2 LIMITED PARTNERSHIP

APPLICATION OF JACK COOPER VENTURES, INC. UNDER SECTION 46 OF THE  
*COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

THE HONOURABLE MR.	)	THE 22 <sup>nd</sup> DAY
	)	
JUSTICE PENNY	)	OF AUGUST, 2019

**RECOGNITION ORDER**

**THIS MOTION**, made by Jack Cooper Ventures, Inc. (the “**Foreign Representative**”), in its capacity as foreign representative of itself as well as Jack Cooper Diversified, LLC, Jack Cooper Enterprises, Inc., Jack Cooper Holdings Corp., Jack Cooper Transport Company, Inc., Auto Handling Corporation, CTEMS, LLC, Jack Cooper Logistics, LLC, Auto & Boat Relocation Services, LLC, Axis Logistic Services, Inc., Jack Cooper CT Services, Inc., Jack Cooper Rail And Shuttle, Inc., Jack Cooper Investments, Inc., North American Auto Transportation Corp., Jack Cooper Transport Canada Inc., Jack Cooper Canada GP 1 Inc., Jack Cooper Canada GP 2 Inc., Jack Cooper Canada 1 Limited Partnership, and Jack Cooper Canada 2 Limited Partnership (collectively, the “**Chapter 11 Debtors**” and each, a “**Chapter 11 Debtor**”), pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”) for an Order recognizing certain orders granted by the United States Bankruptcy Court for the Northern

District of Georgia (the “**U.S. Court**”), was heard this day at 330 University Avenue, Toronto , Ontario.

**ON READING** the Notice of Motion, the Affidavit of Greg R. May, sworn August 8, 2019, the Affidavit of Emily Paplawski, sworn August 20, 2019, and the Pre-filing Report of Alvarez & Marsal Canada Inc., in its capacity as Information Officer, each filed.

**AND UPON HEARING** the submissions of counsel for the Foreign Representative, the Information Officer, and those other parties present, no one else appearing although duly served as appears from the affidavit of service of \_\_\_\_\_ sworn August \_\_\_\_\_, 2019, filed.

### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

### **RECOGNITION OF FOREIGN ORDERS**

2. **THIS COURT ORDERS** that the following orders (collectively, the “**Foreign Orders**”) of the U.S. Court made in the cases commenced by the Chapter 11 Debtors pursuant to Chapter 11 of the U.S. Bankruptcy Code are hereby recognized and given full force and effect in all provinces and territories of Canada pursuant to section 49 of the CCAA:

- (a) *Interim Order Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock* (the “**Equity Transfer Order**”);
- (b) *Order Authorizing Retention and Appointment of Prime Clerk LLC as Claims, Noticing and Solicitation Agent* (the “**Prime Clerk Order**”); and
- (c) *Interim Order Determining Adequate Assurance of Payment for Future Utility Services* (the “**Interim Utilities Order**”),

(copies of each such Foreign Order are attached hereto as Schedule “A” to “C”, respectively);

provided, however, that in the event of any conflict between the terms of the Foreign Orders and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to the Property (as defined in the Supplemental Order granted in these proceedings on August 9, 2019).

### **GENERAL**

3. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist the Chapter 11 Debtors, the Foreign Representative, the Information Officer, and their respective counsel and agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Chapter 11 Debtors, the Foreign Representative and the Information Officer, the latter as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Chapter 11 Debtors, the Foreign Representative, the Information Officer, and their respective counsel and agents in carrying out the terms of this Order.

4. **THIS COURT ORDERS** that each of the Chapter 11 Debtors, the Foreign Representative and the Information Officer be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

5. **THIS COURT ORDERS** that this Order shall be effective as of 12:01 a.m. Eastern Standard Time on the date of this Order.

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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36, AS AMENDED

Court File No: CV-19-625200-00CL

AND IN THE MATTER OF JACK COOPER VENTURES, INC., JACK COOPER DIVERSIFIED, LLC, JACK COOPER ENTERPRISES, INC., JACK COOPER HOLDINGS CORP., JACK COOPER TRANSPORT COMPANY, INC., AUTO HANDLING CORPORATION, CTEMS, LLC, JACK COOPER LOGISTICS, LLC, AUTO & BOAT RELOCATION SERVICES, LLC, AXIS LOGISTIC SERVICES, INC., JACK COOPER CT SERVICES, INC., JACK COOPER RAIL AND SHUTTLE, INC., JACK COOPER INVESTMENTS, INC., NORTH AMERICAN AUTO TRANSPORTATION CORP., JACK COOPER TRANSPORT CANADA INC., JACK COOPER CANADA GP 1 INC., JACK COOPER CANADA GP 2 INC., JACK COOPER CANADA 1 LIMITED PARTNERSHIP, JACK COOPER CANADA 2 LIMITED PARTNERSHIP

APPLICATION OF JACK COOPER VENTURES, INC. UNDER SECTION 46 OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

*Ontario*  
**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD**

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