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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

STG LOGISTICS, INC., *et al.*,

Debtors.

Chapter 11

Case No. 26-10258 (MEH)

(Jointly Administered)

**DECLARATION OF DAVID M. BARSE
IN SUPPORT OF CONFIRMATION OF THE SECOND AMENDED JOINT
PLAN OF REORGANIZATION OF STG LOGISTICS, INC. AND ITS
DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

I, David M. Barse, state the following:

1. I am over the age of 21 years and competent in all respects to make this declaration (the “**Declaration**”). I serve as the independent, disinterested supervisor of the special committee of the Board of Supervisors of Reception Holdings, L.P., and the special committee of the Boards of Managers of Reception Purchaser, LLC and Reception Mezzanine Holdings, LLC (collectively, the “**Special Committee**”).

2. I submit this Declaration in support of the *Second Amended Joint Chapter 11 Plan of Reorganization of STG Logistics, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 804] (as may be amended or modified from time to time, the “**Plan**”).¹ As set forth below, the Special Committee’s support of the Plan is based on its Independent Investigation (as defined below) and my conclusions regarding the Debtors’ proposed settlement, release and related provisions in Article VIII of the Plan.

Background and Qualifications

3. I have decades of experience in business, finance and corporate governance, including in distressed and restructuring contexts. Prior to my appointment as sole member of the Special Committee, I served for more than 25 years as a Chief Executive Officer, including at XOUT Capital LLC (since 2019) and Third Avenue Management (from 1991 to 2015), and as founder and Chief Investment Officer of DMB Holdings. I served as a board member and one of two special committee members for Celsius Network Ltd., which filed for chapter 11 on July 13, 2022, as an independent board member of Juul Labs, Inc. and as a board member of Keter Group Holding S.à r.l. I previously served on the boards of numerous other companies, including Covanta Holding Corporation, Millstein & Co., Third Avenue Capital p.l.c., Manifold Capital, Commercial

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

Guaranty Assurance, Ltd., National American Insurance Company of California and Danielson Trust Company. In addition, I serve as the chairman of the board of the New York City Parks Foundation (since 2020) and as an emeritus member of the board of trustees of Brooklyn Law School (since 2023), after serving as a trustee from 2007 to 2023.

The Formation and Mandate of the Special Committee

4. On August 5, 2025, the Board of Supervisors of Reception Holdings, L.P. (“**Reception Holdings**”) adopted a written resolution (the “**Written Consent**”) that, among other things, established a special committee (the “**Reception Holdings Special Committee**”) and appointed me as the disinterested supervisor and sole member. On September 21, 2025, the Boards of Managers of two subsidiary entities of Reception Holdings—Reception Purchaser, LLC (“**Reception Purchaser**”) and Reception Mezzanine Holdings, LLC (“**Reception Mezzanine**,” and together with Reception Holdings, Reception Purchaser, and their respective affiliates, “**STG**” or the “**Company**”)—established special committees at each entity with the same mandate as the Reception Holdings Special Committee and appointed me as disinterested supervisor and sole member of each such special committee.

5. The Written Consent delegated to the Special Committee full power and decision-making authority concerning, among other things:

- (i) sole authority to investigate, determine, and act on certain conflict matters, including conducting investigations, negotiating and approving related transactions, and managing attorney-client privileges related to these matters;
- (ii) authority to review, evaluate, negotiate, and implement any financing, restructuring, or strategic transactions on behalf of the Company; and
- (iii) authority to conduct an independent investigation (the “**Independent Investigation**”) on behalf of the Company and assess the merits and potential value of any potential claims and causes of action in connection

therewith, including authority to act upon, prosecute, settle, and release claims.

6. In July 2025, the Company engaged AlixPartners LLP (“**AlixPartners**”) as its financial advisor. On August 11, 2025, to assist the Special Committee in carrying out its delegated responsibilities, the Special Committee retained White & Case LLP (“**W&C**”) as conflicts and independent counsel. On October 7, 2025, the Company amended the AlixPartners engagement letter to allow an independent AlixPartners team to act as financial advisor to the Special Committee. AlixPartners established an ethical wall between the team advising the Special Committee, on the one hand, and the team advising the Company, on the other hand. W&C and AlixPartners have advised me solely in my capacity as disinterested supervisor and sole member of the Special Committee on all matters within the Special Committee’s mandate, including the Independent Investigation.

The Debtors’ Chapter 11 Cases

7. On January 12, 2026 (the “**Petition Date**”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors’ chapter 11 cases are pending in the United States Bankruptcy Court for the District of New Jersey.

8. On March 13, 2026, the Debtors filed the *Joint Plan of Reorganization of STG Logistics, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 402] (the “**Initial Plan**”). On April 14, 2026, the Debtors filed the *First Amended Joint Plan of Reorganization of STG Logistics, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 617–1] together with the *First Amended Disclosure Statement Relating to the First Amended Joint Plan of Reorganization of STG Logistics, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 618] (the “**Disclosure Statement**”).

9. On March 25, 2026, the Bankruptcy Court entered the *Stipulation and Agreed Order (I) Appointing Hon. Robert D. Drain (Ret.) as Mediator to Mediate the Mediation Topics, (II) Referring Such Matters to Mediation, (III) Directing the Mediation Parties to Participate in the Mediation, and (IV) Granting Related Relief* [Adv. Pro. Docket No. 97] directing the Debtors, the Non-Participating Holders, the Ad Hoc Group, and the Committee (collectively, the “**Mediation Parties**”) to mediate regarding (a) the dispute at issue in the Adversary Proceeding (as defined below), (b) the October 2024 Refinancing and the prepetition litigation related thereto, and (c) the Plan, including the Plan’s treatment of general unsