

**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**

THIRD REPORT OF THE INFORMATION OFFICER

ALVAREZ & MARSAL CANADA INC.

October 16, 2019

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INTRODUCTION

1. On August 6, 2019 (the “**Filing Date**”), Jack Cooper Ventures Inc. (“**JCV**” or the “**Foreign Representative**”), Jack Cooper Transport Canada Inc. (“**JC Canada**”) and 17 subsidiaries and affiliates (collectively, the “**JC Group**” or the “**Chapter 11 Debtors**”)¹, commenced voluntary reorganization proceedings (the “**Chapter 11 Proceedings**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “**US Court**”).
2. On August 8, 2019, the US Court granted various orders in the Chapter 11 Proceedings (the “**First Day Orders**”), including an order authorizing JCV to act as foreign representative in the Chapter 11 Proceedings.
3. On August 9, 2019, this Court made two orders (the “**Initial Recognition Order**” and the “**Supplemental Order**”) that, among other things: (a) recognized the Chapter 11 Proceedings as a “foreign main proceeding” under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”); (b) recognized JCV as the “foreign representative” of the Chapter 11 Debtors; (c) stayed all proceedings against the Chapter 11 Debtors; (d) appointed Alvarez & Marsal Canada Inc. (“**A&M Canada**” or the “**Information Officer**”) as the information officer in respect of these proceedings under Part IV of the CCAA (the “**CCAA Recognition Proceedings**”), and together with the Chapter 11 Proceedings, the

¹ **US Debtors:** 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. (collectively, the “**US Debtors**”); and **Canadian Debtors:** 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 “**JC Canada Group**”).

“Restructuring Proceedings”); and (e) recognized and gave effect in Canada to the First Day Orders.

4. Three additional First Day Orders, being the Equity Transfer Order, Prime Clerk Order and Interim Utilities Order (each defined and described in the Pre-Filing Report) were entered by the US Court on August 9, 12 and 16, 2019, respectively, and on August 22, 2019, this Court made an order (the **“Second Recognition Order”**) recognizing the three additional First Day Orders.
5. On September 3, 2019, the US Court heard certain second day motions filed by the Chapter 11 Debtors and entered orders in respect of those motions (the **“Second Day Orders”**). The Second Day Orders include: (a) final orders of certain First Day Orders that were initially issued on an interim basis; and (b) the Bid Procedures Order. By order dated September 9, 2019, this Court recognized the Second Day Orders (the **“Third Recognition Order”**).
6. On September 12 and 13, 2019, the US Court heard certain motions filed by the Chapter 11 Debtors and entered the Final Utilities Order, the Professional Compensation Order and the Final DIP Order. By order dated September 18, 2019, this Court recognized these three orders (the **“Fourth Recognition Order”**).
7. At the time of the Fourth Recognition Order, the US Court had granted, but not entered, the Bar Date Order. The Bar Date Order was entered by the US Court on September 19, 2019 and subsequently recognized by this Court by order dated September 20, 2019 (the **“Fifth Recognition Order”**).

8. In connection with the CCAA Recognition Proceedings, the Information Officer filed with this Court two reports dated September 6, 2019 (the “**First Report**”) and September 17, 2019 (the “**Second Report**”). A&M Canada also, in its capacity as Proposed Information Officer, filed with this Court a report dated August 9, 2019 (the “**Pre-Filing Report**”, and together with the First Report and Second Report, the “**Prior Reports**”). The Prior Reports and other Court-filed documents, orders and notices in these proceedings are available on the case website: www.alvarezandmarsal.com/JackCooperCanada (the “**Case Website**”).
9. A copy of the Pre-Filing Report, the First Report and the Second Report are attached hereto as **Appendices “A”, “B” and “C”**, respectively.

TERMS OF REFERENCE AND DISCLAIMER

10. In preparing this report (the “**Third Report**”), the Information Officer has relied solely on information and documents provided by the Foreign Representative, the other Chapter 11 Debtors, their US-based restructuring advisors, AlixPartners LLC (“**AlixPartners**”), and their Canadian legal counsel (collectively, the “**Information**”).
11. The Information Officer has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook* (the “**Handbook**”), and accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under CASs in respect of the Information.

12. This Third Report should be read in conjunction with the Affidavit of Greg R. May sworn on October 15, 2019 (the “**Fourth May Affidavit**”).
13. Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.
14. Terms not otherwise defined in this Third Report have the meanings ascribed to them in the Prior Reports and the Fourth May Affidavit.

PURPOSE OF REPORT

15. The purpose of this Third Report is to provide the Court with information regarding the following:
 - (a) the motion brought by the Foreign Representative for an order, among other things:
 - i. recognizing and giving full force and effect in Canada to the Sale Order and the Pension Approval Order (as defined and described below);
 - ii. approving the sale of certain assets of the Chapter 11 Debtors over which this Court has jurisdiction (the “**Canadian Acquired Assets**”) to the Buyer (as defined below), vesting the Canadian Acquired Assets in and to the Buyer and authorizing the Chapter 11 Debtors to take such steps and execute such additional documents as may be necessary for the completion of the sale of the Canadian Acquired Assets;
 - iii. on or after the completion of the sale of the Canadian Acquired Assets, permitting the Information Officer to release all funds held by it in the Load Broker Trust (as defined in the Pre-Filing Report) to the Buyer;

- iv. approving the activities of the Information Officer since the commencement of these CCAA Recognition Proceedings;
 - v. approving the fees and disbursements of the Information Officer and its legal counsel, Stikeman Elliot LLP, including estimated fees and disbursements up to the date of the Information Officer's discharge; and
 - vi. terminating the CCAA Recognition Proceedings and discharging A&M Canada in its capacity as Information Officer effective upon the filing of the Certificate;
- (b) a summary of the activities of the Information Officer since the date of the Second Report;
- (c) the fees and disbursements of the Information Officer and its legal counsel; and
- (d) the Information Officer's conclusions and recommendations with respect to the sale approval and other relief sought by the Foreign Representative.

SALE APPROVAL MOTION & SALE ORDER

16. As described in the First Report, the Restructuring Proceedings were commenced to implement a sale of all or substantially all of the Chapter 11 Debtors' assets (including the assets of the JC Canada Group) necessary to carry on the JC Group's business as a going concern in a Court-approved sales process (the "**Sale Process**"). Pursuant to a restructuring support agreement (the "**RSA**") entered into by the Chapter 11 Debtors and their secured creditors, the Junior Term Loan Lenders (as defined in the Pre-Filing Report) agreed to act as a "stalking horse bidder" in the Sale Process.

17. In accordance with the RSA, on August 23, 2019, the Chapter 11 Debtors and the Buyer entered into an Asset Purchase and Sale Agreement (the “**Stalking Horse APA**”) for the sale of substantially all of the Chapter 11 Debtors’ assets to the Buyer (the “**Sale Transaction**”). The Stalking Horse APA is described in the First Report, as well as the Fourth May Affidavit.
18. As part of the Sale Process contemplated in the RSA, a bidding process was developed to attempt to maximize the value of the Chapter 11 Debtors’ assets and business through a competitive auction process. The US Court entered the Bid Procedures Order on September 3, 2019 and this Court recognized the Bid Procedures Order on September 9, 2019.
19. The Chapter 11 Debtors, together with their investment bank, Houlihan Lokey, Inc. (“**Houlihan**”), conducted the Sale Process to determine whether any superior offers, compared to the Sale Transaction, could be obtained. The Sale Process did not preclude a potential purchaser from submitting a bid for the business and assets of the JC Canada Group on a standalone basis.
20. An overview of the results of the Sale Process is provided in the Fourth May Affidavit and is summarized below:
 - (a) the Sale Process was launched by the Chapter 11 Debtors and Houlihan upon the commencement of the Chapter 11 Proceedings;
 - (b) on September 9, 2019, following entry of the Bid Procedures Order by the U.S. Court, the Chapter 11 Debtors and Houlihan continued their marketing efforts by inviting strategic and financial parties to execute a confidentiality agreement,

perform due diligence and, in accordance with the Bid Procedures, submit a Qualified Bid for the purchase of the Chapter 11 Debtors' assets. The bid deadline was set as October 1, 2019 at 5:00 p.m. Eastern Time (the "**Bid Deadline**");

- (c) Houlihan contacted 104 parties, of which, five executed confidentiality agreements and were provided with access to the data and the opportunity to engage in discussions with the Chapter 11 Debtors and Houlihan. Based on the information provided, the Information Officer is of the view that the list of parties contacted by Houlihan was extensive and provided for wide market coverage in connection with identifying a going concern buyer for the assets of the Chapter 11 Debtors;
 - (d) the Chapter 11 Debtors did not receive any Qualified Bids for the Acquired Assets prior to (or subsequent to) expiration of the Bid Deadline, other than the Stalking Horse APA; and
 - (e) on October 1, 2019, the Chapter 11 Debtors declared the Buyer as the Successful Bidder (as defined in the Bid Procedures Order) and cancelled the auction previously schedule for October 4, 2019, effectively concluding the Sale Process.
21. On October 10, 2019, the US Court granted an order: (a) approving the sale of the Acquired Assets to the Buyer pursuant to the Stalking Horse APA; (b) authorizing the assumption and assignment of certain executory contracts and unexpired leases and the assumption of assumed liabilities; and (c) granting certain related relief (the "**Sale Order**"). A copy of the Sale Order is attached to the Fourth May Affidavit.
22. That same day, as detailed in the Fourth May Affidavit, the US Court also granted an order authorizing certain of the Chapter 11 Debtors to enter into the Pension Plan Agreement and

Release with the Buyer and the Central States, Southeast and Southwest Areas Pension Funds (“**CSPF**”) and approving the Pension Plan Agreement and Release (the “**Pension Approval Order**”). A copy of the Pension Approval Order is attached to the Fourth May Affidavit.

CANADIAN RECOGNITION OF THE SALE ORDER

Sale Transaction

23. As described in the First Report and above, the Sale Transaction involves the sale of substantially all of the Chapter 11 Debtors’ assets to the Buyer which is an acquisition vehicle formed by the Junior Term Loan Lenders. The Sale Transaction will permit the Buyer to operate the business of the JC Group following closing of the sale. The Sale Transaction will also deleverage the JC Group as the Junior Term Loan Lenders are credit bidding their junior secured debt facilities and DIP term loan facility for the assets of the JC Group while also assuming the senior ABL facility and first lien term loan of Cerberus Business Finance Agency LLC and restructuring significant U.S. pension obligations of the Chapter 11 Debtors.
24. As part of the Sale Transaction, the Buyer has agreed to acquire the Canadian Acquired Assets which will also allow the Buyer to maintain the going-concern operations of the JC Canada Group. In order to maintain these operations, the Buyer is expected to offer employment to all of the 181 employees of the JC Canada Group and assume the ongoing lease obligations for the facilities that the JC Canada Group operates from across Canada. The Buyer will also assume post-petition trade obligations and accrued operating expenses of the Canadian Chapter 11 Debtors which relate to the Canadian Acquired Assets. As

described in the Pre-Filing Report, the JC Canada Group is not profitable on standalone basis and does not have the corporate infrastructure to maintain operations as a standalone business. Therefore, it is likely that any going-concern purchase of the JC Canada Group would be tied to the acquisition of substantially all the assets of the JC Group. Any bid which purported to acquire only the assets of the JC Canada Group would have likely involved a liquidation of the Canadian Acquired Assets on a piecemeal basis and termination of existing employees and trade relationships of the JC Canada Group.

Canadian Acquired Assets & Assumed Liabilities

25. It is a condition to the Stalking Horse APA that this Court recognizes the Sale Order and issues an order vesting the Canadian Acquired Assets in the name of the Buyer within five calendar days of the US Court granting the Sale Order. The Information Officer understands that the Buyer waived the deadline under the Stalking Horse APA for the Chapter 11 Debtors to obtain the Sale Order, provided that the Sale Order was entered on October 11, 2019. Accordingly, the related Canadian deadline has also been waived.
26. The Stalking Horse APA is described in detail in the Fourth May Affidavit. The following table summarizes the Canadian components of the Sale Transaction:

JC Canada Group - Sale Transaction	
Purchase Price	<ul style="list-style-type: none"> The purchase price for JC Canada Group is constituted of the assumption of the Assumed Liabilities (described below)
Purchased Assets	<ul style="list-style-type: none"> All assets of the JC Canada Group (referred to herein as the “Canadian Acquired Assets”), comprised primarily of cash, accounts receivable, spare parts inventory and equipment (i.e. trucks, trailers and related equipment) The Canadian Acquired Assets also includes the assumption of real property leases for the JC Canada Group’s 11 terminals, vehicle leases and other contracts (the “Canadian Assumed Contracts”)

Assumed Liabilities	<ul style="list-style-type: none"> • All monetary liabilities, including pre-petition monetary liabilities, of the Canadian Chapter 11 Debtors that must be paid or otherwise satisfied to cure all of the Canadian Chapter 11 Debtors' monetary defaults under the Assumed Contracts (the "Cure Costs") • All liabilities under the Canadian Acquired Contracts that first become due following the closing date • All post-petition trade obligations and accrued operating expenses of the Canadian Chapter 11 Debtors, to the extent such obligations relate to the Canadian Acquired Assets (the "Trade Payables") • All due and unpaid amounts owing to the Load Broker Parties, if any, as of the closing date • Accrued payroll in respect of the employees of the Canadian Chapter 11 Debtors as of the closing date • All liabilities in respect of the eight collective agreements to which the Canadian Chapter 11 Debtors are party and in respect of all benefit plans required to be maintained thereunder for the benefit of the unionized employees of the Canadian Chapter 11 Debtors
Employees	<ul style="list-style-type: none"> • The Sale Transaction will preserve the continued employment of all 181 individuals (including non-unionized employees) currently employed by the JC Canada Group. On a monthly basis, the JC Canada Group pays approximately \$1.0 million in wages and benefits to this group

27. JC Canada Group's balance sheet as at August 30, 2019 shows that:

(a) The Canadian Acquired Assets are comprised primarily of:

- cash of approximately \$415,000 and the Load Broker Trust Funds of approximately \$376,000. The Information Officer understands that these cash balances are required to fund near term expenditures prior to and shortly following closing of the Sale Transaction in connection with operating the JC Canada Group's business, including ongoing payroll, rent, amounts owing to Load Broker Parties and other working capital requirements;
- accounts receivable of approximately \$4.0 million;

- prepaids and other assets of approximately \$1.1 million;
 - equipment and spare parts inventory of approximately \$2.1 million; and
- (b) The Assumed Liabilities (of the Canadian business) are comprised primarily of:
- trade payables, payables owing to Load Broker Parties, professional fees relating to the CCAA Recognition Proceedings and other accrued obligations of approximately \$900,000; and
 - accrued payroll and other employee related accruals of approximately \$1.0 million.

Affected Creditor Group

28. The Information Officer understands that certain amounts owing to vendors prior to the commencement of these CCAA Recognition Proceedings are excluded from the Sale Transaction and will not be assumed by the Buyer (the “**Affected Creditor Group**”). Based on the books and records of the JC Canada Group, amounts owing to the Affected Creditor Group as at the date of this Third Report total approximately \$500,000.
29. In an effort to consider the monetary impact of the Sale Transaction on the Affected Creditor Group, the Information Officer prepared an illustrative wind-down and liquidation analysis from available information from the JC Canada Group. Based on this analysis, the Information Officer estimates that in a liquidation scenario, taking into account claims that could arise in a liquidation, such as potential trust claims of the Load Broker Parties, employee termination and severance claims, lease termination claims and customer set-offs and damages claims for non-performance, and a valid intercompany debt claim of

\$16.9 million, recoveries to the Affected Creditor Group would likely fall within a range of approximately 5% to 20%.

30. Applying the range of estimated recoveries to the amounts owed to the Affected Creditor Group, recoveries to the group in a liquidation scenario are estimated to range from approximately \$25,000 to \$100,000 in the aggregate.
31. Therefore, depending on the quantum of proven claims, a bankruptcy or liquidation of the Canadian Acquired Assets could be more beneficial for the Affected Creditor Group compared to the Sale Transaction in respect of recovery on their pre-filing claims. However, a bankruptcy or liquidation would also involve termination of the employees of the JC Canada Group, termination of the Canadian Assumed Contracts, including the leases for the terminal facilities across Canada, and termination of the JC Canada Group's existing customer and trade relationships. The other stakeholders of the JC Canada Group outside of the Affected Creditor Group, including the employees, landlords and in most instances, the vendors of the JC Canada Group, are likely to benefit from the Sale Transaction relative to bankruptcy or liquidation of the JC Canada Group. These stakeholders are expected to remain unaffected by the Sale Transaction whereas in a bankruptcy or liquidation, as set out above, they would expect to recover only approximately 5% to 20% on any proven unsecured claims and would also not receive the benefit of any ongoing relationship with the JC Canada Group.
32. As described in the Fourth May Affidavit, U.S. counsel to the Chapter 11 Debtors (Paul, Weiss, Rifkind, Wharton & Garrison LLP) assert that in the event of a liquidation of the JC Canada Group, a \$2.1 billion claim may be filed by CSPF against the JC Canada Group

in connection with a pension plan withdrawal liability² (the “**ERISA Claim**”). Neither the Information Officer, nor its legal counsel, has investigated the factual or legal basis for a possible ERISA Claim.

33. The illustrative wind-down and liquidation analysis above does not consider the impact, if any, of the ERISA Claim. If the ERISA Claim was included in the analysis, recoveries to Canadian creditors and the Affected Creditor Group, if any, would effectively be reduced to nil. Litigation of any ERISA Claim may also drain estate resources and delay distributions to the Affected Creditor Group.

UCC Settlement

34. On October 10, 2019, the official committee of unsecured creditors in the Chapter 11 Proceedings (the “**UCC**”), the Chapter 11 Debtors and its secured lenders and the Buyer entered into an agreement (the “**Stipulation of Settlement**”) settling all disputes relating to the Asset Purchase Agreement and other concerns relating to the Sale Transaction asserted by the UCC. The Stipulation of Settlement is described in the Fourth May Affidavit.
35. Pursuant to the Stipulation of Settlement, among other things, the UCC will support the Stalking Horse APA and Sale Transaction, and the Buyer will deposit \$750,000 in cash with an escrow agent for the benefit of the Chapter 11 Debtors’ unsecured creditors.

² As described in the Fourth May Affidavit, CSPF could potentially file a \$2.1 billion claim in the Chapter 11 Proceedings against Jack Cooper Transport Company, Inc. and Auto Handling Corporation in connection with a pension plan withdrawal liability pursuant to the *Employee Retirement Income Security Act of 1974*, 29 U.S.C. § 1001, as amended (“**ERISA**”).

36. The Information Officer is advised that this settlement is intended to include the Affected Creditor Group. Due to the significant amount of other claims, including the ERISA Claim in the Chapter 11 Proceedings for \$2.1 billion, the approximately \$500,000 owing to the Affected Creditor Group represents an immaterial portion of the total claims pool and will likely result in no distributions being made to the Affected Creditor Group.

Pension Approval Order

37. A significant part of the JC Group's restructuring was modifying its pension obligations to resolve the potential withdrawal liability associated with certain US-based pension plans and the ongoing contributions by the JC Group. The Pension Plan Agreement and Release approved by the Pension Approval Order represents the agreement between certain of the Chapter 11 Debtors, CSPF and the Buyer related to certain pension obligations of the Buyer following closing of the Sale Transaction. The Pension Plan Agreement and Release provides for, among other things: (i) acknowledgment of the Chapter 11 Debtors' withdrawal from the CSPF effective May 26, 2019; (ii) that the Buyer will, on or before the 18-month anniversary of the closing of the Sale Transaction, pay a special contribution to the pension plan equal in amount to the aggregate amount of contributions not paid by the Chapter 11 Debtors for work performed from May 26, 2019 through the closing date, plus interest; and (iii) participation by the Buyer in the pension plan as a new employer at a contribution rate of \$150 per week per covered employee.
38. The Information Officer understands that the Pension Plan Agreement and Release does not affect any Canadian pension obligations.

LOAD BROKER TRUST FUNDS

39. Pursuant to the Supplemental Order, on August 12, 2019, the JC Canada Group deposited CAD\$500,000 with the Information Officer to be held in trust for the benefit of the Load Broker Parties (as defined in the Pre-Filing Report) to address any potential trust obligations under the Highway Traffic Act (Ontario) during the CCAA Recognition Proceedings (the “**Load Broker Trust Funds**”).
40. Ongoing payments accruing in the ordinary course have continued to be made to the Load Broker Parties by the JC Canada Group. As described above, pursuant to the Stalking Horse APA, all amounts owing to the Load Broker Parties as of the closing date, if any, will be assumed by the Buyer.
41. On the closing of the Sale Transaction, the Load Broker Trust Funds, net of the payment of outstanding fees and disbursements of the Information Officer, its legal counsel and Canadian counsel to the Chapter 11 Debtors shall form part of the Canadian Acquired Assets purchased by the Buyer.

REQUEST FOR APPROVAL OF FEES AND DISBURSEMENTS

42. The Information Officer and its legal counsel, Stikeman Elliot LLP (“**Stikeman**”), have maintained detailed records of their professional time and costs since the Information Officer’s appointment.
43. Paragraph 17 of the Supplemental Order (dated August 9, 2019) provides that the Information Officer and its legal counsel shall each be paid their reasonable fees and

disbursements both before and after the making of the Supplemental Order by the Chapter 11 Debtors.

44. Paragraph 18 of the Supplemental Order provides that the Information Officer and its legal counsel shall pass their accounts from time to time, and that the accounts of the Information Officer and its legal counsel are not subject to approval in the Foreign Proceeding.
45. The total fees of the Information Officer during the period from July 25, 2019 to October 15, 2019 (the “**A&M Application Period**”), amount to CAD\$189,171, together with expenses and disbursements in the amount of CAD\$35,663.54, both excluding HST (collectively, the “**A&M Accounts**”). The time spent by the Information Officer’s personnel during the A&M Application Period, including an estimate to completion, is provided in the Affidavit of Alan J. Hutchens sworn October 16, 2019 (the “**Hutchens Affidavit**”), sworn in support hereof and attached hereto as **Appendix “D”**. Exhibit 2 to the Hutchens Affidavit is a summary of the personnel, hours and hourly rates charged by the Information Officer in respect of the CCAA Recognition Proceedings, for the A&M Application Period.
46. The total fees for services provided by Stikeman during the period July 25, 2019 to October 15, 2019 (the “**Stikeman Application Period**”), amount to CAD\$145,041.95, together with expenses and disbursements in the amount of CAD\$1,359.72, both excluding HST (collectively, the “**Stikeman Accounts**”). The time spent by Stikeman personnel during the Stikeman Application Period, including an estimate to completion, is provided in the Affidavit of Ashley Taylor sworn October 16, 2019 (the “**Taylor Affidavit**”), sworn in support hereof and attached hereto as **Appendix “E”**. Exhibit “B” to the Taylor Affidavit

provides a summary of the personnel, hours, and hourly rates charged by Stikeman in respect of the CCAA Recognition Proceedings for the Stikeman Application Period.

47. The Information Officer respectfully submits that the A&M Accounts and the Stikeman Accounts are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Supplemental Recognition Order.
48. The Information Officer also requests that the Court authorize and approve the fees and disbursements of the Information Officer and Stikeman for services that have been or will be provided from October 15, 2019 to the Information Officer's date of discharge up to a cap of CAD\$30,000 for the Information Officer and CAD\$20,000 for Stikeman (the "**Fees to Completion**").
49. The Information Officer will submit further accounts to the Foreign Representative for the Fees to Completion. In the event the Fees to Completion exceed the cap, no further Court approval will be sought provided that the Chapter 11 Debtors consent to payment of such fees and disbursements. In this manner, the costs and delays that would arise from a further hearing to approve the residual fees and disbursements will be avoided.

ACTIVITIES OF THE INFORMATION OFFICER

50. The activities of the Information Officer since its Second Report have included:
 - (a) updating the Case Website with the orders granted in the CCAA Recognition Proceedings and other relevant motion materials and reports;

- (b) coordinating the publication of a notice substantially in the form of the Publication Notice in connection with the Bar Date in *The Globe and Mail* (National Edition) on Thursday, September 26, 2019 and Thursday, October 3, 2019;
- (c) monitoring the Prime Clerk website for activity in the Chapter 11 Proceedings;
- (d) reviewing the Stalking Horse APA;
- (e) responding to stakeholder inquiries regarding the CCAA Recognition Proceedings;
- (f) discussions with legal counsel, the Chapter 11 Debtors' management and Canadian legal counsel, and AlixPartners regarding matters relevant to the CCAA Recognition Proceedings; and
- (g) preparing this Third Report and reviewing draft materials of the Foreign Representative in connection with the CCAA Recognition Proceedings.

DISCHARGE AND TERMINATION OF THESE PROCEEDINGS

51. The Foreign Representative has requested that the Information Officer be discharged upon the filing of the Certificate indicating that the Remaining Matters (as defined below) have been completed and the Sale Transaction has closed. The Information Officer anticipates its remaining activities will primarily consist of monitoring the Sale Transaction until the closing date, ensuring that all obligations under the Administration Charge are satisfied, updating the Information Officer's case website as necessary, ongoing review of the materials posted on the Prime Clerk website and responding to any enquiries regarding the Chapter 11 Proceedings and the CCAA Recognition Proceedings (the "**Remaining Matters**"). The Information Officer anticipates that the Remaining Matters will be

completed later in October or early November 2019, and that the Certificate will be filed by the Information Officer at that time.

52. The Foreign Representative has also requested a termination of the CCAA Recognition Proceedings, the discharge of the Administration Charge, the DIP ABL Charge and the DIP Term Loan Charge, and the discharge of the Information Officer upon the Certificate being filed.
53. The Information Officer is of the view that the foregoing will enable the CCAA Recognition Proceedings to be efficiently concluded.

CONCLUSIONS AND RECOMMENDATIONS

54. The Information Officer is of the view that the Sale Transaction and the proposed recognition of the Sale Order and the Pension Approval Order is reasonable in the circumstances. In assessing the reasonableness, the Information Officer considered the following factors:
 - (a) the Chapter 11 Debtors conducted the Sale Process and no formal expressions of interest, other than the Stalking Horse APA, were received;
 - (b) the Sale Order has been approved by the US Court with the support of the key stakeholders in the Chapter 11 Proceedings, including the secured lenders, DIP lenders, CSPF and the UCC;
 - (c) the Sale Order allows the JC Group to continue to operate as a going concern, preserving the employment of more than 3,000 employees across North America, including all 181 employees in Canada, continuing the leases for its terminal


facilities in Canada and maintaining key customer and supplier trade relationships;
and

- (d) the amounts owing to the Affected Creditor Group of approximately \$500,000 and their estimated recoveries in a liquidation scenario are relatively minor in relation to the intercompany debt owing to the US Chapter 11 Debtors on account of their continued support of the Canadian operations and, on balance, the Sale Transaction provides more economic benefit to the majority of the JC Canada Group's stakeholders, including the employees and parties in the Affected Creditor Group who will have the opportunity to continue to transact with the Buyer in the future.

ALL OF WHICH IS RESPECTFULLY SUBMITTED at Toronto, Ontario this 16th
day of October 2019.

ALVAREZ & MARSAL CANADA INC.

in its capacity as the Information Officer of
Jack Cooper Ventures, Inc., et al and not in its personal or corporate capacity

Per: 
Alan J. Hutchens
Senior Vice-President

APPENDIX A
PRE-FILING REPORT OF THE PROPOSED INFORMATION OFFICER

[Attached]

**ONTARIO
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(COMMERCIAL LIST)**

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CANADA 1 LIMITED PARTNERSHIP, JACK COOPER CANADA 2 LIMITED
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REPORT OF THE PROPOSED INFORMATION OFFICER

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August 9, 2019

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INTRODUCTION

1. On August 6, 2019 (the “**Filing Date**”), Jack Cooper Ventures Inc. (“**JCV**” or the “**Foreign Representative**”), Jack Cooper Transport Canada Inc. (“**JC Canada**”) and 17 subsidiaries and affiliates (collectively, the “**JC Group**” or the “**Chapter 11 Debtors**”)¹, commenced voluntary reorganization proceedings (the “**Chapter 11 Proceedings**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code (the “**Bankruptcy Code**”) with the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “**US Court**”).
2. The primary purpose of the Chapter 11 Proceedings is to implement a restructuring of certain of the JC Group’s US pension plans and collective bargaining agreements, and to right-size the capital structure through a “stalking horse” sale process, underpinned by a credit bid sponsored by the Junior Term Loan Lenders (as defined below). If determined to be the successful bidder, the Junior Term Loan Lenders would acquire the assets of the business as well as assume certain senior secured debt facilities. The JC Group’s Canadian business is part of the proposed credit bid transaction.
3. On the Filing Date, the Chapter 11 Debtors filed a number of motions for interim and/or final orders (the “**First Day Motions**”) in the Chapter 11 Proceedings to permit the Chapter 11 Debtors to continue to operate their business in the ordinary course and to advance their reorganization. The First Day Motions, which were heard by the US Court on August 8, 2019, included a motion for entry of an order (the “**Foreign Representative Order**”),

¹ **US Debtors:** 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. (collectively, the “**US Debtors**”); and **Canadian Debtors:** 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 “**JC Canada Group**”).

authorizing JCV to act as foreign representative on behalf of the Chapter 11 Debtors' estates.

4. On August 8, 2019, the US Court granted the Foreign Representative Order and a number of other orders with respect to the First Day Motions, as described below.
5. Also, on August 9, 2019, JCV commenced, by notice of application, an application before this Court (the "**Court**") pursuant to Part IV of the *Companies' Creditors Arrangement Act* ("**CCAA**") (the "**CCAA Recognition Proceedings**", and together with the Chapter 11 Proceedings, the "**Restructuring Proceedings**") for:
 - (a) an initial recognition order (the "**Initial Recognition Order**"), among other things:
 - (i) declaring that JCV is a "foreign representative" pursuant to section 47(2) of the CCAA; (ii) declaring that the Chapter 11 Proceedings are recognized as a "foreign main proceeding" under the CCAA; and (iii) granting a stay of proceedings against the Chapter 11 Debtors; and
 - (b) a supplemental order (the "**Supplemental Order**") pursuant to section 49 of the CCAA, among other things: (i) recognizing in Canada and enforcing certain orders of the US Court made in the Chapter 11 Proceedings; (ii) granting a stay of proceedings against the directors and officers of the Chapter 11 Debtors; (iii) appointing Alvarez & Marsal Canada Inc. ("**A&M Canada**", or the "**Proposed Information Officer**") as the information officer in respect of the CCAA Recognition Proceedings (the "**Information Officer**"); (iv) granting the DIP Charges (as defined and described below); (v) authorizing the depositing of the Load Broker Trust Funds (as defined and described below) with the Proposed Information Officer in order to comply with certain obligations under the *Highway*

Traffic Act (Ontario) during the CCAA Recognition Proceedings; (vi) granting a super-priority charge up to a maximum amount of \$500,000 (the “**Administration Charge**”) over the JC Canada Group’s property in Canada, in favour of counsel to the Canadian Chapter 11 Debtors, the Information Officer and legal counsel to the Information Officer, as security for their professional fees and disbursements incurred in respect of these Restructuring Proceedings; and (vii) requesting the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere.

6. Other than these CCAA Recognition Proceedings and the Chapter 11 Proceedings, there are currently no other foreign proceedings in respect of the Chapter 11 Debtors of which the Proposed Information Officer is aware.

TERMS OF REFERENCE AND DISCLAIMER

7. In preparing this Report of the Proposed Information Officer (the “**Pre-Filing Report**”), A&M Canada has relied solely on information and documents provided by the Foreign Representative, the other Chapter 11 Debtors, their US based restructuring advisors, AlixPartners LLC (“**AlixPartners**”), and their Canadian legal counsel (collectively, the “**Information**”). Except as otherwise described in this Pre-Filing Report:

- (a) the Proposed Information Officer has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Proposed Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook* (the “**Handbook**”), and

accordingly, the Proposed Information Officer expresses no opinion or other form of assurance contemplated under CASs in respect of the Information; and

- (b) some of the information referred to in this Pre-Filing Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the Handbook, has not been performed.
8. Future-oriented financial information referred to in this Pre-Filing Report was prepared based on estimates and assumptions made by the JC Group's management. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, and the variations could be significant.
 9. This Pre-Filing Report should be read in conjunction with the Affidavit of Greg R. May, sworn on August 8, 2019 (the "**Initial May Affidavit**").
 10. Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.

PURPOSE OF REPORT

11. The purpose of this Pre-Filing Report is to assist the Court in considering the Foreign Representative's request for the Initial Recognition Order and the Supplemental Order, and to provide the Court with certain background information concerning the Chapter 11 Debtors, including:
 - (a) the Chapter 11 Debtors' business, operations, organizational structure and financing facilities;
 - (b) the Chapter 11 Debtors' centre of main interest;
 - (c) the events leading up to the Restructuring Proceedings;

- (d) the orders of the US Court that the Chapter 11 Debtors are seeking to be recognized and enforced pursuant to the CCAA, including the Interim DIP Order (as defined and described below); and
- (e) the initial activities of the Proposed Information Officer.

BACKGROUND

Company Overview

- 12. The JC Group is headquartered in Kennesaw, Georgia and is the largest provider of finished vehicle logistics in North America for both new and used vehicles. The Chapter 11 Debtors business is divided into two segments: a transport segment and a logistics segment.
- 13. The transport segment delivers finished vehicles from manufacturing plants and other distribution hubs 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 serving large automotive OEMs, including GM, Ford, Toyota, Hyundai and Kia. During the fiscal year ended December 31, 2018, the Chapter 11 Debtors transported over 2.5 million finished vehicles and generated revenue of \$540.7 million.
- 14. The logistics segment provides a range of logistics related services to the previously owned vehicle market. This segment's customers include fleet ownership companies (i.e. OEMs, rental car agencies, leasing agencies), dealers, auctioneers and relocation-management companies. In fiscal 2018, this segment generated revenue of \$55.9 million.
- 15. As of the Filing Date, the Chapter 11 Debtors had approximately 2,884 employees, consisting of drivers, yard personnel, mechanics and vehicle inspectors across the US and Canada.

16. JC Canada and its subsidiaries, JC Canada Group GP 1 Inc. (“**GP1**”), JC Canada Group GP 2 Inc. (“**GP2**”), JC Canada Group 1 Limited Partnership (“**LP1**”), and JC Canada Group 2 Limited Partnership (“**LP2**”) are collectively referred to herein as the “**JC Canada Group**”. The JC Canada Group provides transport segment services across Canada, however it does not provide services for the logistics segment. During fiscal 2018, the JC Canada Group generated revenue of \$30.4 million, representing approximately 5% of the JC Group’s consolidated revenue.
17. For a more detailed discussion of the Chapter 11 Debtors’ business, please refer to the Initial May Affidavit and exhibits, including the Declaration of Greg R. May in Support of First Day Motions filed in the Chapter 11 Proceedings (the “**First Day Declaration**”), attached as Exhibit “A” to the Initial May Affidavit.
18. A corporate organization chart showing the ownership structure of the Chapter 11 Debtors and their non-debtor affiliates is attached as Exhibit “B” to the Initial May Affidavit.

Secured Credit Facilities

19. As of the Filing Date, the Chapter 11 Debtors’ had approximately \$575.4 million in outstanding secured debt under its primary credit facilities, comprised of the following:

Facility	Lender	Balance Outstanding (\$ in millions)
ABL Facility	Wells Fargo	\$49.8
First Lien Term Loan	Cerberus	188.7
1.5 Lien Term Loan	Junior Term Loan Lenders	45.5
Second Lien Term Loan	Junior Term Loan Lenders	291.4
Total		\$575.4

20. Each of the credit facilities is described in detail in the Initial May Affidavit and the First Day Declaration. Key terms and components of the facilities include the following:

JC Group's Prepetition Secured Credit Facilities	
ABL Facility	
Borrowers	<ul style="list-style-type: none"> Jack Cooper Holdings Corp., together with certain US-based subsidiaries and affiliates (the "US Borrowers") JC Canada, LP1 and LP2 (the "Canadian Borrowers")
Lender	<ul style="list-style-type: none"> Wells Fargo Capital Finance, LLC as lead arranger and certain other lenders party thereto ("Wells Fargo" or the "Prepetition ABL Lenders")
Balance Outstanding	<ul style="list-style-type: none"> Approximately \$49.8 million drawn by the US Borrowers; and No amount drawn currently by the Canadian Borrowers
Commitment	<ul style="list-style-type: none"> \$85 million revolving facility, subject to a borrowing base calculation based on eligible accounts receivable and inventory, less certain reserves. The facility includes a Canadian sub-facility up to \$5 million (the "ABL Canadian Sub-Facility") available to the Canadian Borrowers, subject to a borrowing base calculation based on the Canadian Borrowers eligible accounts receivable and inventory, less certain reserves. The amount available to the US Borrowers is reduced on a dollar-for-dollar basis by the amount of any outstanding borrowings under the Canadian Sub-Facility
Security & Guarantors	<ul style="list-style-type: none"> US Borrowers' obligations secured on a first-priority basis by liens on certain working capital collateral of the US Borrowers' (the "ABL Priority Collateral"). US Borrowers' obligations are guaranteed by each of the US Borrowers' US subsidiaries Canadian Borrowers have not guaranteed or otherwise granted security for the obligations of the US Borrowers US Borrowers have guaranteed the Canadian Borrower's obligations in respect of the ABL Canadian Sub-Facility under the ABL Facility (the "Canadian Obligations") on a secured basis GP1 and GP2 (the "Canadian Guarantors") have guaranteed the Canadian Obligations pursuant to a Canadian Guarantee Agreement dated as of February 15, 2018

First Lien Term Loan	
Borrowers	<ul style="list-style-type: none"> • US Borrowers only • JC Canada Group is neither a borrower or a guarantor
Holder	<ul style="list-style-type: none"> • Cerberus Business Finance Agency, LLC (“Cerberus”)
Balance Outstanding	<ul style="list-style-type: none"> • \$188.7 million
Security	<ul style="list-style-type: none"> • First on Term Loan Priority Collateral² • Second on ABL Priority Collateral
1.5 Lien Term Loan	
Borrowers	<ul style="list-style-type: none"> • US Borrowers only • JC Canada Group is neither a borrower or a guarantor
Holder	<ul style="list-style-type: none"> • Wilmington Trust, National Association, as administrative agent for the lenders party thereto (the “Junior Term Loan Lenders”)
Balance Outstanding	<ul style="list-style-type: none"> • \$45.5 million
Security	<ul style="list-style-type: none"> • Second on Term Loan Priority Collateral • Third on ABL Priority Collateral
Second Lien Term Loan	
Borrowers	<ul style="list-style-type: none"> • US Borrowers only • JC Canada Group is neither a borrower or a guarantor
Holder	<ul style="list-style-type: none"> • Junior Term Loan Lenders
Balance Outstanding	<ul style="list-style-type: none"> • \$291.4 million
Security	<ul style="list-style-type: none"> • Third on Term Loan Priority Collateral • Fourth on ABL Priority Collateral

Overview of the JC Canada Group’s Business

21. The JC Canada Group represents a comparatively small portion of the Chapter 11 Debtors’ consolidated business (approximately 5% of consolidated revenue), with approximately

² “**Term Loan Priority Collateral**” includes substantially all of the assets of the US Borrowers and their subsidiaries, not constituting ABL Priority Collateral, including equity pledges of certain interests in certain non-US subsidiaries, including, but not limited to, JC Canada.

128 active rigs and 11 terminals across Canada³. The JC Group oversees the operations of the Canadian business and provides extensive direction and oversight from its headquarters in Kennesaw, Georgia.

22. For the 2018 fiscal year, the JC Canada Group generated operating revenue of approximately \$30.4 million. As at June 30, 2019, JC Canada Group's property and equipment had a net book value of approximately \$2.03 million, representing approximately 2% of the JC Group's consolidated property and equipment.
23. The JC Canada Group has approximately 181 employees, 157 of which are unionized. The Canadian employees are located throughout Canada and include drivers, yard personnel, mechanics and administration staff. The unionized employees also include certain contractors that own their own vehicles to provide services on an exclusive basis to GP1 (the "**Owner/Operators**").
24. The collective agreements in respect of the JC Canada Group's Canadian employees and Owner/Operators are described in the Initial May Affidavit.
25. The JC Canada Group has a Vice-President based in Brampton, Ontario who oversees the Canadian operations. The remainder of the officers of JC Canada, GP1 and GP2 are residents of the United States.
26. Pursuant to the Interim Wages Order (defined below), the JC Group received approval from the US Court to pay prepetition employee and independent contractor amounts and expects to do so in the ordinary course, including amounts payable to employees located in Canada.

³ The eleven terminals are located in Calgary, AB; Edmonton, AB; Vancouver BC; Winnipeg, MB; Moncton, NB; Halifax, NS; Cambridge, ON; Oshawa, ON; Charny, QU; Regina, SK; and Saskatoon, SK.

Cash Management System

27. As described in the Initial May Affidavit, the JC Canada Group is part of an integrated, centralized cash management system with the other Chapter 11 Debtors to collect, manage and disburse funds used in its operations (the “**Cash Management System**”). The Cash Management System is administered by the JC Group’s treasury department at the head office in Kennesaw, Georgia.
28. The JC Canada Group has five bank accounts maintained at Wells Fargo and Scotiabank. These accounts are denominated in both US and Canadian dollars and are used in connection with operating the JC Canada Group’s business. Customer collections are received into depository accounts and are transferred to a US master account on a monthly basis. Disbursement accounts are funded on an as needed basis.
29. As at the Filing Date, the JC Canada Group’s five bank accounts held a total of approximately CAD\$1.3 million.

Intercompany Transactions

30. A number of intercompany transactions occur between the JC Canada Group and certain of the JC Group’s US entities, including:
 - (a) *Payments made on behalf of another entity.* The JC Canada Group is a net beneficiary of these transactions that typically relate to the payment of operating expenses such as credit card transactions, communications, equipment rentals and maintenance costs;
 - (b) *Allocation of Shared Services.* No formal shared services agreement exists, however for accounting and tax purposes the costs related to corporate functions

are allocated amongst the JC Group's various business units. The JC Canada Group is allocated its relative share of costs on a monthly basis as determined by a "cost plus" allocation method; and

(c) *Intercompany vehicle leases.* The JC Canada Group leases a portion of its truck and vehicle fleet from certain of the JC Group's US-based entities. Lease costs are charged to the JC Canada Group based on current market rates.

31. The above intercompany transactions are charged on a monthly basis to the JC Canada Group creating an intercompany payable balance. Prior to the Filing Date, this intercompany balance was partially cash settled from time to time on an infrequent basis. As at the Filing Date, the JC Canada Group was in a net intercompany payable position of approximately \$16.9 million.

32. The JC Canada Group expects that normal course intercompany transactions will continue during the Restructuring Proceedings. The Proposed Information Officer understands that JC Canada Group will be making intercompany payments for postpetition intercompany charges. It is anticipated that these charges will be approximately \$260,000 per month.

Unsecured Trade Creditors

33. Based on the JC Canada Group's books and records, as at July 31, 2019, amounts payable to unsecured trade creditors was approximately CAD\$850,000, comprised of the following:

(a) approximately CAD\$400,000 payable to the Owner/Operators and various third-party brokers and carriers (the "**Load Broker Parties**") and other critical vendors. As described in the First Day Orders section below, the Proposed Information Officer understands that the Chapter 11 Debtors

intend to pay prepetition amounts payable to this creditor group in the normal course; and

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

The Proposed Information Officer understands that amounts payable to this creditor group are intended to be stayed during the Restructuring Proceedings, absent any possessory or similar types of lien claims emerging (the “**Affected Creditor Group**”).

- 34. Pursuant to the *Highway Traffic Act (Ontario)*, under certain circumstances, when a “load broker” arranges with an operator to carry the goods of another person, there may be an obligation on the load broker to hold certain funds in trust for the operator. To address potential trust obligations to operators, and in particular, the Load Broker Parties, the JC Canada Group is seeking authority pursuant to the Supplemental Order to segregate CAD\$500,000 of their funds to be held by the Information Officer in trust for the benefit of the Load Broker Parties as security for the payment of amounts due and accruing in the ordinary course of business following the Filing Date (the “**Load Broker Trust Funds**”).
- 35. It is intended that the Information Officer will hold the Load Broker Trust Funds throughout the CCAA Recognition Proceedings and any payments by the Information Officer from the Load Broker Trust Funds will be made pursuant to further Order of the Court. Ongoing payments accruing in the ordinary course will continue to be made to the Load Brokers Parties by the JC Canada Group.

CENTRE OF MAIN INTEREST

36. The Chapter 11 Debtors, including the JC Canada Group, are managed in the United States as an integrated group from a corporate, strategic and management perspective.
37. The Initial May Affidavit describes the Chapter 11 Debtors integrated business. The JC Canada Group is wholly dependent on certain of the Chapter 11 Debtors located in the United States for key managerial, accounting, finance, IT and other critical functions typically performed by a corporate head office.
38. The JC Group has asserted that the factors outlined in the Initial May Affidavit collectively rebut the presumption under the CCAA that the JC Canada Group's centre of main interest is the location of its registered office. Furthermore, the JC Group asserts that these factors indicate that the "mind and management", head office functions and senior management of the Chapter 11 Debtors, including the JC Canada Group, are located in the United States.
39. Based on the factors outlined in the Initial May Affidavit, the Proposed Information Officer concurs with the JC Group's assertions that the Chapter 11 Debtors' "centre of main interest" is in the United States – including with respect to the JC Canada Group – and as such, it is appropriate to recognize the Chapter 11 Proceedings as a "foreign main proceeding" pursuant to s. 47(2) of the CCAA.

EVENTS LEADING TO THE RESTRUCTURING PROCEEDINGS

40. The Initial May Affidavit and the First Day Declaration describe the events leading up to the Restructuring Proceedings which are summarized below:
 - (a) since 2016, the Chapter 11 Debtors have experienced significant declines in revenue resulting from reduced pricing and loss of market share to lower cost, non-

unionized competitors and from overall declines in the automotive industry. In addition, the Chapter 11 Debtors have incurred significant cash expenditures as a result of their highly levered capital structure, significant pension plan obligations and aging fleet of vehicles;

- (b) 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 a leverage ratio covenant contained in the First Lien Term Loan. The Chapter 11 Debtors' auditors also issued a going concern qualification at the end of the 2018 reporting period. This resulted in a default under the ABL Facility, and the Chapter 11 Debtors and the Prepetition ABL Lenders subsequently entered into a waiver agreement. Further, the Chapter 11 Debtors liquidity fell below the minimum required by the ABL Facility resulting in the Prepetition ABL Lenders applying "cash dominion" procedures under the terms of the ABL Facility in mid-July 2019. The Chapter 11 Debtors were also unable to make a required principal repayment to Cerberus under the First Lien Term Loan on June 30, 2019;
- (c) for the past several months, the JC Group has engaged in restructuring negotiations on two separate fronts, one involving its US-based labour and pensions constituencies and the other principally involving the Chapter 11 Debtors' key secured creditors;
- (d) as part of the restructuring discussions with secured creditors, the Chapter 11 Debtors engaged with the Junior Term Loan Lenders, Cerberus and Wells Fargo to negotiate a comprehensive restructuring plan that would address the JC Group's capital structure and better position the business for future success. These

discussions culminated in an agreement in principle pursuant to a restructuring support agreement (the “**RSA**”) that contemplates a sale of all or substantially all of the Chapter 11 Debtors’ assets to a newly formed entity affiliated with the Junior Term Loan Lenders to carry on the Chapter 11 Debtors’ business (“**New Jack Cooper**”). To effect the transaction: (i) the Junior Term Loan Lenders would act as a “stalking horse bidder” in a Court-approved sales process by credit bidding its prepetition secured debt; (ii) Wells Fargo and the Junior Term Loan Lenders would provide the Chapter 11 Debtors with debtor-in-possession financing during the Restructuring Proceedings; and (iii) Cerberus would waive certain amortization payments, amend financial covenants pursuant to the First Lien Term Loan credit documents and allow the First Lien Term Loan to be assumed by New Jack Cooper;

(e) a critical component of the RSA negotiations was also restructuring certain of the Chapter 11 Debtors’ US pension plans and labour costs. As described in the First Day Declaration, certain of the Chapter 11 Debtors have entered an agreement with the Central States Pension Fund to address their pension obligations and negotiated a term sheet addressing labour issues with the Teamsters which requires the ratification of affected membership. The Proposed Information Officer understands that these agreements do not impact Canadian employees.

THE RESTRUCTURING PLAN

41. The RSA which forms the basis for the Chapter 11 Debtors’ proposed restructuring is appended as Exhibit “D” in the Initial May Affidavit. Key terms of the RSA include the following⁴:

Restructuring Support Agreement	
Proposed Sale	<ul style="list-style-type: none"> • The Junior Term Loan Lenders will serve as a “stalking horse” bidder by credit bidding their prepetition secured debt and DIP facility (the “Credit Bid”), including all or a portion of: (i) the 1.5 Lien Term Loan obligations; (ii) the Second Lien Term Loan obligations; and (iii) the Term DIP Facility obligations • The proposed Credit Bid sale will be subject to higher and better offers that may be obtained during the sale process to be carried out by the Chapter 11 Debtors and their investment banker, Houlihan Lokey, Inc. (“Houlihan”) during the Restructuring Proceedings • All or substantially all of the Chapter 11 Debtors assets, including the assets of the JC Canada Group, will be acquired by New Jack Cooper
DIP Facilities	<ul style="list-style-type: none"> • Wells Fargo (in its capacity as a DIP lender) shall advance up to \$85 million in the form of a revolving facility (the “DIP ABL Facility”) • Junior Term Loan Lenders (in their capacity as a DIP lender) shall advance up to \$15 million in the form of a multi-draw term loan (the “DIP Term Facility”) • On the Closing Date, the obligations under the DIP Facilities shall be modified and assumed by New Jack Cooper in the form of exit financing
First Lien Term Loan	<ul style="list-style-type: none"> • On the Closing Date, the First Lien Term Loan shall be modified and assumed by New Jack Cooper in the form of an exit first lien term loan facility • Interest shall be paid on the First Lien Term Loan during the Restructuring Proceedings
Other Terms	<ul style="list-style-type: none"> • To the extent New Jack Cooper has less than \$20 million in liquidity on the closing date, the Junior Term Loan Lenders will inject sufficient capital to satisfy the shortfall on a junior basis to the exit first lien term loan facility • The US collective agreements shall be amended with revised versions being ratified by union membership in a manner consistent with a labour term sheet negotiated with the Teamsters • The Chapter 11 Debtors shall terminate their participation in certain US-based multi-employer pension plans reducing their ongoing pension payment obligations

⁴ Capitalized terms not defined in this section are as defined in the RSA.

Bidding Procedures & Deadlines (Subject to approval by the US Court)	<ul style="list-style-type: none"> • Bid Deadline: September 30, 2019 at 5:00 p.m. Eastern Time • Auction (if necessary): October 3, 2019 • Sale Hearing: October 10, 2019 • Outside Closing Date: November 19, 2019
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42. In connection with the filing of the Chapter 11 Proceedings, the JC Group and New Jack Cooper have also negotiated an asset purchase agreement (the “**Purchase Agreement**”) reflecting the Credit Bid which will form the stalking horse bid under the proposed sale process outlined in the RSA, if approved by the US Court. The JC Canada Group companies are party to the Purchase Agreement which contemplates the purchase of their assets by New Jack Cooper along with the assumption of the collective agreements in respect of the Canadian employees.

FIRST DAY ORDERS OF THE US COURT

43. The JC Group is seeking recognition by this Court of several orders (the “**First Day Orders**”) that have been entered by the US Court in the Chapter 11 Proceedings, including the following, each of which are defined and described in the Initial May Affidavit:
- (a) Foreign Representative Order;
 - (b) Joint Administration Order;
 - (c) Interim Cash Management Order;
 - (d) Interim Critical Vendors Order;
 - (e) Interim DIP Order;
 - (f) Interim Insurance Order;
 - (g) Interim Employee Wages Order;

- (h) Interim Surety Bond Order;
- (i) Interim Taxes and Fees Order;
- (j) Utilities Order;
- (k) Interim Customer Programs Order;
- (l) Equity Transfer Order; and
- (m) Prime Clerk Order.

These First Day Orders are, for the most part, common in Chapter 11 proceedings. Copies of the First Day Orders and other documents related to the Chapter 11 Proceedings are available at the web-site maintained by Prime Clerk, LLC, <http://cases.primeclerk.com/jackcooper> and are appended to the Affidavit of Waleed Malik sworn on August 9, 2019 and filed in the CCAA Recognition Proceedings. The First Day Orders and their relevance to Canadian stakeholders are discussed below.

Foreign Representative Order

44. The Foreign Representative Order authorizes JCV to act as the Foreign Representative on behalf of the Chapter 11 Debtors' estates in any judicial proceeding in a foreign country, including in these CCAA Recognition Proceedings, and grants JCV, in its capacity as the Foreign Representative, the power to act in any way permitted by applicable foreign law. Pursuant to the Foreign Representative Order, the US Court requests the aid and assistance of this Court to recognize the Chapter 11 Proceedings as a "foreign main proceeding" and JCV as a "foreign representative" under the CCAA.

Joint Administration Order

45. The Joint Administration Order authorizes the joint administration of all cases for the Chapter 11 Debtors for procedural purposes.

Interim Cash Management Order

46. The Interim Cash Management Order, among other things, authorizes the JC Group to continue to operate its cash management system, including maintaining existing bank accounts, and to continue to perform intercompany funding through the Cash Management System. As discussed in the Intercompany Transaction section above, the JC Canada Group intends to pay for ordinary course postpetition intercompany charges. If there are any intercompany claims outstanding arising from ongoing intercompany transactions following the Filing Date, pursuant to the Interim Cash Management Order, those claims will receive administrative expense priority under the Bankruptcy Code.

Interim Critical Vendors Order

47. The Interim Critical Vendors Order, among other things, authorizes the JC Group to make payments of prepetition amounts to critical third-party vendors. As referenced above, approximately CAD\$400,000 of JC Canada Group's accounts payable relates to amounts payable to critical vendors (primarily, the Load Broker Parties), which amounts will be paid pursuant to this Order (and/or the Interim Customer Programs Order), in the ordinary course.

Interim DIP Order

48. The Interim DIP Order is described below.

Interim Insurance Order

49. The Interim Insurance Order, among other things, authorizes the JC Group to continue its prepetition insurance coverage, satisfy obligations related thereto, and amend, supplement and extend its insurance policies during the Chapter 11 Proceedings.

Interim Employee Wages Order

50. The Interim Employee Wages Order, among other things, authorizes the JC Group to pay prepetition wages, salaries, other compensation, and reimbursable employee expenses and to continue the employee benefits programs in the ordinary course.

Interim Surety Bond Order

51. The Interim Surety Bond Order, among other things, authorizes the JC Group to maintain, continue and renew, in their sole discretion, all surety bonds provided 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 surety bonds.

Interim Taxes and Fees Order

52. The Interim Taxes and Fees Order, among other things, authorizes the JC Group 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 Restructuring Proceedings. Canadian taxation authorities and United States taxation authorities are treated consistently.

Interim Utilities Order

53. The Interim Utilities Order approves the proposed form of adequate assurance of postpetition payment for certain utility providers, establishes procedures for resolving any objections by utility companies related to the proposed adequate assurance and prohibits the utility companies from terminating service solely on the basis of the commencement of the Chapter 11 Proceedings.

Interim Customer Programs Order

54. The Interim Customer Programs Order authorizes the JC Group to honour prepetition claims arising under customer programs, including damages to cargo and reimbursable obligations, and authorizes the JC Group to continue such customer programs in the ordinary course. A portion of JC Canada Group's accounts payable relates to customer program obligations, which amount will be paid pursuant to this Order, in the ordinary course.

Equity Transfer Order

55. The Equity Transfer Order approves certain procedures and restrictions with respect to the transfer of equity interests in JCV, including common stock and warrants, and declaring the transfer of such equity interests in violation of the procedures void.

Prime Clerk Order

56. The Prime Clerk Order appoints Prime Clerk LLC as claims, noticing and solicitation agents during the Chapter 11 Proceedings.

DIP FACILITIES

57. As described in the Initial May Affidavit and the First Day Declaration, the Chapter 11 Debtors, including the JC Canada Group, require financing during the Restructuring Proceedings to provide the necessary liquidity to maintain their business as a going concern, preserve value of their assets for all stakeholders and to implement the RSA, including the sale process to be conducted by the Chapter 11 Debtors and Houlihan.
58. Pursuant to the RSA, Wells Fargo and Junior Term Loan Lenders have agreed to provide the DIP ABL Facility and the DIP Term Facility, respectively (collectively, the “**DIP Facilities**”). Copies of the DIP Facilities are appended as exhibits to the Initial May Affidavit. Key terms of the DIP Facilities include the following:

	DIP ABL Facility	DIP Term Facility
Borrowers	<ul style="list-style-type: none"> Jack Cooper Holdings Corp., together with certain US-based subsidiaries and affiliates (the “US Borrowers”) JC Canada, LP1 and LP2 (the “Canadian Borrowers”) Each Borrower is jointly and severally liable for all obligations 	<ul style="list-style-type: none"> JCV Canada is not a borrower under the DIP Term Facility
Lender	<ul style="list-style-type: none"> Prepetition ABL Lenders 	<ul style="list-style-type: none"> Junior Term Loan Lenders
Guarantors	<ul style="list-style-type: none"> GP1 and GP2 (the “Canadian Guarantors”) Each US subsidiary of JVC (the “US Guarantors”) Obligations under the DIP ABL Facility are guaranteed by the Canadian Guarantors and the US Guarantors 	<ul style="list-style-type: none"> All Chapter 11 Debtors, including the JC Canada Group
Commitment	<ul style="list-style-type: none"> Up to \$85 million, comprised of: (i) up to \$85 million available to the US Borrowers; and (ii) up to \$5 million to the Canadian Borrowers which reduces on a dollar-for-dollar basis the commitments available for the US Borrowers Subject to a borrowing base calculation and other reserves consistent with the prepetition facility 	<ul style="list-style-type: none"> Up to \$15 million, including: (i) \$5 million available on the date the Interim Order is entered; and (ii) \$10 million after the First Day Orders are entered by the US Court and the CCAA Court and certain other conditions
DIP Collateral	<ul style="list-style-type: none"> First priority basis by liens on the prepetition ABL Priority Collateral and all of the assets of the JC Canada Group (the “DIP ABL Priority Collateral”); Second priority basis on the prepetition Term Loan Priority Collateral 	<ul style="list-style-type: none"> On a senior priority basis to the Term Loan Priority Collateral, subordinate only to the security interest held by Cerberus as the First Lien Term Loan; On a junior priority basis to the DIP ABL Priority Collateral, subordinate to the DIP ABL Facility and First Lien Term Loan;
Interest Rate	<ul style="list-style-type: none"> LIBOR plus 3.5% or Base Rate plus 2.5%; 0.25% per annum of the unused commitment 	<ul style="list-style-type: none"> LIBOR plus 9.0%; 1.0% per annum of the unused commitment
Maturity	<ul style="list-style-type: none"> The earlier of (i) December 31, 2019; (ii) consummation of a sale or plan of reorganization; and (iii) acceleration of the DIP ABL Facility 	<ul style="list-style-type: none"> The earlier of (i) December 31, 2019; (ii) consummation of a sale or plan of reorganization; and (iii) acceleration of the DIP Term Facility
Budget & Liquidity Covenant	<ul style="list-style-type: none"> Availability subject to borrowing base requirement Subject to compliance with the DIP Budget with certain permitted negative variances and minimum liquidity covenants 	<ul style="list-style-type: none"> Subject to compliance with the DIP Budget with certain permitted negative variances and minimum liquidity covenants

59. The Interim DIP Order provides for the following priorities as between the Chapter 11 Debtors' secured creditors in respect of the different classes of collateral provided as security by the JC Group in connection with the DIP Facilities and their prepetition secured credit facilities:

	ABL Priority Collateral	Term Loan Priority Collateral	Canadian Collateral
Summary Collateral Description	<ul style="list-style-type: none"> Cash, accounts receivable and inventory of the US Debtors 	<ul style="list-style-type: none"> Plant, property and equipment of the US Debtors and certain equity pledges of certain non-US subsidiaries, including a pledge of the majority of the shares of JC Canada 	<ul style="list-style-type: none"> All assets and property of the JC Canada Group
Prepetition Priorities	1st. ABL Facility 2nd. First Lien Term Loan 3rd. 1.5 Lien Term Loan 4th. Second Lien Term Loan	1st. First Lien Term Loan 2nd. 1.5 Lien Term Loan 3rd. Second Lien Term Loan 4th. ABL Facility	1st. ABL Canadian Sub-Facility
Proposed Postpetition Priorities	1st. Carve-Out (US Professional Fees) 2nd. DIP ABL Facility 3rd. First Lien Term Loan 4th. DIP Term Loan Facility 5th. 1.5 Lien Term Loan 6th. Second Lien Term Loan	1st. Carve-Out (US Professional Fees) 2nd. First Lien Term Loan 3rd. DIP Term Loan Facility 4th. 1.5 Lien Term Loan 5th. Second Lien Term Loan 6th. DIP ABL Facility	1st. Administration Charge 2nd. ABL Canadian sub-facility under the ABL DIP Facility and other ABL DIP Facility obligations to the extent permitted under the Marshalling Provision (as defined below) 3rd. DIP Term Facility to the extent permitted under the Marshalling Provision

60. The Proposed Information Officer is of the view that each of the DIP Facilities and the proposed recognition of the Interim DIP Order is reasonable. In assessing the reasonableness, the Proposed Information Officer was mindful that:
- (a) as it relates to the DIP ABL Facility, the DIP ABL Facility potentially increases the liability of the Canadian Borrowers and Canadian Guarantors relative to the prepetition ABL Facility. While the JC Canada Group were borrowers under the prepetition ABL Facility, they were only liable for obligations related to the ABL Canadian Sub-Facility which, as at the Filing Date, had no amounts drawn. The JC Canada Group was not a guarantor of, nor was it jointly or severally liable for, obligations of the US Borrowers under the prepetition ABL Facility (approximately \$49.8 million as at the Filing Date). The DIP ABL Facility contemplates that the JC Canada Group would be liable on a joint and several basis, for the US Borrowers' obligations. Given the immediate refinancing of the prepetition ABL Facility using proceeds from the DIP ABL Facility upon the issuance of the Interim DIP Order, the JC Canada Group would become liable for the US Borrowers obligations under the prepetition ABL Facility; and
 - (b) as it relates to the DIP Term Facility, while it is not a borrower under the DIP Term Facility, the JC Canada Group is providing a guarantee and would be liable on a joint and several basis for the US Borrowers' obligations, only on any "new money" drawn on the DIP Term Facility.
61. To potentially limit prejudice to Canadian stakeholders, paragraph 5.13 of the Interim DIP Order (the "**Marshalling Provision**") provides that each of the DIP Lenders is obligated to satisfy the respective DIP Obligations from the proceeds of DIP Collateral constituting

property of the US Borrowers before looking to the collateral of the Canadian Borrowers or Canadian Guarantors. It is intended that the collateral provided by the JC Canada Group in connection with DIP Facilities will only be used to satisfy borrowings of the US Debtors if the collateral of the US Debtors is insufficient to satisfy their obligations under the DIP Facilities.

62. The proposed Information Officer considered the following to assess the reasonableness of the DIP Facilities:

- (a) as described above, as at the Filing Date amounts payable to unsecured trade creditors of the JC Canada Group totaled approximately CAD\$850,000, of which approximately CAD\$400,000 is expected to be paid in the ordinary course, primarily to critical vendors and Load Broker Parties through recognition of the Interim Critical Vendors Order. Accordingly, approximately CAD\$450,000 will be stayed and potentially affected by the priming charge in the Interim DIP Order (previously defined herein as the Affected Creditor Group). The Affected Creditor Group is comprised of approximately 100 trade creditors in varying amounts with no single creditor owed more than CAD\$50,000;
- (b) the amounts owing to the Affected Creditor Group of approximately CAD\$450,000 is relatively minor in comparison to the projected cash flow of the JC Canada Group during the first 13 weeks of the Restructuring Proceedings, comprised of receipts of approximately \$7.1 million and disbursements (before restructuring costs and intercompany charges) of approximately \$6.3 million, including \$3.5 million for employee wages and benefits, and approximately \$2.8 million to trade creditors and landlords;

- (c) an important stakeholder group in these Restructuring Proceedings is the Load Broker Parties. It is proposed that this group will be paid for pre and post-petition amounts payable in the ordinary course. In addition, the JC Canada Group will segregate the Load Broker Trust Funds of CAD\$500,000 to be held by the Information Officer in trust for the benefit of the Load Broker Parties to address potential future trust obligations;
- (d) as described above, as at the Filing Date, the JC Canada Group is in an intercompany payable position of approximately \$16.9 million which has accrued over time and not cash settled by the Canadian debtor. If the intercompany debt was cash settled on a regular basis, the JC Canada Group: (i) would likely have been a borrower on the prepetition ABL Canadian Sub-Facility; and (ii) would have required additional funding in excess of the availability under the Canadian borrowing base;
- (e) the DIP Facilities are required for the Chapter 11 Debtors to implement the RSA and a sale transaction that would allow the JC Group's business to carry on as a going concern in the future. The Proposed Information Officer understands that the DIP Lenders are not willing to advance the DIP Facilities unless the JC Canada Group is jointly and severally liable for all of the outstanding obligations thereunder. If the Chapter 11 Debtors, including the JC Canada Group, are unable to access incremental liquidity, the operations of the JC Canada Group would likely be discontinued in short order as it does not have the corporate infrastructure required to operate on a standalone basis nor sufficient liquidity beyond the immediate short term;

- (f) the DIP Facilities are required by the JC Canada Group. The Proposed Information Officer has worked with AlixPartners (and indirectly with the Chapter 11 Debtors management) to extract a Canada specific cash flow forecast from the Chapter 11 Debtors' DIP Budget. Based on that work, the JC Canada Group is projected to require funding during the Restructuring Proceedings and the Canada specific cash flow projects a minimum financing requirement of approximately \$250,000 during the first 13 weeks of the Restructuring Proceedings;
- (g) in an effort to consider the potential impact of discontinuing the JC Canada Group's business on stakeholders, the Proposed Information Officer prepared a preliminary and illustrative wind-down and liquidation analysis based on available information.⁵ Based on this analysis, the Proposed Information Officer estimates that recoveries to unsecured creditors would likely be small (i.e. in a range of approximately 5% to 20%), after taking into consideration claims that could arise on liquidation, such as potential trust claims of the Load Broker Parties, employee termination and severance claims, lease termination claims and customer set-offs and damages claims for non-performance (and assuming that the intercompany debt claim of \$16.9 million would be asserted and prove to be a valid claim in a claims process). If the range of estimated recoveries were applied to the amounts owed to the Affected Creditor Group, aggregate estimated recoveries to the group in a liquidation scenario would likely range from approximately \$20,000 to \$90,000;

⁵ The Proposed Information Officer's liquidation analysis is primarily based upon a review of the JC Canada Group's financial statements. The Proposed Information Officer has not obtained appraisals valuing the hard Canadian assets nor has it performed a detailed analysis of the claims likely to arise upon a liquidation.

- (h) the Marshalling Provision incorporated into the Interim DIP Order whereby each of the DIP Lenders must satisfy the respective DIP Obligations from the proceeds of DIP Collateral constituting property of those Chapter 11 Debtors located in the United States before looking to the collateral of the Canadian Borrowers and Canadian Guarantors. However, the Proposed Information Officer notes that the DIP Term Facility (which the JC Canada Group is to be a secured guarantor on) is to rank in priority behind the DIP ABL Facility and the First Lien Term Loan which will total approximately \$238 million (assuming approval of the DIP ABL Facility and repayment of the prepetition ABL Facility). The Information Officer understands that a liquidation analysis has not been prepared by the US Debtors or their advisors, and is not in a position to comment on what the economic outcome of the DIP security marshalling would be in the event of a discontinuance of the Chapter 11 Debtors' businesses;
- (i) the Proposed Information Officer compared the pricing and other financial terms of the DIP ABL Facility to other similar DIP facilities (i.e. working capital revolving facilities) approved by the Canadian courts in previous CCAA proceedings. Based on the Proposed Information Officer's review, the cost of the proposed DIP ABL Facility is consistent with other similar recently approved DIP facilities. The Proposed Information Officer has performed a similar analysis on the DIP Term Facility and concluded that the cost of the DIP Term Facility is consistent with other recently approved DIP facilities of a similar type (i.e. term loan facilities).

63. The Affected Creditor Group is minor compared to the other Canadian stakeholder groups and within the context of the overall Restructuring Proceedings. Measures have been put in place to partially protect and minimize potential prejudice to Canadian unsecured creditors through the Interim Employee Wages Order, the Critical Vendors Order, the Interim Customer Programs Order, the proposed Load Broker Trust Funds and the Marshalling Provision under the Interim DIP Order. The Proposed Information Officer believes that the restructuring which the DIP Facilities will facilitate provides significantly more economic benefit to the majority of the JC Canada Group's stakeholders than would be received in a liquidation scenario.

ADMINISTRATION CHARGE

64. In addition to the charges in respect of the DIP Facilities, through the Supplemental Order the Chapter 11 Debtors are seeking to establish the Administration Charge, in the maximum amount of \$500,000, securing the professional fees of counsel to the Canadian Chapter 11 Debtors, the Information Officer and legal counsel to the Information Officer.
65. The Administration Charge is a customary protection provided to professionals assisting with insolvency proceedings. The Information Officer has reviewed the quantum of the proposed Administration Charge in this case and believes it is reasonable and appropriate in the circumstances.

PROPOSED INITIAL ACTIVITIES OF THE INFORMATION OFFICER

66. The draft Supplemental Order proposes that following its appointment, the initial activities of the Information Officer will include:

- (a) establishing a website at www.alvarezandmarsal.com/JackCooperCanada to make available copies of the Orders granted in the CCAA Recognition Proceedings as well as other relevant motion materials and reports;
- (b) coordinating publication of a notice of the Chapter 11 Proceedings and CCAA Recognition Proceedings in *The Globe & Mail (National Edition)* newspaper, commencing within five business days from the date of the Initial Recognition Order, once a week for two consecutive weeks;
- (c) responding to creditor inquiries regarding the Restructuring Proceedings;
- (d) providing such assistance to the Foreign Representative in the performance of its duties as the Foreign Representative may reasonably request;
- (e) providing the Court with periodic reports on the status of the Restructuring Proceedings, which reports may include information relating to the property and the business of the Chapter 11 Debtors or such other matters as may be relevant to these proceedings; and
- (f) engaging independent legal counsel in respect of the exercise of its powers and the performance of its obligations.

A&M CANADA'S QUALIFICATION TO ACT AS INFORMATION OFFICER

67. A&M Canada was engaged by the JC Canada Group effective July 26, 2019, for the purpose of preparing for the CCAA Recognition Proceedings and to act as the Proposed Information Officer. As such, the Proposed Information Officer is familiar with the business and operations of the JC Group and the JC Canada Group, and the key issues and stakeholders in the proposed CCAA Recognition Proceedings.

68. A&M Canada is a trustee within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act* (Canada), has significant experience in connection with proceedings under the CCAA, including but not limited to acting as information officer in the CCAA recognition proceedings of Payless Holdings LLC, Modular Space Corporation, LightSquared LP, Durabla Canada Ltd., TLC Vision Corporation and Chemtura Canada Co./Cie.
69. A&M Canada is related to Alvarez & Marsal Holdings, LLC. Alvarez & Marsal Holdings, LLC is an independent international professional services firm, providing, among other things, bankruptcy, insolvency and restructuring services. The senior A&M Canada professional personnel with carriage of this matter include experienced insolvency and restructuring practitioners who are Chartered Professional Accountants, Chartered Insolvency and Restructuring Professionals and Licensed Insolvency Trustees, and whom have acted in cross-border restructurings and CCAA matters of a similar nature in Canada.
70. The Proposed Information Officer has retained Stikeman Elliott LLP to act as its independent legal counsel.
71. A&M Canada has consented to act as Information Officer should this Court approve the requested Initial Recognition Order.

RECOMMENDATIONS

72. A&M Canada has reviewed, together with its legal counsel, the terms of the Initial Recognition Order and the Supplemental Order, and believes that the relief sought by the JC Group, as set out in the form of orders submitted to the Court for approval, are fair and reasonable in the circumstances, having regard to the current status of the JC Canada Group and the other Chapter 11 Debtors. A&M Canada believes that the terms of the

Supplemental Order relating to its role as Information Officer are fair and reasonable, and consistent with the terms of appointments of information officers in other recognition proceedings under the CCAA.

73. Based on the foregoing, the Proposed Information Officer respectfully recommends that this Court grant the relief requested by the JC Group in the Initial Recognition Order and Supplemental Order.

ALL OF WHICH IS RESPECTFULLY SUBMITTED at Toronto, Ontario this 9th day
of August, 2019.

ALVAREZ & MARSAL CANADA INC.

in its capacity as the Proposed Information Officer of
Jack Cooper Ventures, Inc., et al and not in its personal or corporate capacity

Per:

Alan J. Hutchens
Alan J. Hutchens
Senior Vice-President

APPENDIX B
FIRST REPORT OF THE INFORMATION OFFICER

[Attached]

**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**

FIRST REPORT OF THE INFORMATION OFFICER

ALVAREZ & MARSAL CANADA INC.

September 6, 2019

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APPENDIX A	PRE-FILING REPORT OF THE PROPOSED INFORMATION OFFICER
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INTRODUCTION

1. On August 6, 2019 (the “**Filing Date**”), Jack Cooper Ventures Inc. (“**JCV**” or the “**Foreign Representative**”), Jack Cooper Transport Canada Inc. (“**JC Canada**”) and 17 subsidiaries and affiliates (collectively, the “**JC Group**” or the “**Chapter 11 Debtors**”)¹, commenced voluntary reorganization proceedings (the “**Chapter 11 Proceedings**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “**US Court**”).
2. On August 8, 2019, the US Court granted various orders in the Chapter 11 Proceedings (the “**First Day Orders**”), including an order authorizing JCV to act as foreign representative in the Chapter 11 Proceedings.
3. On August 9, 2019, this Court made two orders (the “**Initial Recognition Order**” and the “**Supplemental Order**”) that, among other things: (a) recognized the Chapter 11 Proceedings as a “foreign main proceeding” under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”); (b) recognized JCV as the “foreign representative” of the Chapter 11 Debtors; (c) stayed all proceedings against the Chapter 11 Debtors; (d) appointed Alvarez & Marsal Canada Inc. (“**A&M Canada**” or the “**Information Officer**”) as the information officer in respect of these proceedings under Part IV of the CCAA (the “**CCAA Recognition Proceedings**”, and together with the Chapter 11 Proceedings, the

¹ **US Debtors:** 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. (collectively, the “**US Debtors**”); and **Canadian Debtors:** 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 “**JC Canada Group**”).

“Restructuring Proceedings”); and (e) recognized and gave effect in Canada to the First Day Orders.

4. At the commencement of the CCAA Recognition Proceedings, the US Court had granted, but not yet entered, three additional First Day Orders: the Equity Transfer Order, Prime Clerk Order and Interim Utilities Order (each defined and described in the Pre-Filing Report). The US Court entered these three orders on August 9, 12 and 16, 2019, respectively, and on August 22, 2019, this Court made an order (the **“Second Recognition Order”**) recognizing the three additional First Day Orders.
5. A&M Canada, in its capacity as Proposed Information Officer, filed with this Court a report dated August 9, 2019 (the **“Pre-Filing Report”**) to provide this Court with, among other things, information relating to the Chapter 11 Debtors’ business and operations and their debt and capital structures. A copy of the Pre-Filing Report is attached hereto as Appendix A and is available on the case website: www.alvarezandmarsal.com/JackCooperCanada.
6. On September 3, 2019, the US Court heard certain second day motions filed by the Chapter 11 Debtors and entered orders in respect of those motions (the **“Second Day Orders”**). The Second Day Orders include final orders of certain First Day Orders that were initially issued on an interim basis. The Foreign Representative is seeking to have certain Second Day Orders recognized in Canada by this Court, which are described in further detail below.

TERMS OF REFERENCE AND DISCLAIMER

7. In preparing this report (the “**First Report**”), the Information Officer has relied solely on information and documents provided by the Foreign Representative, the other Chapter 11 Debtors, their US-based restructuring advisors, AlixPartners LLC (“**AlixPartners**”), and their Canadian legal counsel (collectively, the “**Information**”).
8. The Information Officer has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook* (the “**Handbook**”), and accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under CASs in respect of the Information.
9. This First Report should be read in conjunction with the Affidavit of Greg R. May, sworn on September 6, 2019 (the “**Second May Affidavit**”).
10. Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.
11. Terms not otherwise defined in this First Report have the meanings ascribed to them in the Pre-Filing Report and the Second May Affidavit.

PURPOSE OF REPORT

12. The purpose of this First Report is to provide the Court with information regarding the following:

- (a) certain Second Day Orders that the Foreign Representative is seeking to have recognized and given effect in Canada by this Court pursuant to the CCAA, including the Bid Procedures Order (as defined and described below);
- (b) the proposed intercompany charge on Canadian assets as security for intercompany claims arising on or after August 9, 2019 (the “**Intercompany Charge**”);
- (c) an update on the Load Broker Trust Funds (as defined below); and
- (d) a summary of the activities of the Information Officer since the date of its appointment.

SECOND DAY ORDERS FOR WHICH RECOGNITION IS BEING SOUGHT

13. On September 3, 2019, the US Court made a number of Second Day Orders, including the following for which recognition is being sought in Canada:

- (a) *Final Cash Management Order*, which among other things, authorizes: (i) the JC Group to continue to operate its cash management system, including maintaining existing bank accounts, and to continue to perform intercompany funding through the Cash Management System; and (ii) grants administrative expense status to all post-filing intercompany claims among the Chapter 11 Debtors. The Final Cash Management Order was modified: (i) to require the Chapter 11 Debtors to consult

with the UCC² and the Junior Term Loan Lenders³ in certain situations, including prior to making any intercompany transactions over \$100,000 outside the ordinary course; and (ii) to incorporate certain reporting and consultation requirements with the UCC, the Prepetition Secured Parties and the US Trustee;

- (b) *Final Taxes Order*, which among other things, authorizes the JC Group 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 Restructuring Proceedings. The Final Taxes Order was modified to incorporate consultation requirements with the UCC and the Junior Term Loan Lenders with respect to the payment of prepetition taxes;
- (c) *Final Insurance Order*, which among other things, authorizes the JC Group to continue its prepetition insurance coverage, satisfy obligations related thereto, and amend, supplement and extend its insurance policies during the Restructuring Proceedings. The Final Insurance Order was modified to incorporate certain consultation requirements with the UCC and the Junior Term Loan Lenders;
- (d) *Final Surety Bond Order*, which among other things, authorizes the JC Group to maintain, continue and renew, in their sole discretion, all surety bonds provided 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

² On August 19, 2019, the U.S. Trustee filed a Notice of Appointment of Official Committee of Unsecured Creditors, notifying parties that the U.S. Trustee had appointed an Official Committee of Unsecured Creditors (the "UCC"). The members of the UCC are described in the Second May Affidavit.

³ The Junior Term Loan Lenders are the holders of the 1.5 Lien Term Loan and the Second Lien Term Loan (all as defined in the Pre-Filing Report).

payments due on surety bonds. The Final Surety Bond Order was modified to incorporate certain consultation requirements with the UCC and the Junior Term Loan Lenders;

- (e) *Final Equity Transfer Order*, which among other things, approves the Equity Transfer Procedures (as detailed in Exhibit 1 to the Interim Order) and directs that any purchase, sale, other transfer of, or declaration of worthlessness with respect to, common stock in violation of the Equity Transfer Procedures shall be null and void. The Final Equity Transfer Order was modified to incorporate certain consultation requirements with the UCC and the Junior Term Loan Lenders;
- (f) *Final Critical Vendors Order*, which among other things, authorizes the JC Group to make payment of prepetition amounts to critical third-party vendors. The Final Critical Vendors Order was modified to incorporate certain consultation requirements with, and specific reporting to, the UCC and the Junior Term Loan Lenders prior to making critical vendor payments;
- (g) *Final Customer Programs Order*, which among other things authorizes the JC Group to honour prepetition claims arising under customer programs, including damages to cargo and reimbursable obligations, and authorizes the JC Group to continue such customer programs in the ordinary course. The Final Customer Programs Order was modified to incorporate certain consultation requirements with the UCC and the Junior Term Loan Lenders;
- (h) *Final Wages Order*, which among other things, authorizes the JC Group to pay prepetition wages, salaries, other compensation and reimbursable employee

expenses, and to continue the employee benefits programs in the ordinary course.

The Final Wages Order was modified to: (i) include explicit authority for the Chapter 11 Debtors to pay severance amounts owed to non-insider former employees; and (ii) consult with the UCC and Junior Term Lenders in making payments on corporate credit cards; and

(i) *Bid Procedures Order*, which is described below.

14. A motion to obtain the Final Utilities Order and the Final DIP Order is scheduled to be heard by the US Court on September 12, 2019 at 10:00 a.m. and a motion for recognition before this Court is scheduled on September 18, 2019 at 10:00 a.m.
15. As described in the Second May Affidavit, since entering the DIP Facilities, the Chapter 11 Debtors and the DIP Agents have been working diligently to satisfy the post-closing conditions under the DIP Facilities, all of which are anticipated to be satisfied prior to the deadline for satisfaction of such conditions.

BID PROCEDURES ORDER

Stalking Horse APA

16. As described in the Pre-Filing Report, during the months leading up to the Restructuring Proceedings, the Chapter 11 Debtors engaged with its secured creditor group, including the Junior Term Loan Lenders, Cerberus and Wells Fargo (each as defined in the Pre-Filing Report) to negotiate a comprehensive restructuring plan that would address the JC Group's capital structure and better position the business for future success.

17. These discussions culminated in an agreement in principle pursuant to a restructuring support agreement (the “**RSA**”) that contemplates a sale of all or substantially all of the Chapter 11 Debtors’ assets to a newly formed entity affiliated with the Junior Term Loan Lenders to carry on the Chapter 11 Debtors’ business as a going concern (the “**Stalking Horse Bidder**”). To effect the contemplated transaction, the Junior Term Loan Lenders would act as a “stalking horse bidder” in a Court-approved sales process by credit bidding its prepetition secured debt (the “**Sale Process**”).
18. In accordance with the RSA, on August 23, 2019, the Chapter 11 Debtors and the Stalking Horse Bidder entered into an Asset Purchase and Sale Agreement (the “**Stalking Horse APA**”) for the sale of substantially all of the Chapter 11 Debtors’ assets to the Stalking Horse Bidder. The Stalking Horse APA is described in the Second May Affidavit. Key terms of the Stalking Horse APA include the following:

Stalking Horse APA	
Purchase Price	<ul style="list-style-type: none"> • Cash Consideration equal to: (a) all fees and expenses of any professional retained by the Chapter 11 Debtors and the UCC in connection with these Restructuring Proceedings; (b) an amount sufficient to satisfy the costs and expenses of winding down the Chapter 11 Debtors' estates following the closing date; and (c) an additional amount to pay for any assets that cannot be acquired through a credit bid (if any), provided that such additional cash shall not exceed \$1,000,000; • Assumed Liabilities, including: (a) the ABL Exit Facility and the Cerberus Senior Secured Term Loan (by means of an agreed exit facility, the "Cerberus Exit Facility"); and (b) obligations under Assumed Contracts; and • Release of all Chapter 11 Debtors under the 1.5 Lien Term Loan and the Second Lien Term Loan and/or the DIP Term Facility, in an aggregate amount not less than: (a) \$425,000,000, minus (b) the Cash Consideration, minus (c) the aggregate outstanding principal amount under the DIP ABL Facility, the Canadian DIP Sub-Facility and the Cerberus Senior Secured Term Loan.
Other conditions to be satisfied prior to closing	<ul style="list-style-type: none"> • The Stalking Horse Bidder shall have liquidity of at least \$20,000,000 with any shortfall to be funded by the Stalking Horse Bidder; • The Stalking Horse Bidder shall have entered into the ABL Exit Facility and the Cerberus Exit Facility; • The U.S. Chapter 11 Debtors shall have withdrawn from all multiemployer pension plans to which they are currently obliged to make contributions; and • The absence of any valid termination of the DIP Interim Order and/or the DIP Final Order, the DIP Term Loan Agreement or the RSA.
Expense Reimbursement	<ul style="list-style-type: none"> • In the event the sale is not consummated with the Stalking Horse Bidder and the Chapter 11 Debtors close an alternate transaction for a higher purchase price, the Stalking Horse Bidder shall be reimbursed for its reasonable and documented fees and expenses; and • The Expense Reimbursement shall constitute an allowed super priority administrative expense claim against each of the Chapter 11 Debtors.

Bid Procedures

19. As part of the Sale Process contemplated in the RSA, the Chapter 11 Debtors have developed a bidding process designed to maximize the value of the Chapter 11 Debtors' assets and business through a competitive auction process (the "**Bidding Procedures**").

The Sale Process is being conducted by Houlihan Lokey, Inc. (“**Houlihan**”) to determine whether any offers superior to the credit bid can be obtained.

20. On September 3, 2019, the US Court entered the Bid Procedures Order which, *inter alia* (a) authorized the Chapter 11 Debtors to enter into the Stalking Horse APA; (b) approved the Bid Procedures and related dates and deadlines; (c) approved the Expense Reimbursement; (d) scheduled hearings and deadlines in connection with approval of the sale; and (e) granted related relief. Though the Bid Procedures Order was granted on September 3, 2019, the Sale Process was commenced by Houlihan on August 7, 2019 by sending a bid package to potentially interested parties.
21. The Sale Process does not preclude a potential purchaser from submitting a bid for the business and assets of the JC Canada Group on a standalone basis.
22. The Bid Procedures Order is described in the Second May Affidavit. Key terms and dates include the following:
 - (a) all qualified bids (a “**Qualified Bid**”) must be received by no later than October 1, 2019 at 5:00 p.m. Eastern Time (the “**Bid Deadline**”);
 - (b) a Qualified Bid must meet certain criteria as specified in the Bidding Procedures, including but not limited to: (i) it must clearly state which assets and which liabilities the bidder is proposing to assume; (ii) clearly state the purchase price, which shall be no less than \$425,000,000 plus all accrued and unpaid interest on certain of the Chapter 11 Debtors secured credit facilities, and the Expense Reimbursement; (iii) include unconditional committed financing; and (iv) be accompanied by a 10% cash deposit.

- (c) on or before October 2, 2019 at 5:00 p.m. Eastern Time, the Chapter 11 Debtors will determine which bids are Qualified Bids;
- (d) if no Qualified Bids are received by the Bid Deadline, then the Auction (as defined below) may be cancelled, and the Stalking Horse APA may be designated as the successful bid, in which case the Chapter 11 Debtors will pursue entry of an order by the US Court confirming the transaction at the Sale Hearing (as defined below), which will also require recognition by this Court;
- (e) if Qualified Bids are received by the Bid Deadline, the Chapter 11 Debtors will conduct an auction on October 4, 2019 at 10:00 a.m. Eastern Time at the offices of Paul, Weiss, Rifkind, Wharton & Garrison LLP in New York (the “**Auction**”);
- (f) following the Auction, the Chapter 11 Debtors will identify the highest or otherwise best Qualified Bid(s) (each, a “**Successful Bid**”); and
- (g) the Chapter 11 Debtors will seek the approval of the best bid(s) from the US Court on October 10, 2019 at 2:30 p.m. Eastern Time (the “**Sale Hearing**”). Any transaction involving the assts and business of the JC Canada Group will also require recognition by this Court.

23. At this time, JCV is seeking recognition by this Court of the Bid Procedures Order. The Information Officer considered the following in assessing the reasonableness of the Bid Procedures Order:

- (a) in the Information Officer’s view, the Sale Process and Bidding Procedures are commercially reasonable and intended to maximize value through a competitive auction process while also mitigating against downside risk for stakeholders by

providing certainty of a going-concern transaction to be completed pursuant to the Stalking Horse APA should the Sale Process not produce a superior result;

- (b) the Bid Deadline provides sufficient time to ensure potential bidders are able to perform diligence and prepare and submit Qualified Bids;
- (c) the Bidding Procedures provide the opportunity to identify a bidder for the business and assets of the JC Canada Group on a standalone basis;
- (d) the Expense Reimbursement is reasonable under the circumstances in combination with the Sale Process; and
- (e) the Information Officer does not believe the creditors of the JC Canada Group would be materially prejudiced by the Bid Procedures.

24. Based on the foregoing, the Information Officer believes that the Bid Procedures Order is fair and reasonable and recommends that the Court grant an order recognizing the Bid Procedures Order subject to the following comments regarding credit bidding for the assets of the JC Canada Group.

Credit Bidding

25. As set out above, the Stalking Horse Bidder primarily intends to credit bid for the assets of the Chapter 11 Debtors. The Bidding Procedures Order contains certain provisions declaring the Stalking Horse Bidder to have such right for all of the assets of the Chapter

11 Debtors, including the assets of the JC Canada Group (the “**Canadian Assets**”), while preserving parties in interest right to object at a later date.

26. The Information Officer notes for the Court that, as set out in the Pre-Filing Report, the JC Canada Group was not a borrower or guarantor under the prepetition credit facilities owing to the Stalking Horse Bidder and therefore it does not have the right to credit bid such debt for the Canadian Assets.
27. The Stalking Horse Bidder also provided the Chapter 11 Debtors with the DIP Term Facility under which the JC Canada Group is a guarantor. The Bidding Procedures Order and Stalking Horse APA provide that the Stalking Horse Bidder may also credit bid the DIP Term Loan Facility for the assets of all the Chapter 11 Debtors, including the JC Canada Group. As set out in the Pre-Filing Report, the Interim DIP Order provided for a marshalling provision that set out that each of the DIP Lenders is obligated to satisfy the respective DIP Obligations from the proceeds of DIP Collateral constituting property of the US-based Chapter 11 Debtors before looking to the collateral of the JC Canada Group. The Information Officer understands that the Stalking Horse Bidder is continuing to work through the mechanics of its credit bid and allocation of the purchase price between the US collateral and the Canadian collateral.

INTERCOMPANY CHARGE

28. As described in the Pre-Filing Report, the JC Canada Group is wholly dependent on certain of the Chapter 11 Debtors located in the United States and is the beneficiary of intercompany support, including: (a) payments made on behalf of the JC Canada Group; (b) head office shared services; and (c) intercompany vehicle leases.

29. Intercompany support and transactions have continued in the normal course and the related charges to the JC Canada Group are projected to be approximately \$260,000 per month.
30. The Chapter 11 Debtors are seeking a Court-ordered charge on the JC Canada Group's property securing all Allowed Intercompany Claims that arose or arise on or after August 9, 2019, which proposed charge would rank in priority to all unsecured claims, including claims of other post-filing creditors, but will be subordinate to the Administrative Charge and the DIP Charges.
31. The Information Officer is supportive of the Intercompany Charge as it will reduce the JC Canada Group's need to borrow under the ABL DIP Facility, if any, and incur interest costs to the detriment of the estate.
32. The Information Officer notes for the Court and stakeholders that since the Filing Date, due to cash flow timing issues in the United States, the US-based Chapter 11 Debtors have borrowed approximately \$619,000 from the JC Canada Group. Therefore, as of the date of this First Report, no amount would be secured by the Intercompany Charge.

LOAD BROKER TRUST FUNDS

33. Pursuant to the Supplemental Order, on August 12, 2019, the JC Canada Group deposited CAD\$500,000 with the Information Officer to be held in trust for the benefit of the Load Broker Parties (as defined in the Pre-Filing Report) to address any potential trust obligations under the *Highway Traffic Act* (Ontario) (the "**Load Broker Trust Funds**").
34. It is intended that the Information Officer will hold the Load Broker Trust Funds throughout the CCAA Recognition Proceedings and any payments by the Information

Officer from the Load Broker Trust Funds will be made pursuant to further Order of the Court.

35. Ongoing payments accruing in the ordinary course are continuing to be made to the Load Broker Parties by the JC Canada Group.

ACTIVITIES OF THE INFORMATION OFFICER

36. The activities of the Information Officer to date have included:
- (a) establishing the case website at www.alvarezandmarsal.com/JackCooperCanada to make available copies of the orders granted in the CCAA Recognition Proceedings and other relevant motion materials and reports. In addition, there is a link on the Information Officer's website to the Chapter 11 Debtors' restructuring website maintained by Prime Clerk that includes copies of the US Court materials and orders, petitions and notices and other materials relevant to the Chapter 11 Proceedings;
 - (b) coordinating the publication of a notice of the Chapter 11 Proceedings and CCAA Recognition Proceedings (the "Notice") in *The Globe and Mail* (National Edition) on Wednesday August 14, 2019 and Wednesday August 21, 2019;
 - (c) responding to inquiries regarding the CCAA Recognition Proceedings and the Chapter 11 Proceedings;
 - (d) monitoring the Prime Clerk website for activity in the Chapter 11 Proceedings;

- (e) discussions with legal counsel, the Chapter 11 Debtors' management and Canadian legal counsel and AlixPartners regarding matters relevant to the CCAA Recognition Proceedings and the Chapter 11 Proceedings; and
- (f) preparing the Pre-Filing Report and this First Report and reviewing draft materials of the Foreign Representative in connection with the CCAA Recognition Proceedings.


RECOMMENDATIONS

- 37. The Information Officer understands that the Second Day Orders for which recognition is being sought in Canada, including the Bid Procedures Order, are necessary to the Chapter 11 Debtors' continued business operations and that absent these orders, the reorganization efforts would be impaired.
- 38. The Information Officer has reviewed the Second Day Orders and believes that recognition of the orders is reasonable and appropriate in the circumstances. Based on the foregoing, the Information Officer respectfully recommends that this Court grant the relief requested by JCV.

ALL OF WHICH IS RESPECTFULLY SUBMITTED at Toronto, Ontario this 6th day
of September 2019.

ALVAREZ & MARSAL CANADA INC.

in its capacity as the Information Officer of
Jack Cooper Ventures, Inc., et al and not in its personal or corporate capacity

Per: 
Alan J. Hutchens
Senior Vice-President

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**FIRST REPORT OF THE
INFORMATION OFFICE**

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Lawyers for the Information Officer

APPENDIX C
SECOND REPORT OF THE INFORMATION OFFICER

[Attached]

**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**

SECOND REPORT OF THE INFORMATION OFFICER

ALVAREZ & MARSAL CANADA INC.

September 17, 2019

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APPENDICES

Appendix A Pre-Filing Report of the Proposed Information Officer dated August 9, 2019

Appendix B First Report of the Information Officer dated September 6, 2019

INTRODUCTION

1. On August 6, 2019 (the “**Filing Date**”), Jack Cooper Ventures Inc. (“**JCV**” or the “**Foreign Representative**”), Jack Cooper Transport Canada Inc. (“**JC Canada**”) and 17 subsidiaries and affiliates (collectively, the “**JC Group**” or the “**Chapter 11 Debtors**”)¹, commenced voluntary reorganization proceedings (the “**Chapter 11 Proceedings**”) pursuant to Chapter 11 of the U.S. Bankruptcy Code with the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “**US Court**”).
2. On August 8, 2019, the US Court granted various orders in the Chapter 11 Proceedings (the “**First Day Orders**”), including an order authorizing JCV to act as foreign representative in the Chapter 11 Proceedings.
3. On August 9, 2019, this Court made two orders (the “**Initial Recognition Order**” and the “**Supplemental Order**”) that, among other things: (a) recognized the Chapter 11 Proceedings as a “foreign main proceeding” under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”); (b) recognized JCV as the “foreign representative” of the Chapter 11 Debtors; (c) stayed all proceedings against the Chapter 11 Debtors; (d) appointed Alvarez & Marsal Canada Inc. (“**A&M Canada**” or the “**Information Officer**”) as the information officer in respect of these proceedings under Part IV of the CCAA (the “**CCAA Recognition Proceedings**”), and together with the Chapter 11 Proceedings, the

¹ **US Debtors:** 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. (collectively, the “**US Debtors**”); and **Canadian Debtors:** 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 “**JC Canada Group**”).

“Restructuring Proceedings”); and (e) recognized and gave effect in Canada to the First Day Orders.

4. Three additional First Day Orders, being the Equity Transfer Order, Prime Clerk Order and Interim Utilities Order (each defined and described in the Pre-Filing Report) were entered by the US Court on August 9, 12 and 16, 2019, respectively, and on August 22, 2019, this Court made an order (the **“Second Recognition Order”**) recognizing the three additional First Day Orders.
5. On September 3, 2019, the US Court heard certain second day motions filed by the Chapter 11 Debtors and entered orders in respect of those motions (the **“Second Day Orders”**). The Second Day Orders include: (a) final orders of certain First Day Orders that were initially issued on an interim basis; and (b) the Bid Procedures Order. By order dated September 9, 2019, this Court recognized the Second Day Orders (the **“Third Recognition Order”**).
6. In connection with the CCAA Recognition Proceedings, the Information Officer provided to this Court its First Report of the Information Officer dated September 6, 2019 (the **“First Report”**). A&M Canada has also, in its capacity as Proposed Information Officer, filed with this Court a report dated August 9, 2019 (the **“Pre-Filing Report”**, and together with the First Report, the **“Prior Reports”**). The Prior Reports and other Court-filed documents, orders and notices in these proceedings are available on the case website: www.alvarezandmarsal.com/JackCooperCanada (the **“Case Website”**).
7. A copy of each of the Pre-Filing Report and the First Report are attached hereto as **Appendices “A”** and **“B”**, respectively.

TERMS OF REFERENCE AND DISCLAIMER

8. In preparing this report (the “**Second Report**”), the Information Officer has relied solely on information and documents provided by the Foreign Representative, the other Chapter 11 Debtors, their US-based restructuring advisors, AlixPartners LLC (“**AlixPartners**”), and their Canadian legal counsel (collectively, the “**Information**”).
9. The Information Officer has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook* (the “**Handbook**”), and accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under CASs in respect of the Information.
10. This Second Report should be read in conjunction with the Affidavit of Greg R. May, sworn on September 17, 2019 (the “**Third May Affidavit**”).
11. Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.
12. Terms not otherwise defined in this Second Report have the meanings ascribed to them in the Prior Reports and the Third May Affidavit.

PURPOSE OF REPORT

13. The purpose of this Second Report is to provide the Court with information regarding the following:

- (a) The orders of the US Court that the Foreign Representative is seeking to have recognized and given effect in Canada by this Court pursuant to the CCAA, including the Bar Date Order and the Final DIP Order (each defined and described below); and
- (b) A summary of the activities of the Information Officer since the date of the First Report.

ORDERS FOR WHICH RECOGNITION IS BEING SOUGHT

14. On September 12, 2019, the US Court heard five motions that were filed by the Chapter 11 Debtors and subsequently entered the orders on September 12 and 13, 2019. The Foreign Representative is seeking to have four of these orders recognized in Canada:

- (a) *Final Utilities Order*, which among other things, establishes on a final basis adequate assurance of post-petition payment for certain utility providers, procedures for resolving objections by utility companies and prohibits the utility companies from terminating service solely on the basis of the commencement of the Chapter 11 Proceedings;
- (b) *Professional Compensation Order*, which among other things, authorizes the Chapter 11 Debtors to retain and pay the reasonable fees and expenses of certain professionals who provide services to the Chapter 11 Debtors in the ordinary course and unrelated to these Restructuring Proceedings. Among this group is Gowling WLG who acts as Canadian general corporate counsel;

- (c) *Bar Date Order*, which among other things, sets bar dates for filing proofs of claim, approves the form of and manner for filing proofs of claim and approves the form of notice of the bar dates (the “**Bar Date Order**”), and is described below; and
- (d) *Final DIP Order*, which is described below.

Bar Date Order

15. The US Court granted the Bar Date Order on September 12, 2019, which has not yet been entered. The Bar Date Order is described in the Third May Affidavit and is attached as Exhibit B to the Second Paplawski Affidavit. Key dates and terms include the following:
- (a) Proofs of Claim² must be received on or before November 15, 2019 at 5:00 p.m. (Eastern Time) (the “**Claims Bar Date**”);
 - (b) Governmental units’ Proofs of Claim must be received on or before March 11, 2020 at 5:00 p.m. (Eastern Time) (the “**Government Bar Date**”);
 - (c) Proofs of Claim must be submitted: (i) electronically on Prime Clerk LLC’s website at <https://cases.primeclerk.com/jackcooper/EPOC-Index>; or (ii) by first-class, overnight mail, or other hand-delivery system, which Proof of Claim must include an original signature, to: *Jack Cooper Ventures, Inc. Claims Processing Center, c/o Prime Clerk LLC, 850 3rd Avenue, Suite 412, Brooklyn, NY 11232*; and
 - (d) To ensure that Canadian domiciled creditors have notice of the Bar Date Order, the Information Officer will publish a notice of the Bar Date Order once a week for

² Proof of Claim Forms and additional information on how to submit a claim is included in the Bar Date Order.

two consecutive weeks in *The Globe & Mail (National Edition)* newspaper. Under the Bar Date Order the Chapter 11 Debtors are required to send a notice of the Claims Bar Date to all known creditors, including creditors of the JC Canada Group.

Final DIP Order

16. A summary of the DIP Facilities (comprised of the DIP ABL Facility and the DIP Term Facility), including their potential impact on the JC Canada Group and its stakeholders, the Information Officer's assessment of their reasonableness and the basis on which the Information Officer recommended that this Court recognize the Interim DIP Order were provided in the Pre-Filing Report (a copy of which is attached hereto as Appendix A).
17. The Final DIP Order was entered by the US Court on September 13, 2019. The Final DIP Order contains several amendments to the Interim DIP Order to address comments received from the UCC and other stakeholders. None of the changes from the Interim DIP Order, as summarized in the Third May Affidavit, have a material impact on the JC Canada Group or Canadian creditors.
18. As described in the Pre-Filing Report, to potentially limit prejudice to Canadian stakeholders, the Interim DIP Order provided that each of the DIP Lenders is obligated to satisfy the respective DIP Obligations of the US Borrowers from the proceeds of DIP Collateral constituting property of the US Borrowers before looking to the collateral of the Canadian Borrowers or Canadian Guarantors (the "**Marshalling Provision**"). Accordingly, the collateral provided by the JC Canada Group in connection with DIP Facilities will only be used to satisfy borrowings of the US Debtors if the collateral of the

US Debtors is insufficient to satisfy their obligations under the DIP Facilities. The Marshalling Provision remains unchanged in the Final DIP Order.

19. As at the date of this Second Report, the Information Officer understands that no amounts are owing by the JC Canada Group under the DIP Facilities.

ACTIVITIES OF THE INFORMATION OFFICER

20. The activities of the Information Officer since its First Report have included:
- (a) Updating the Case Website with the orders granted in the CCAA Recognition Proceedings and other relevant motion materials and reports;
 - (b) Monitoring the Prime Clerk website for activity in the Chapter 11 Proceedings;
 - (c) Responding to stakeholder inquiries regarding the Restructuring Proceedings;
 - (d) Discussions with legal counsel, the Chapter 11 Debtors' management and Canadian legal counsel, and AlixPartners regarding matters relevant to the Restructuring Proceedings; and
 - (e) Preparing this Second Report and reviewing draft materials of the Foreign Representative in connection with the CCAA Recognition Proceedings.

RECOMMENDATIONS

21. The Information Officer understands that the Orders for which recognition is being sought in Canada, including the Bar Date Order and the Final DIP Order, are necessary to the


Chapter 11 Debtors' continued business operations and that absent these orders, the reorganization efforts would be impaired.

22. The Information Officer and its legal counsel have reviewed the Orders and believe that recognition of the orders is reasonable and appropriate in the circumstances. Based on the foregoing, the Information Officer respectfully recommends that this Court grant the relief requested by JCV.

ALL OF WHICH IS RESPECTFULLY SUBMITTED at Toronto, Ontario this 17th day
of September 2019.

ALVAREZ & MARSAL CANADA INC.

in its capacity as the Information Officer of
Jack Cooper Ventures, Inc., et al and not in its personal or corporate capacity

Per: 
Alan J. Hutchens
Senior Vice-President

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**SECOND REPORT OF THE
INFORMATION OFFICER**

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Lawyers for the Information Officer

APPENDIX D
HUTCHENS AFFIDAVIT

[Attached]

**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**

**AFFIDAVIT OF ALAN J. HUTCHENS
(Sworn October 16, 2019)**

I, ALAN J. HUTCHENS, of the Town of Oakville, in the Province of Ontario, **MAKE
OATH AND SAY:**

1. I am a Senior Vice-President of Alvarez & Marsal Canada Inc. ("A&M"), the Court appointed Information Officer in these proceedings (the "**Information Officer**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. A&M was appointed as Information Officer pursuant to the Supplemental Order (Foreign Main Proceeding) (the "**Supplemental Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on August 9, 2019. The Information Officer retained Stikeman Elliott LLP as its counsel in these proceedings.
3. Pursuant to paragraphs 17 and 18 of the Supplemental Order, the Information Officer and its legal counsel are to be paid their reasonable fees and disbursements incurred in respect of these proceedings, both before and after the making of the Supplemental Order, at their standard rates

and charges unless otherwise ordered by the Court on the passing of accounts, and are required to pass their accounts from time to time.

4. Attached hereto and marked as Exhibit "1" to this my Affidavit is a summary of the invoices rendered by A&M (the "**A&M Accounts**") in respect of these proceedings for the period from July 25 to October 15, 2019 (the "**A&M Application Period**"), together with copies of the A&M Accounts.

5. A&M expended a total of 266.4 hours in connection with this matter during the A&M Application Period, giving rise to fees and disbursements totalling \$254,063.03, comprised of fees of \$189,171.00, disbursements (primarily for publication of notices of the proceedings in The Globe and Mail newspaper) of \$35,663.54 and HST of \$29,228.49.

6. Attached hereto and marked as Exhibit "2" to this my Affidavit is a summary of the hours incurred and standard hourly rates of the A&M personnel involved in this matter.

7. In addition to the foregoing, A&M estimates that its fees and disbursements through to conclusion of these proceedings, beyond the A&M Application Period, will not exceed \$30,000, excluding disbursements and HST.

8. To the best of my knowledge, A&M's rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by A&M are comparable to the rates charged by A&M for services rendered in similar proceedings. A&M has had its rates and disbursements, including the rates of various professionals who provided services in these proceedings, approved by this Court in respect of similar services provided in a number of insolvency and restructuring files.

9. This Affidavit is sworn in connection with a motion by the Foreign Representative to have the Information Officer's fees and disbursements, and those of its legal counsel, in connection with these proceedings, approved by this Court and for no improper purpose.

SWORN before me at the City of Toronto,
in the Province of Ontario, on this 16th day
of October, 2019.



A Commissioner for taking affidavits
Name:

Lee Nicholson



ALAN J. HUTCHENS

This is Exhibit "1" referred to in the
affidavit of Alan J. Hutchens
sworn before me, this 16th
day of October 2019.

A handwritten signature in blue ink, appearing to be "J. N.", is written above a horizontal line.

A Commissioner for Taking Affidavits

EXHIBIT "1"
ALVAREZ & MARSAL CANADA INC., COURT-APPOINTED INFORMATION OFFICER
JACK COOPER TRANSPORT CANADA INC.
(July 25, 2019 to October 15, 2019)

Invoice No.	Invoice Date	Invoice Period / Description	Total Hours	Fees	Disbursements	HST	Invoice Total (\$CAD)
Invoice #1	August 16, 2019	July 25, 2019 to August 15, 2019	127.7	\$94,199.50	\$0.00	\$12,245.94	\$106,445.44
Invoice #2	September 4, 2019	August 16, 2019 to August 31, 2019	11.7	7,960.50	19,629.12	3,586.65	31,176.27
Invoice #3	September 16, 2019	September 1, 2019 to September 15, 2019	29.1	21,538.50	63.22	2,808.22	24,409.94
Invoice #4	October 2, 2019	September 16, 2019 to September 30, 2019	26.6	18,145.00	0.00	2,358.85	20,503.85
Invoice #5	October 16, 2019	October 1, 2019 to October 15, 2019	71.3	47,327.50	15,971.20	8,228.83	71,527.53
TOTAL			266.4	\$189,171.00	\$35,663.54	\$29,228.49	\$254,063.03



Alvarez & Marsal Canada Inc.
Licensed Insolvency Trustees
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
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Fax: +1 416 847 5201

August 16, 2019

Jack Cooper Transport Canada, Inc.
c/o Jack Cooper Ventures, Inc.
630 Kennesaw Due West Road
Kennesaw, Georgia
30152
USA

JACK COOPER TRANSPORT CANADA INC.
RE: INVOICE #1 – 821692

For professional services rendered in connection with our role as Court-appointed Information Officer under the *Companies' Creditors Arrangement Act* pursuant to the Supplemental Order (Foreign Main Proceeding) granted by the Ontario Superior Court of Justice (Commercial List) on August 9, 2019 (and prior to the granting of the Supplemental Order, pursuant to our engagement letter dated July 26, 2019) for the period to August 15, 2019.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total - \$CAD</u>
A. Hutchens, Managing Director	43.8	\$875	\$38,325.00
J. Nevsky, Senior Director	72.3	\$695	50,248.50
R. Gruneir, Senior Associate	11.6	\$485	5,626.00
	<u>127.7</u>		\$94,199.50
Add: HST @ 13%			12,245.94
TOTAL INVOICE – in \$CAD			<u>\$106,445.44</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Jack Cooper - Inv. #1 (821692)
HST#: 83158 2127 RT0001

Jack Cooper Transport Canada Inc.
DETAILED SUMMARY – July 25 to August 15, 2019

<u>A. Hutchens</u>	<u>Hrs.</u>
Jul 25 Teleconference with Osler on background, capital structure, intended plan and next steps; review relevant background materials, including the legal entity organization chart, preliminary draft First Day Declaration, certain draft first day motions, draft restructuring term sheet, etc.; internal discussions and emails to coordinate engagement start-up.	3.7
Jul 26 Review the draft DIP term sheet and agreements; emails with Stikeman to coordinate engagement start-up and prioritize initial work; internal discussions and emails on information requirements, Pre-Filing Report of the Proposed Information Officer (“Pre-Filing Report”) and other items; discussion and emails with Osler on information available and required.	4.2
Jul 29 Review certain draft first day motions and revised draft restructuring term sheet; review the draft weekly cash flow extractg and June 30 borrowing base certificate; internal discussions on information received to-date and primary items required; teleconference with Stikeman on CCAA preparation items.	3.2
Jul 30 Internal discussions and emails on CCAA preparation items; review the draft Common Interest Privilege Agreement (“CIPA”) and teleconference with Stikeman on same; review the draft Initial Recognition Order and Supplemental Order.	1.3
Jul 31 Review the preliminary draft CCAA application affidavit and revised draft First Day Declaration; internal discussions and teleconference with Stikeman on CCAA preparation items; review the preliminary draft Pre-Filing Report and internal discussion on same.	3.0
Aug 1 Internal discussions and emails/emails with Osler on CCAA preparation items; review the revised draft Supplemental Order; review the revised draft DIP Term Sheet.	2.6
Aug 2 Internal discussions and emails/discussions with Osler on CCAA preparation items; review the revised draft cash flow extract; teleconference with Stikeman on the status of filing materials, open items and other CCAA preparation items.	2.5
Aug 3 Review the revised draft CCAA application affidavit; emails with Stikeman on CCAA preparation items.	1.3
Aug 4 Emails and teleconference with Osler and Stikeman on CCAA preparation items.	1.0

Jack Cooper Transport Canada Inc.

DETAILED SUMMARY – July 25 to August 15, 2019

Aug 5	Review and revise the draft Pre-Filing Report; review the most-recent drafts of documents referenced in the Pre-Filing Report; revise and finalize the A&M Consent; emails with Stikeman on CCAA preparation items.	5.5
Aug 6	Review the revised draft Pre-Filing Report incorporating comments from Stikeman and internal discussions on same; review the revised draft CCAA application affidavit; review the revised draft preliminary liquidation analysis and internal discussions on same; discussions with Osler and Stikeman on CCAA preparation items.	3.8
Aug 7	Review the revised draft Pre-Filing Report to align with changes to the most-recent version of the draft CCAA application affidavit and discussion with Stikeman on same; discussions and emails with Stikeman on revisions to the draft Pre-Filing Report; teleconference with Osler and Stikeman on CCAA preparation items; review comments received from Osler on the draft Pre-Filing Report.	4.1
Aug 8	Teleconference with Stikeman/internal discussions and emails to finalize the draft Pre-Filing Report for providing to Justice Hailey; review and finalize the Pre-Filing Report for service and emails with Stikeman related to same.	2.5
Aug 9	Prepare for and attend at Court for the CCAA application hearing; internal discussions and emails on activating/posting Court documents to the case website	4.3
Aug 12	Internal emails to coordinate opening of the trust bank account to hold the load broker trust funds; review and finalize the CIPA; review the notice for publishing in The Globe and Mail newspaper; update discussion with Stikeman.	0.8
TOTAL – A. Hutchens		43.8 hrs.

J. Nevsky

Hrs.

Jul 26	Review of preliminary company information, draft First Day Motions and DIP term sheet provided by Osler; start-up call with Osler to discuss Canadian operations and plan for CCAA filing; review of Canadian cash flow extract and Canadian borrowing base provided by AlixPartners; review of material hosted on the virtual data room and discussions with Osler regarding same; attend call with AlixPartners regarding Canadian CCAA filing and related information requests; internal discussions regarding information requirements and filing preparation.	7.8
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Jack Cooper Transport Canada Inc.

DETAILED SUMMARY – July 25 to August 15, 2019

Jul 27	Further review of Canada related documents available in the virtual data room; review of draft First Day Declaration, draft First Day Motions and DIP credit agreement.	3.5
Jul 29	Discussions with Osler regarding status of filing, Canadian operations and other planning matters; call with Osler, AlixPartners and A. Foster of Jack Cooper to review Canadian operations; review of banking detail and Canadian trial balance provided by AlixPartners; review of revised First Day motions; begin drafting the Pre-Filing Report; call with Stikeman on CCAA preparation items.	8.6
Jul 30	Discussions with Osler regarding load brokers and potential trust requirements, Canadian professional fees and other planning matters; internal correspondence on the Pre-Filing Report and other CCAA planning matters; discussions with AlixPartners regarding Canadian cash flow and related items; review the draft Initial Recognition Order and Supplemental Order; drafting of the Pre-Filing Report.	6.2
Jul 31	Review historical load broker cost detail and correspondence with Osler and AlixPartners regarding same; review the draft CCAA Application Affidavit and revised First Day Declaration; call with Stikeman on CCAA planning; review and update the Pre-Filing Report and internal discussions regarding same.	5.2
Aug 1	Review of review Canadian cash flow extract, including revised estimate for recurring intercompany charges; discussions with AlixPartners regarding Canadian creditors, critical vendors and review of detail accounts payable ledger; review of draft Supplemental Order and draft DIP Term Sheet.	3.0
Aug 2	Correspondence with Osler and AlixPartners regarding Canadian load broker trust and review of detail on same; discussions with Osler and Stikeman on CCAA planning matters and the Pre-filing Report; discussions with AlixPartners regarding various Canadian liabilities and creditors and proposed treatment during Chapter 11 Proceedings; revise the Pre-Filing Report; prepare preliminary wind-down and liquidation analysis.	5.4
Aug 3	Internal correspondence on CCAA planning matters.	0.3
Aug 4	Review of draft Affidavit in support of the CCAA orders and internal discussions regarding same; call with AlixPartners regarding various CCAA planning matters; review of revised DIP term sheets and credit facilities; revise draft Pre-Filing Report.	6.8

Jack Cooper Transport Canada Inc.

DETAILED SUMMARY – July 25 to August 15, 2019

Aug 5	Review and update draft Pre-Filing Report and internal discussions regarding same; review of Canadian trial balance detail and discussions regarding draft balance sheet with Company and AlixPartners; review revised First Day Orders and First Day Declaration and internal discussions regarding same.	4.5
Aug 6	Review blacklines to revised Affidavit and Supplemental Order; discussions with Stikeman regarding the Pre-Filing Report; correspondence with AlixPartners regarding Canadian cash flow and related matters; update draft preliminary liquidation analysis and internal discussions on same; calls with Osler and Stikeman on CCAA planning matters.	6.7
Aug 7	Review most recent blacklines to Restructuring Support Agreement and DIP Agreements and update the Pre-Filing Report with changes; internal discussions and emails with Stikeman to finalize the Pre-Filing; calls with Osler and Stikeman on CCAA filing; update wind-down and liquidation analysis and internal discussions regarding same.	6.2
Aug 8	Discussions with Stikeman and Osler on CCAA materials; review and finalize the Pre-Filing Report.	3.5
Aug 9	Attend CCAA Application hearing; review of final Court materials and Case Website.	4.0
Aug 12	Review updated Case Website; correspondence with AlixPartners to fund the load brokers trust account.	0.6
TOTAL – J. Nevsky		72.3 hrs.

R. Gruneir

Hrs.

Aug 1	Emails with J. Nevsky regarding case website, hotline and email set-ups; coordinate with IT to set-up case email account; set-up hotline number; complete website information page and coordinate set-up of same.	3.4
Aug 7	Further coordinate initial set-up of case website; compile information newspaper notices.	1.6
Aug 8	Prepare draft newspaper notice for The Globe and Mail; further coordinate preparation of case website.	2.5

Jack Cooper Transport Canada Inc.

DETAILED SUMMARY – July 25 to August 15, 2019

Aug 9	Revise the draft Globe and Mail notice for comments Stikeman; coordinate uploading of Court documents to case website; emails with Globe and Mail to finalize notice proof.	3.9
Aug 14	Coordinate uploading of updated service list to the case website.	0.2
TOTAL – R. Gruneir		11.6 hrs.



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September 4, 2019

Jack Cooper Transport Canada, Inc.
c/o Jack Cooper Ventures, Inc.
630 Kennesaw Due West Road
Kennesaw, Georgia
30152 USA

JACK COOPER TRANSPORT CANADA INC.
RE: INVOICE #2 – 821692

For professional services rendered in connection with our role as Court-appointed Information Officer under the *Companies' Creditors Arrangement Act* pursuant to the Supplemental Order (Foreign Main Proceeding) granted by the Ontario Superior Court of Justice (Commercial List) on August 9, 2019, for the period August 16 to 31, 2019.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total - \$CAD</u>
A. Hutchens, Managing Director	2.9	\$875	\$2,537.50
J. Nevsky, Senior Director	5.5	\$695	3,822.50
R. Gruneir, Senior Associate	3.3	\$485	1,600.50
	<u>11.7</u>		<u>\$7,960.50</u>
Add: Out of pocket expense including publishing notice of the CCAA proceedings in The Globe & Mail newspaper			<u>19,629.12</u>
			<u>\$27,589.62</u>
Add: HST @ 13%			<u>3,586.65</u>
TOTAL INVOICE – in \$CAD			<u>\$31,176.27</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Jack Cooper - Inv. #2 (821692)
HST#: 83158 2127 RT0001

Jack Cooper Transport Canada Inc.
DETAILED SUMMARY – August 16 to 31, 2019

<u>A. Hutchens</u>		<u>Hrs.</u>
Aug 19	Review the draft motion materials for recognizing the three first day Orders that were granted but not entered by the US Court and not recognized at the initial CCAA application hearing and emails with Osler and Stikeman on same.	0.5
Aug 21	Internal emails/emails with Stikeman regarding tomorrow's Court hearing and other matters.	0.2
Aug 22	Internal discussions on the outcome of today's Court hearing and requirements/next steps for the upcoming August 30 Court hearing.	0.3
Aug 23	Teleconference with Stikeman on aspects of credit bid mechanics; internal discussions on preparation of the First Report of the Information Officer (the "First Report").	0.7
Aug 26	Emails and teleconferences with Stikeman on aspects of credit bid mechanics; internal discussions on contents for the First Report.	1.0
Aug 29	Internal discussion/emails on cash flow variance reporting, AP cut-off and critical vendor payments.	0.2
TOTAL – A. Hutchens		2.9 hrs.

<u>J. Nevsky</u>		<u>Hrs.</u>
Aug 20	Review of aspects of Motion Record served upon Canadian service list; review of Case Website; internal discussions regarding creditor inquiries.	0.5
Aug 21	Internal discussions regarding creditor inquiries and creditor notice packages.	0.4
Aug 22	Review of Recognition Order and case website; preliminary preparation of the draft First Report of the Information Officer.	2.5
Aug 23	Review Canadian cash flow variance analysis; prepare the draft First Report.	1.2
Aug 27	Discussions with Osler regarding the status of Canadian cash flow and intercompany account.	0.4

Jack Cooper Transport Canada Inc.
DETAILED SUMMARY – August 16 to 31, 2019

Aug 29	Discussions with Osler regarding Canadian balance sheet, asset detail and intercompany account.	0.5
TOTAL – J. Nevsky		5.5 hrs.

<u>R. Gruneir</u>		<u>Hrs.</u>
Aug 16	Review the notice published in The Globe and Mail newspaper and coordinate posting of same to the case website.	0.6
Aug 20	Coordinate posting of Court materials to the case website and ensure all items were properly uploaded; monitor external contact points for stakeholder inquiries.	1.2
Aug 21	Respond to and/or route creditor inquiries.	0.9
Aug 22	Coordinate posting to Court materials to the case website and ensure all items were properly uploaded.	0.6
TOTAL – R. Gruneir		3.3 hrs.



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September 16, 2019

Jack Cooper Transport Canada, Inc.
c/o Jack Cooper Ventures, Inc.
630 Kennesaw Due West Road
Kennesaw, Georgia
30152 USA

JACK COOPER TRANSPORT CANADA INC.
RE: INVOICE #3 – 821692

For professional services rendered in connection with our role as Court-appointed Information Officer under the *Companies' Creditors Arrangement Act* pursuant to the Supplemental Order (Foreign Main Proceeding) granted by the Ontario Superior Court of Justice (Commercial List) on August 9, 2019, for the period September 1 to 15, 2019.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total - \$CAD</u>
A. Hutchens, Managing Director	7.3	\$875	\$6,387.50
J. Nevsky, Senior Director	21.8	\$695	15,151.00
	<u>29.1</u>		<u>\$21,538.50</u>
Add: Out of pocket expenses			63.22
			<u>\$21,601.72</u>
Add: HST @ 13%			2,808.22
TOTAL INVOICE – in \$CAD			<u>\$24,409.94</u>

Mailing Instructions:

Alvarez & Marsal Canada Inc.
Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Wiring Instructions:

Bank: TD Canada Trust
Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Jack Cooper - Inv. #3 (821692)
HST#: 83158 2127 RT0001

Jack Cooper Transport Canada Inc.
DETAILED SUMMARY – September 1 to 15, 2019

<u>A. Hutchens</u>		<u>Hrs.</u>
Sep 5	Review the draft motion materials for recognizing the second day orders granted by the US Court and granting the intercompany charge in Canada; internal discussions regarding the First Report of the Information Officer (the "First Report"); teleconference with Stikeman Elliott ("Stikeman") on the draft motion materials and credit bid mechanics; review the draft First Report.	3.6
Sep 6	Discussion with Stikeman on open items; review the revised draft First Report; review the revised draft First Report incorporating comments from Stikeman/discussion with Stikeman on same; discussions with Stikeman on comments from Osler on the draft First Report; emails with Stikeman to revise and finalize the First Report for service.	3.5
Sep 9	Internal discussion on the outcome of today's Court hearing and requirements/next steps for the upcoming September 18 Court hearing.	0.2
TOTAL – A. Hutchens		7.3 hrs.

<u>J. Nevsky</u>		<u>Hrs.</u>
Sep 2	Discussions with Osler on open items.	0.3
Sep 4	Review of pre-filing AP detail and related discussions with AlixPartners.	1.0
Sep 5	Review of draft affidavit and order for the recognition of the second day orders and internal discussions regarding same; drafting of the First Report; review of actual cash flow results for the week ended August 30 and discussions with Stikeman and Osler on same; call with Stikeman on the draft motion materials and First Report.	6.2
Sep 6	Review of revised draft motion materials; review and update the First Report for comments from Osler; internal discussions and call with Stikeman on the First Report.	3.8
Sep 7	Review Case Website and update with filed motion materials.	0.5
Sep 9	Prepare for and attend at Court for the hearing for recognition of the second day orders; review Case Website and update with Court Order and updated service list.	3.5
Sep 10	Correspondence with Osler on open items/next steps.	0.2

Jack Cooper Transport Canada Inc.
DETAILED SUMMARY – September 1 to 15, 2019

Sep 13	Review of actual cash flow results for the week ended September 6; review of Final DIP Order granted by the US Court.	1.8
Sep 15	Review of draft affidavit and recognition order for the final DIP and bar date orders, etc; drafting of the Second Report of the Information Officer.	4.5
TOTAL – J. Nevsky		21.8 hrs.



Alvarez & Marsal Canada Inc.
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Fax: +1 416 847 5201

October 2, 2019

Jack Cooper Transport Canada, Inc.
c/o Jack Cooper Ventures, Inc.
630 Kennesaw Due West Road
Kennesaw, Georgia
30152 USA

JACK COOPER TRANSPORT CANADA INC.
RE: INVOICE #4 – 821692

For professional services rendered in connection with our role as Court-appointed Information Officer under the *Companies' Creditors Arrangement Act* pursuant to the Supplemental Order (Foreign Main Proceeding) granted by the Ontario Superior Court of Justice (Commercial List) on August 9, 2019, for the period September 16 to 30, 2019.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total - \$CAD</u>
A. Hutchens, Managing Director	5.8	\$875	\$5,075.00
J. Nevsky, Senior Director	14.2	\$695	9,869.00
R. Gruneir, Senior Associate	6.6	\$485	3,201.00
	<u>26.6</u>		<u>\$18,145.00</u>
Add: HST @ 13%			<u>2,358.85</u>
TOTAL INVOICE – in \$CAD			<u>\$20,503.85</u>

Mailing Instructions:

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Attn: Audrey Singels-Ludvik
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
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Wiring Instructions:

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Account Name: Alvarez & Marsal Canada ULC
Swiftcode: TDOMCATTTOR
Bank Address: 55 King Street West
Toronto, ON
Bank Transit #: 10202
Institution #: 0004
Account #: 5519970
Reference #: Jack Cooper - Inv. #4 (821692)
HST#: 83158 2127 RT0001

Jack Cooper Transport Canada Inc.
DETAILED SUMMARY – September 16 to 30, 2019

<u>A. Hutchens</u>	<u>Hrs.</u>
Sept 16 Review the draft motion materials for recognizing certain second day orders, including the final DIP order, and bar date order granted by the US Court; review and revise the draft Second Report of the Information Officer (the “Second Report”); review comments received from Stikeman Elliott (“Stikeman”) on the draft Second Report.	2.7
Sept 17 Teleconference with Stikeman on the draft Second Report; review the revised draft Second Report incorporating comments from Osler; review and finalize the Second Report for service.	1.8
Sept 18 Internal discussion on the outcome of today’s Court hearing and other open items; review the draft bar date recognition order.	0.5
Sept 19 Internal discussion and emails/emails with Stikeman on information requests from Solus.	0.3
Sept 26 Review updated balance sheet and related information relevant to an asset purchase agreement for JCTC and internal discussion on same.	0.5
TOTAL – A. Hutchens	5.8 hrs.

<u>J. Nevsky</u>	<u>Hrs.</u>
Sept 16 Discussions with Osler on open case matters; review case website and update with recent Court filings; review and update the draft Second Report.	1.0
Sept 17 Discussions with Stikeman Elliot regarding the draft Second Report and revise same.	2.0
Sep 18 Prepare for and attend Court hearing; review of draft Bar Date Order.	2.8
Sept 19 Review JCTC’s July balance sheet and supporting schedules; prepare workbook and prepare email to Osler and Bennet Jones regarding the August balance sheet; prepare for and teleference with Bennet Jones regarding JCTC’s balance sheet.	1.5
Sept 20 Review of cash flow reporting for the week ended September 13; correspond with creditor regarding Canadian proceedings; review of draft notice to be published in The Globe and Mail newspaper for the claims process.	0.5
Sept 23 Review of JCTC financial workbook and prepare follow-up questions for Alix; finalize newspaper notice for the claims process.	2.2

Jack Cooper Transport Canada Inc.

DETAILED SUMMARY – September 16 to 30, 2019

Sept 25	Emails with Osler on open items.	0.5
Sept 26	Prepare for and attend call with Alix Partners and the company to review August balance sheet and supporting schedules; review additional information related to August balance sheet; prepare summary schedules and email to Bennet Jones regarding August balance sheet.	2.2
Sep 27	Review of cash flow reporting for the week ended September 20; review case website and consideration of open items/next steps.	1.5
TOTAL – J. Nevsky		14.2 hrs.

R. Gruneir

Hrs.

Sept 20	Prepare and revise the draft notice to be published in The Globe and Mail for the claims process.	2.0
Sept 23	Revise the draft newspaper notice for comments received from Osler and Stikeman and emails with The Globe and Mail to obtain quote and proof of the notice.	1.3
Sept 24	Review proof of notice provided by The Globe and Mail and emails to coordinate further changes; review final draft and provide go-ahead for publishing.	0.8
Sept 26	Call with J. Nevsky, AlixPartners and Jack Cooper to review trial balance and balance sheet; coordinate updates and posting of materials to the case website.	2.5
TOTAL – R. Gruneir		6.6 hrs.



Alvarez & Marsal Canada Inc.
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October 16, 2019

Jack Cooper Transport Canada, Inc.
c/o Jack Cooper Ventures, Inc.
630 Kennesaw Due West Road
Kennesaw, Georgia
30152 USA

JACK COOPER TRANSPORT CANADA INC.
RE: INVOICE #5 – 821692

For professional services rendered in connection with our role as Court-appointed Information Officer under the *Companies' Creditors Arrangement Act* pursuant to the Supplemental Order (Foreign Main Proceeding) granted by the Ontario Superior Court of Justice (Commercial List) on August 9, 2019, for the period October 1 to 15, 2019.

BILLING SUMMARY

	<u>Hours</u>	<u>Rate</u>	<u>Total - \$CAD</u>
A. Hutchens, Managing Director	11.2	\$875	\$9,800.00
J. Nevsky, Senior Director	39.9	\$695	27,730.50
R. Gruneir, Senior Associate	20.2	\$485	9,797.00
	<u>71.3</u>		<u>\$47,327.50</u>
Add: Out of pocket expense – publication of Claims Procedure Notice in The Globe and Mail newspaper			15,971.20
			<u>\$63,298.70</u>
Add: HST @ 13%			8,228.83
TOTAL INVOICE – in \$CAD			<u>\$71,527.53</u>

Mailing Instructions:

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Account #: 5519970
Reference #: Jack Cooper - Inv. #5 (821692)
HST#: 83158 2127 RT0001

Jack Cooper Transport Canada Inc.
DETAILED SUMMARY – October 1 to 15, 2019

<u>A. Hutchens</u>	<u>Hrs.</u>
Oct 4 Internal discussions regarding updates to the draft liquidation analysis.	0.3
Oct 7 Teleconference with Osler and Stikeman on transaction structure and internal discussion on same.	1.0
Oct 8 Review the draft affidavit in support of the Sale Recognition and Vesting Order; internal discussion on the status of ongoing work and next Court report.	1.3
Oct 10 Review the updated draft liquidation analysis and internal discussion on same/next steps.	0.8
Oct 11 Teleconference with Osler, Bennett Jones and Stikeman on transaction structure and related matters; internal discussion on next steps; review and revise the draft liquidation analysis; discussion with Stikeman on transaction structure and company's proposed approach; teleconference with Stikeman on transaction structure.	3.6
Oct 15 Review the revised draft affidavit in support of the Sale Recognition and Vesting Order, and the draft Order (the "Sale Materials"); review and revise the draft IO Fee Affidavit; teleconference with Stikeman on the draft Sale Materials and related matters; review and comment on the draft Third Report of the Information Officer.	4.2
TOTAL – A. Hutchens	11.2 hrs.

<u>J. Nevsky</u>	<u>Hrs.</u>
Oct 4 Review of JC Canada Group balance sheet and update illustrative liquidation analysis; discussions with Osler regarding structure of Canadian transaction; discussions with Stikeman regarding JC Canada Group balance sheet and structure of transaction; discussions with AlixPartners and management regarding JC Canada Group balance sheet, illustrative liquidation analysis and status of the intercompany account.	4.5
Oct 7 Discussions with Osler and Stikeman on transaction structure and internal discussion on same; follow-up discussions with AlixPartners and management regarding intercompany account; internal discussions regarding illustrative liquidation analysis.	2.2

Jack Cooper Transport Canada Inc.
DETAILED SUMMARY – October 1 to 15, 2019

Oct 8	Review and update Case Website with new documents; internal discussions regarding illustrative liquidation analysis; discussions with AlixPartners regarding equipment appraisal report and update liquidation analysis for same.	5.5
Oct 10	Review of draft Fourth May Affidavit in support of the sale motion; discussions with Stikeman regarding Canada transaction structure; review and update illustrative liquidation analysis; discussions with Osler regarding Canadian balance sheet and liquidation analysis; internal discussions regarding Canada transaction matters; prepare the draft Third Report of the Information Officer ("Third Report"); call with Stikeman and Osler regarding Canada transaction structure.	7.0
Oct 11	Teleconference with Osler, Stikeman and Bennet Jones regarding Canada transaction structure and illustrative liquidation analysis; follow-up discussions with AlixPartners and management regarding equipment appraisal and illustrative liquidation analysis; review and update illustrative liquidation analysis and circulate to Canadian professionals; follow-up discussions with Stikeman and Osler regarding Canada transaction structure and draft Fourth May Affidavit.	8.2
Oct 12	Discussions with Osler regarding Canadian balance sheet and intercompany account; prepare the draft Third Report.	2.2
Oct 14	Review of draft Sale Order and Asset Purchase Agreement filed in the Chapter 11 Proceedings; further prepare the draft Third Report.	2.5
Oct 15	Review and comment on the draft Fourth May Affidavit and draft Sales Order. and discussions with Stikeman on same; discussions with Stikeman regarding Canada transaction structure; update and revise the draft Third Report.	7.8
TOTAL – J. Nevsky		39.9 hrs.

R. Gruneir

Hrs.

Oct 3	Correspondence with The Globe & Mail regarding claims procedure notices posted; review case email and voicemail and respond to inquiries.	0.5
Oct 4	Call with CRA to discuss notice and internal discussion regarding same; email to AlixPartners to advise of CRA notice and requirement for tax audit.	1.6

Jack Cooper Transport Canada Inc.

DETAILED SUMMARY – October 1 to 15, 2019

Oct 7	Email to AlixPartners regarding HST/GST audit; review appraisal schedule and isolate items to be included in equipment listing for purposes of liquidation analysis.	3.2
Oct 8	Review emails provided by J. Nevsky and respond accordingly; call with Bell Alliant and send follow-up email; call Bell Canada to advise of proceedings.	1.4
Oct 9	Prepare updated liquidation analysis for August balance sheet and equipment appraisal; prepare supporting schedules to liquidation analysis.	3.1
Oct 10	Finalize liquidation analysis; emails with Osler regarding dates for publishing of claims procedure notice; meet with J. Nevsky to discuss liquidation analysis and further revise same.	6.8
Oct 11	Teleconference with Osler and Bennett Jones to discuss transaction structure and related matters; revise liquidation analysis for comments from A. Hutchens; prepare reconciliation to bridge liquidation analysis to balance sheet.	1.5
Oct 15	Prepare draft IO Fee Affidavit and accompanying exhibits; update draft Fee Affidavit based on A. Hutchens comments.	2.1
TOTAL – R. Gruneir		20.2 hrs.

This is Exhibit "2" referred to in the
affidavit of Alan J. Hutchens
sworn before me, this 16th
day of October, 2019.

A handwritten signature in blue ink, appearing to be "J. N.", is written above a horizontal line.

A Commissioner for Taking Affidavits

EXHIBIT "2"
ALVAREZ & MARSAL CANADA INC., COURT-APPOINTED INFORMATION OFFICER
JACK COOPER TRANSPORT CANADA
(July 25, 2019 to October 15, 2019)

Staff Member	Title	Total Hours	Rate (\$CAD)	Amount Invoiced (\$CAD)
Alan Hutchens	Managing Director	71.0	875.00	62,125.00
Josh Nevsky	Senior Director	153.7	695.00	106,821.50
Ryan Gruneir	Senior Associate	41.7	485.00	20,224.50
Total Fees (excl. Disbursements and HST)		266.4	Avg Rate \$710.10	\$189,171.00

AND IN THE MATTER OF 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, AND 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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AFFIDAVIT OF ALAN J. HUTCHENS
(SWORN OCTOBER 16, 2019)

STIKEMAN ELLIOTT LLP

Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor LSO# 39932E
Tel: 416.869-5236
Email: ataylor@stikeman.com

Lee Nicholson LSO# 664121
Tel: 416.869.5604
Email: leenicholson@stikeman.com
Fax: 416.947.0866

Lawyers for the Information Officer

APPENDIX E
TAYLOR AFFIDAVIT

[Attached]

**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, AND 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**

**AFFIDAVIT OF ASHLEY TAYLOR
(SWORN OCTOBER 16, 2019)**

I, Ashley Taylor, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY:**

1. I am a Partner of the law firm of Stikeman Elliott LLP ("**Stikeman**"), solicitors for Alvarez & Marsal Canada Inc. in its capacity as the Information Officer in these proceedings. As such I have knowledge of the matters to which I hereinafter depose.
2. This Affidavit is sworn in support of a motion brought by Jack Cooper Ventures, Inc. for, *inter alia*, approval of the fees and disbursements of the Information Officer and Stikeman.
3. During the period from July 25, 2019 to October 15, 2019, Stikeman docketed 193.86 hours, amounting to legal fees invoiced in the amount of \$145,041.95 and disbursements and other charges in the amount of \$1,359.72 plus harmonized sales tax

(“**HST**”) of \$18,988.00 and British Columbia provincial sales tax (“**BCPST**”) of \$751.25.

4. Attached and marked collectively as **Exhibit “A”** to this affidavit are copies of the accounts rendered by Stikeman to the Information Officer for the period from July 25, 2019 to October 15, 2019, redacted for confidential or privileged information.
5. Attached hereto as **Exhibit “B”** is a schedule summarizing each invoice included in Exhibit “A”, including the fees, expenses, HST and BCPST charged in each invoice.
6. Attached hereto as **Exhibit “C”** is a schedule summarizing the hours billed, billing rates and total amounts billed by each member of Stikeman who rendered services to the Information Officer.
7. The hourly billing rate applied in the invoices of Stikeman were no more than Stikeman’s normal hourly rates which were in effect from July 25, 2019 to October 15, 2019, and are comparable to the hourly rates charged by Stikeman for services rendered in relation to similar proceedings.
8. To the best of my knowledge, the rates charged by Stikeman are comparable to the rates charged by other firms in the Toronto market for the provision of similar restructuring services.
9. This Affidavit is sworn in support of a motion for, *inter alia*, the approval of the fees and disbursements of Stikeman and for no improper purposes.

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario,)
on October 16, 2019)
)



Commissioner for Taking Affidavits

Lee Nicholson



Ashley Taylor

EXHIBIT "A"

referred to in the Affidavit of

ASHLEY TAYLOR

Sworn October 16, 2019

A handwritten signature in black ink, appearing to be '2 n.' with a horizontal line extending from the end.

Commissioner for Taking Affidavits

EXHIBIT "A"

**Copies of Accounts of Stikeman Elliott LLP for Services Rendered
from July 25, 2019 to October 15, 2019**

Stikeman Elliott

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, ON Canada M5L 1B9

Main: 416 869 5500
Fax: 416 947 0866
www.stikeman.com

GST / HST No. 1214111360001
QST No. 1018978624

Account

August 26, 2019

File No. 1194991006
Invoice No. 5750860

Alvarez & Marsal
220 Bay Street, Suite 2900
Royal Bank Plaza, South Tower
Toronto, ON M5J 2J1

Attention: Alan Hutchens

For Professional Services Rendered in connection with Jack Cooper Logistics for the period up to August 26, 2019.

Time Summary

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
Jul 25, 2019	A.J. Taylor	1.50	Telephone conversation with L. Nicholson; telephone conversation with M. Wasserman; all emails re review; all emails re filing;	1,537.50
Jul 26, 2019	D.J. MacKenzie	1.25	Correspondence with A. Taylor; correspondence with T. Watson; consider security review issues.	1,375.00
Jul 26, 2019	L. Nicholson	1.75	Review background material; call with A. Lockhart regarding DIP background; Email to D. MacKenzie regarding security review.	997.50
Jul 26, 2019	T. Watson	3.33	Security review.	1,881.45
Jul 29, 2019	D.J. MacKenzie	1.50	Review security and guarantees; security review issues.	1,650.00
Jul 29, 2019	D.C. Mitchell	2.50	Review ABL, Canadian guaranty and security; discuss background with L. Nicholson.	2,500.00
Jul 29, 2019	L. Nicholson	1.75	Continue to review background materials; Review certain U.S. motions; Email to Osler requesting constating documents for security opinion.	997.50

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
Jul 29, 2019	A.J. Taylor	0.50	Emails with L. Nicholson re Security Review; all emails re filing;	512.50
Jul 29, 2019	T. Watson	6.78	Security review.	3,830.70
Jul 30, 2019	B.J. Lorusso	0.42	Re: Jack Cooper Transport Canada Inc., et al, obtained corporate profile reports for T. Watson.	149.10
Jul 30, 2019	D.J. MacKenzie	6.00	Review security issues with L. Nicholson and T. Watson; consider perfection issues; consider PPSA conflict of laws issue; correspondence with SE Quebec; prepare security review opinion.	6,600.00
Jul 30, 2019	D.C. Mitchell	0.67	Discuss status of matters with DM; review CCAA part iv provisions re: application to DIP.	670.00
Jul 30, 2019	L. Nicholson	5.42	[REDACTED] [REDACTED] Call with D. Mackenzie and T. Watson regarding security opinion; Review requirements for filing for Part IV proceedings; email to D. MacKenzie regarding insolvency requirement for filing for Part IV; Call with A. Lockhart regarding DIP and security opinion; Call with D. MacKenzie regarding need for security opinion and email to A&M regarding the same; Review A. Mathews chat log and prepare summary of the same; Call with A. Taylor regarding file status; Review Canadian liability analysis; Call with A&M regarding file status; email to Osler regarding documents for security opinion; Call with C. Mitchell regarding review of DIP agreement.	3,089.40
Jul 30, 2019	H.J. Rosenoff	0.17	Exchanges with Daphne MacKenzie.	174.25
Jul 30, 2019	A.J. Taylor	1.67	Telephone calls with L. Nicholson; conference call with A. Hutchens, J. Nevsky and L. Nicholson; emails re security review;	1,711.75
Jul 30, 2019	A. Tsang	4.70	Created PPSA search result chart.	1,480.50
Jul 30, 2019	T. Watson	3.92	Security review.	2,214.80
Jul 31, 2019	B.J. Lorusso	1.33	Re: Jack Cooper Transport Canada Inc. et al, conducted Bank Act and PPSA searches and prepared summary report for D. Mackenzie.	472.15
Jul 31, 2019	D.J. MacKenzie	1.00	Security review issues; telephone call with L. Nicholson; review Quebec and Alberta PPSA and RPMRR searches.	1,100.00
Jul 31, 2019	L. Nicholson	2.00	Call with A. Lockhart regarding DIP status; Email to A&M regarding discussions with Osler; Email to A. Taylor [REDACTED]	1,140.00

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
			[REDACTED] Review revised DIP agreement.	
Jul 31, 2019	L. Raffo	0.58	Conduct corporate searches against Jack Cooper Transport Canada Inc. et al (re: French versions of names); conduct Bank act searches against such entities; receipt, review and transfer searches to T.Watson.	203.00
Jul 31, 2019	A.J. Taylor	0.75	Emails [REDACTED] and security review; Restructuring Support Agreement;	768.75
Jul 31, 2019	A. Tsang	0.08	Created PPSA search result chart.	25.20
Jul 31, 2019	T. Watson	1.12	Security review.	632.80
Aug 1, 2019	D.C. Mitchell	3.33	Review ABL Debtor-In-Possession.	3,330.00
Aug 1, 2019	L. Raffo	1.25	Review QC lien searches and prepare summary report; transfer report to T.Watson; internal discussion with T.Watson concerning specific security in report.	437.50
Aug 1, 2019	T. Watson	1.18	Security review.	666.70
Aug 2, 2019	L. Nicholson	4.17	Review draft supplemental order and initial recognition order; call with A. Taylor and A&M regarding file status; call with A. Lockhart regarding priming DIP security; [REDACTED]	2,376.90
Aug 2, 2019	A.J. Taylor	3.50	All telephone calls re filing; [REDACTED]; review recognition orders; conference call with A&M; emails with L. Nicholson;	3,587.50
Aug 4, 2019	L. Nicholson	2.00	Call with Osler regarding DIP financing; call with D. Rosenblat [REDACTED] DIP financing; review DIP Order from Hollander proceedings; email to A. Hutchens and J. Nevsky regarding DIP financing;	1,140.00
Aug 5, 2019	L. Nicholson	11.67	Prepare consent to act as information officer; draft language for interim DIP order; email to Osler regarding proposed new language regarding marshalling and call with D. Rosenblat regarding the same; email to C. Mitchell regarding proposed marshalling language; review and revise draft pre-filing report; email to D. Rosenblat regarding roll up;	6,651.90
Aug 5, 2019	A.J. Taylor	3.75	All emails re DIP Agreement and Marshalling; review draft affidavit; review	3,843.75

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<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
Aug 6, 2019	L. Nicholson	9.17	and comment on draft report; Call with J. Nevsky and D. Rosenblat regarding report; review liquidation analysis; email draft report and liquidation analysis to Osler; email to C. Mitchell regarding draft report; revise supplemental order and email comments to D. Rosenblat; call with A. Hutchens and J. Nevsky regarding steps until filing; revise draft pre-filing report;	5,226.90
Aug 6, 2019	A.J. Taylor	1.50	All emails re draft report; review and comment on report;	1,537.50
Aug 7, 2019	D.C. Mitchell	1.25	Review Information Officer Report; emails with L Nicholson and A Taylor re: same.	1,250.00
Aug 7, 2019	L. Nicholson	7.33	Finalize comments on draft report; call with A. Hutchens and J. Nevsky regarding draft report; call with A. Hutchens and J. Nevsky regarding draft report; incorporate various comments on draft pre-filing report; call with Osler regarding draft pre-filing report; review draft affidavit and factum for initial recognition hearing; review purchase agreement and labour term sheet;	4,178.10
Aug 7, 2019	A.J. Taylor	1.50	All emails re draft report, sales process and Part IV application;	1,537.50
Aug 8, 2019	L. Nicholson	10.50	Revise pre-filing report based on Osler comments; review cash flow forecasts and DIP budget; email to D. Rosenblat regarding case website; email to Justice Hainey regarding pre-filing report; attend US initial hearing via Court Call; email update on US initial hearing to A. Hutchens and J. Nevsky; call with D. Rosenblat regarding US Orders; emails [REDACTED] [REDACTED] review and comment on newspaper creditor notice; prepare for initial recognition hearing;	5,985.00
Aug 8, 2019	A.J. Taylor	1.00	Finalize draft report; [REDACTED] [REDACTED] all emails;	1,025.00
Aug 9, 2019	L. Nicholson	5.00	Prepare for initial recognition hearing; attend initial recognition hearing; serve pre-filing report; email update to A. Taylor;	2,850.00
Aug 12, 2019	L. Nicholson	0.42	Arrange for filing of pre-filing report; [REDACTED] [REDACTED]	239.40
Aug 12, 2019	A.J. Taylor	3.25	Conversation with L. Nicholson; telephone conversation with A. Hutchins;	3,331.25

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
Aug 19, 2019	L. Nicholson	3.50	catch up on all emails; Review bidding procedures motion; discussion with A. Taylor regarding bidding procedures motion; e-mail to A. Taylor regarding credit bidding issues; review order for recognition of first day orders; e-mail to E. Palawski regarding comments on recognition order; e-mail to J. Nevsky regarding materials.	1,995.00
Aug 19, 2019	A.J. Taylor	4.25	Conversation with L. Nicholson; review orders; review Bidding procedures; review APA; conversation with L. Nicholson;	4,356.25
Aug 20, 2019	A.J. Taylor	2.75	Review motion materials re further recognition orders; Credit Bidding; telephone conversation with D. Rosenblat;	2,818.75
Aug 21, 2019	L. Nicholson	0.17	Prepare for hearing to recognize orders;	96.90
Aug 21, 2019	A.J. Taylor	3.50	All emails re DIP Motion; Review draft DIP order;	3,587.50
Aug 22, 2019	L. Nicholson	2.00	Attend motion to recognize first day orders; emails regarding DIP order; discussion with A. Taylor regarding Solus credit bid;	1,140.00
Aug 23, 2019	L. Nicholson	1.50	Call with A. Hutchens and J. Nevsky regarding credit bid issues; call with A. Taylor regarding update on call with Osler;	855.00
Aug 23, 2019	A.J. Taylor	2.17	Conference call with A&M; telephone conversation with L. Nicholson; telephone conversation with M. Wasserman;	2,224.25
Aug 25, 2019	L. Nicholson	2.00	Draft letter addressing Credit Bid Allocation Issues;	1,140.00

Fee Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate/Hr</u>	<u>Amount</u>
B.J. Lorusso	1.75	\$355.00	\$621.25
D.J. MacKenzie	9.75	1,100.00	10,725.00
D.C. Mitchell	7.75	1,000.00	7,750.00
L. Nicholson	70.35	570.00	40,099.50
H.J. Rosenoff	0.17	1,025.00	174.25
A.J. Taylor	31.59	1,025.00	32,379.75
A. Tsang**	4.78	315.00	1,505.70
T. Watson**	16.33	565.00	9,226.45
Paralegal Services	1.83	\$350.00	\$640.50

Stikeman Elliott

Professional Services	CAD \$103,122.40
BCPST @ 7.0%	751.25
HST @ 13.0%	13,405.91
Total Professional Services and Taxes	CAD \$117,279.56

Charges Summary

<u>Description</u>	<u>Taxable</u>	<u>Non - Taxable</u>	<u>Total</u>
Photocopies	105.75		105.75
Total Charges	105.75	0.00	105.75
HST @ 13.0%			13.75
Total Charges and Taxes			CAD \$119.50

Disbursements Summary

<u>Description</u>	<u>Taxable</u>	<u>Non - Taxable</u>	<u>Total</u>
Agents' Fees N/T		112.67	112.67
Corporate Search N/T		127.90	127.90
PPSA Search N/T		80.00	80.00
PPSA Search	313.75		313.75
Registry Office Searches		19.00	19.00
Corporate Search	149.17		149.17
Total Disbursements	462.92	339.57	802.49
HST @ 13.0%			60.18
Total Disbursements and Taxes			CAD \$862.67

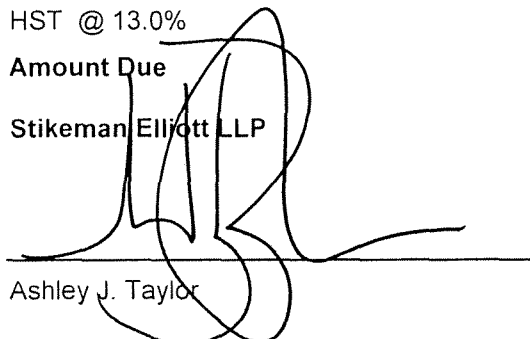
Stikeman Elliott

Account Summary

Invoice No. 5750860
File No. 1194991006
Re: Jack Cooper Logistics

	<u>Taxable</u>	<u>Non-Taxable</u>	<u>Total</u>
Professional Services	103,122.40	0.00	\$103,122.40
BCPST @ 7.0%			751.25
HST @ 13.0%			13,405.91
Charges	105.75	0.00	105.75
HST @ 13.0%			13.75
Disbursements	462.92	339.57	802.49
HST @ 13.0%			60.18
Amount Due			<u>CAD \$118,261.73</u>

Stikeman Elliott LLP



Ashley J. Taylor

Accounts are due when rendered. Please note that a prevailing quarterly pre-judgement interest rate will be charged for amounts unpaid 30 days or more.

Disbursements and charges may not have been posted at the date of this account.
Please quote our File number and/or Invoice number 119499.1006/5750860 when making payment.

Stikeman Elliott

Payment can be wired as follows:

Please include client number on transfer documents.

Stikeman Elliott

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, ON Canada M5L 1B9

Main: 416 869 5500
Fax: 416 947 0866
www.stikeman.com

GST / HST No. 1214111360001
QST No. 1018978624

Account

October 8, 2019

File No. 1194991006
Invoice No. 5761235

Alvarez & Marsal
220 Bay Street, Suite 2900
Royal Bank Plaza, South Tower
Toronto, ON M5J 2J1

Attention: Alan Hutchens

For Professional Services Rendered in connection with Jack Cooper Logistics for the period up to September 30, 2019.

Time Summary

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
Aug 26, 2019	L. Nicholson	1.00	Discussion with A. Taylor regarding discussions with Osler; call with A. Hutchens regarding credit bidding; call with M. Wasserman and K. Zych regarding credit bidding issues.	570.00
Aug 26, 2019	A.J. Taylor	4.33	Telephone conversation with M. Wasserman; telephone conversation with A. Hutchins; conversation with L. Nicholson; conference call with A&M; conference call with Osler and Bennett Jones;	4,438.25
Aug 27, 2019	A.J. Taylor	0.33	Review cash flow variance;	338.25
Aug 29, 2019	L. Nicholson	0.20	Review cash flow variance.	114.00
Aug 29, 2019	A.J. Taylor	0.17	Telephone conversation with K. Zych re Marshalling;	174.25
Sep 4, 2019	L. Nicholson	1.00	E-mail with Osler regarding outstanding materials; review final orders issued by US court.	570.00
Sep 5, 2019	L. Nicholson	2.67	Review recognition materials; call with D. Rosenblat regarding order for recognition of bidding procedures; e-mails and	1,521.90

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
			discussion with A. Taylor regarding credit bidding of DIP term loan; call with A. Hutchens regarding first report and credit bidding issue.	
Sep 5, 2019	A.J. Taylor	1.67	Conversation with L. Nicholson; review draft order; review draft affidavit; telephone conversation with A. Hutchins and J. Nevsky and L. Nicholson; conversation with L. Nicholson; telephone conversation with D. Rosenblatt;	1,711.75
Sep 6, 2019	L. Nicholson	7.42	Draft credit bidding section for first report; call with J. Nevsky regarding intercompany payments; revise and comment on first report; call with D. Rosenblatt regarding first report; call with M. Wasserman regarding first report; call with A. Hutchens and discussion with A. Taylor regarding first report; prepare and finalize first report for service and serve first report.	4,229.40
Sep 6, 2019	A.J. Taylor	4.33	Conversation with L. Nicholson; review and comment on draft report; conference call with L. Nicholson;	4,438.25
Sep 8, 2019	L. Nicholson	0.50	Prepare for recognition motion.	285.00
Sep 9, 2019	L. Nicholson	3.50	Prepare for recognition hearing; attend recognition hearing; review UCC objection to DIP motion.	1,995.00
Sep 9, 2019	A.J. Taylor	0.50	Conversation with L. Nicholson re Recognition Hearing; telephone conversation with A. Hutchins;	512.50
Sep 12, 2019	L. Nicholson	0.58	Review revised DIP order; review UCC complaint and send comments to A. Taylor; discussion with A. Taylor regarding UCC objection.	330.60
Sep 12, 2019	A.J. Taylor	1.92	All emails re Recognition Orders; review U.S. Filings re DIP;	1,968.00
Sep 15, 2019	L. Nicholson	0.25	Review DIP recognition materials.	142.50
Sep 16, 2019	L. Nicholson	0.33	Review DIP recognition materials; e-mail to E. Paplawski regarding comments on materials.	188.10
Sep 16, 2019	A.J. Taylor	0.83	Review and comment on draft report; emails;	850.75
Sep 17, 2019	L. Nicholson	0.50	Review second report; call with J. Nevsky and A. Hutchens regarding second report; serve second report.	285.00
Sep 17, 2019	A.J. Taylor	1.83	Telephone conversation with A. Hutchins and J. Nevsky re Report; conversation with L. Nicholson; telephone conversation with M. Wasserman re Sales Process; telephone conversation with K. Zych re	1,875.75

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
			Sales Process; Review amounts on Report; conversation with L. Nicholson; finalize report;	
Sep 18, 2019	A.J. Taylor	2.42	Preparation for and attendance at recognition hearing;	2,480.50
Sep 19, 2019	A.J. Taylor	0.92	Telephone conversation with J. Nevsky re liquidation analysis; call with M. Shakra; conference call with Bennett Jones and Alvarez & Marsal re liquidation value;	943.00
Sep 20, 2019	A.J. Taylor	0.58	Conversation with L. Nicholson re Sales Process; emails re Bid Procedure Order; review draft order;	594.50
Sep 22, 2019	L. Nicholson	0.17	Review newspaper notice.	96.90
Sep 23, 2019	A.J. Taylor	0.17	Emails re Liquidation Analysis;	174.25
Sep 24, 2019	A.J. Taylor	0.17	Emails re Notice	174.25

Fee Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate/Hr</u>	<u>Amount</u>
L. Nicholson	18.12	\$570.00	\$10,328.40
A.J. Taylor	20.17	1,025.00	20,674.25

Professional Services CAD \$31,002.65
HST @ 13.0% 4,030.34

Total Professional Services and Taxes CAD \$35,032.99

Charges Summary

<u>Description</u>	<u>Taxable</u>	<u>Non - Taxable</u>	<u>Total</u>
Photocopies	120.25		120.25
Total Charges	120.25	0.00	120.25
HST @ 13.0%			15.63

Total Charges and Taxes CAD \$135.88

Disbursements Summary

<u>Description</u>	<u>Taxable</u>	<u>Non - Taxable</u>	<u>Total</u>
Agents' Fees	100.00		100.00
Registry Office Search	10.00		10.00
Book Binding/Binders	2.48		2.48
Name Search	144.00		144.00

Stikeman Elliott

<u>Description</u>	<u>Taxable</u>	<u>Non - Taxable</u>	<u>Total</u>
Total Disbursements	256.48	0.00	256.48
HST @ 13.0%			33.34
Total Disbursements and Taxes			CAD \$289.82

Stikeman Elliott

Account Summary

Invoice No. 5761235
File No. 1194991006
Re: Jack Cooper Logistics

	<u>Taxable</u>	<u>Non-Taxable</u>	<u>Total</u>
Professional Services	31,002.65	0.00	\$31,002.65
HST @ 13.0%			4,030.34
Charges	120.25	0.00	120.25
HST @ 13.0%			15.63
Disbursements	256.48	0.00	256.48
HST @ 13.0%			33.34
Amount Due			<u>CAD \$35,458.69</u>

Stikeman Elliott LLP

Ashley J. Taylor

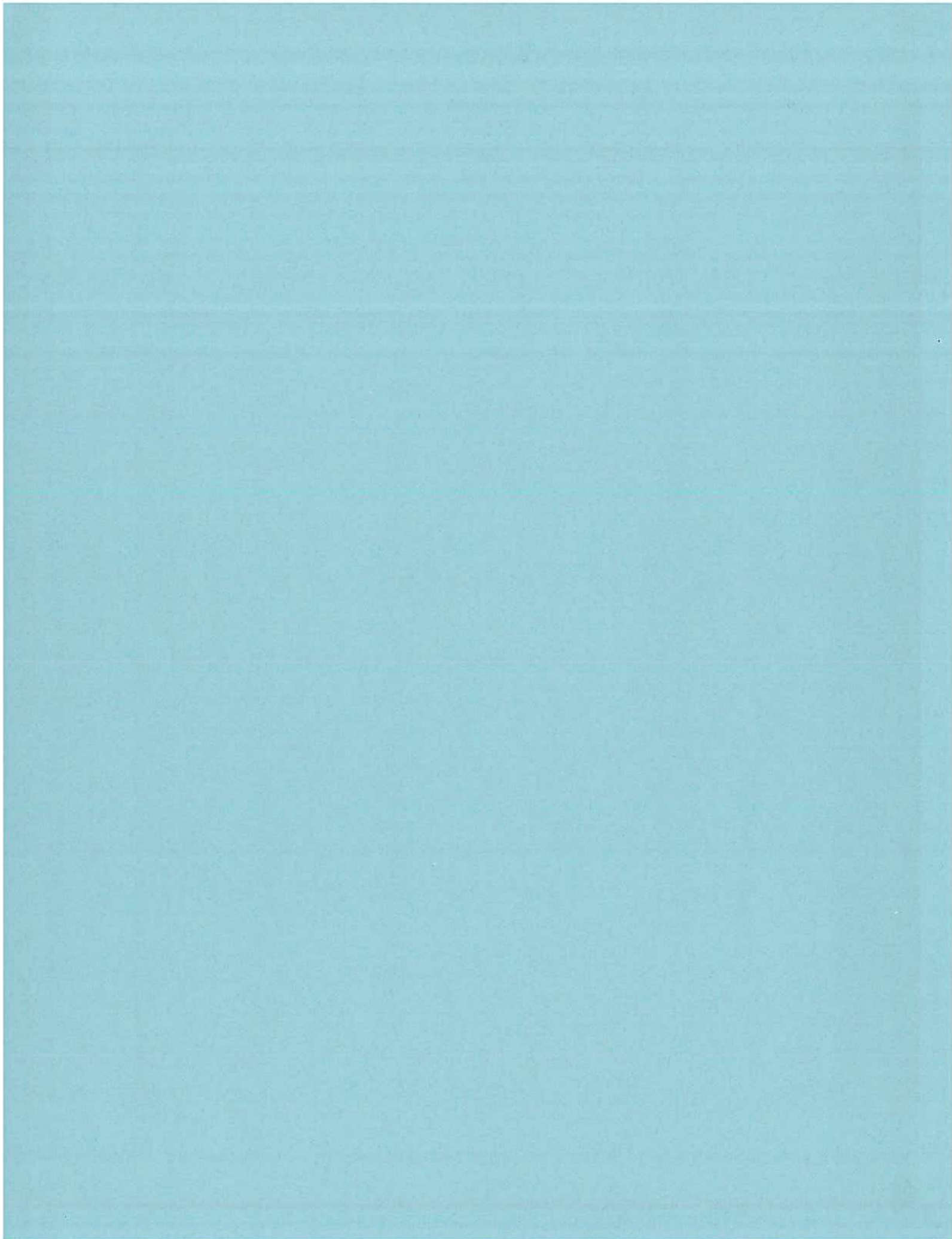
Accounts are due when rendered. Please note that a prevailing quarterly pre-judgement interest rate will be charged for amounts unpaid 30 days or more.

Disbursements and charges may not have been posted at the date of this account.
Please quote our File number and/or Invoice number 119499.1006/5761235 when making payment.

Stikeman Elliott

Payment can be wired as follows:

Please include client number on transfer documents.



Stikeman Elliott

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, ON Canada M5L 1B9

Main: 416 869 5500
Fax: 416 947 0866
www.stikeman.com

GST / HST No. 1214111360001
QST No. 1018978624

Account

October 15, 2019

File No. 1194991006
Invoice No. 5762200

Alvarez & Marsal
220 Bay Street, Suite 2900
Royal Bank Plaza, South Tower
Toronto, ON M5J 2J1

Attention: Alan Hutchens

For Professional Services Rendered in connection with Jack Cooper Logistics for the period up to October 15, 2019.

Time Summary

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
Oct 1, 2019	A.J. Taylor	0.50	Review revised cash flow; telephone conversation with J. Nevsky ; conversation with L. Nicholson;	512.50
Oct 7, 2019	A.J. Taylor	1.75	Emails re U.C.C.; telephone conversation with A. Lockhart; telephone conversation with J. Nevsky; conversation with L. Nicholson; telephone conversation with J. Nevsky; conference call with Osler re Liquidation and Sales Process; conversation with L. Nicholson;	1,793.75
Oct 8, 2019	A.J. Taylor	2.50	Emails re sale approval motion; conversation with L. Nicholson re Motion; review and comment on draft affidavit;	2,562.50
Oct 10, 2019	A.J. Taylor	1.75	Review Liquidation Analysis; telephone conversation with J. Nevsky re Liquidation Analysis; conversation with L. Nicholson;	1,793.75
Oct 11, 2019	L. Nicholson	0.67	Call with Alvarez & Marsal and A. Taylor regarding credit bidding and sale issues.	381.90
Oct 11, 2019	L. Nicholson	0.50	Call with Osler regarding allocation and bid issues.	285.00

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>	<u>Amount</u>
Oct 11, 2019	A.J. Taylor	3.50	Conference call with Osler, Bennett Jones and A&M; conversation with L. Nicholson; telephone conversation with A. Hutchens and J. Nevsky; telephone conversation with M. Wasserman and J. Nevsky; conference call with A&M and L. Nicholson;	3,587.50

Fee Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate/Hr</u>	<u>Amount</u>
L. Nicholson	1.17	\$570.00	\$666.90
A.J. Taylor	10.00	1,025.00	10,250.00
Professional Services			CAD \$10,916.90
HST @ 13.0%			1,419.20
Total Professional Services and Taxes			CAD \$12,336.10

Disbursements Summary

<u>Description</u>	<u>Taxable</u>	<u>Non - Taxable</u>	<u>Total</u>
Agents' Fees	75.00		75.00
Total Disbursements	75.00	0.00	75.00
HST @ 13.0%			9.75
Total Disbursements and Taxes			CAD \$84.75

Stikeman Elliott

Account Summary

Invoice No. 5762200
File No. 1194991006
Re: Jack Cooper Logistics

	<u>Taxable</u>	<u>Non-Taxable</u>	<u>Total</u>
Professional Services	10,916.90	0.00	\$10,916.90
HST @ 13.0%			1,419.20
Disbursements	75.00	0.00	75.00
HST @ 13.0%			9.75
Amount Due			<u>CAD \$12,420.85</u>

Stikeman Elliott LLP

Ashley J. Taylor

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Disbursements and charges may not have been posted at the date of this account.
Please quote our File number and/or Invoice number 119499.1006/5762200 when making payment.
Payment can be wired as follows:

Please include client number on transfer documents.

EXHIBIT "B"

referred to in the Affidavit of

ASHLEY TAYLOR

Sworn October 16, 2019



Commissioner for Taking Affidavits

EXHIBIT "B"

Summary of Stikeman Elliott LLP's Invoices for Services Rendered from July 25, 2019 to October 15, 2019

Invoice No.	Date	Fee	Expenses	HST	BCPST	Total
5750860	August 26, 2019	103,122.40	908.24	13,479.74	751.25	118,261.73
5761235	October 8, 2019	31,002.65	376.73	4,079.31		35,458.69
5762200	October 15, 2019	10,916.90	75.00	1,428.95		12,420.85
TOTAL		\$145,041.95	\$1,359.97	\$18,988.00	\$751.25	\$166,141.27

EXHIBIT "C"

referred to in the Affidavit of

ASHLEY TAYLOR

Sworn October 16, 2019

A handwritten signature in black ink, appearing to be 'J. N.' followed by a horizontal line.

Commissioner for Taking Affidavits

EXHIBIT "C"

Summary of Stikeman Elliott LLP's Invoices for Services Rendered from July 25, 2019 to October 15, 2019

Name	Position	Hourly Rate	Hours	Total
Daphne MacKenzie	Partner	\$1,100.00	9.75	\$10,725.00
Howard Rosenoff	Partner	\$1,025.00	0.17	174.25
Ashley Taylor	Partner	\$1,025.00	61.86	63,304.00
Craig Mitchell	Partner	\$1,000.00	7.75	7,750.00
Lee Nicholson	Associate	\$570.00	89.64	51,094.80
Tara Watson (Vancouver)	Associate	\$565.00	16.33	9,226.45
Beatrice Lorusso	Clerk	\$355.00	1.75	621.25
Liliana Raffo	Clerk	\$350.00	1.83	640.50
Avery Tsang (Vancouver)	Clerk	\$315.00	4.78	1,505.70

AND IN THE MATTER OF 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, AND 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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AFFIDAVIT OF ASHLEY TAYLOR
(SWORN OCTOBER 16, 2019)

STIKEMAN ELLIOTT LLP

Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
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Email: leenicholson@stikeman.com

Fax: 416.947.0866

Lawyers for the Information Officer

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**THIRD REPORT OF THE
INFORMATION OFFICER**

STIKEMAN ELLIOTT LLP

Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

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Lawyers for the Information Officer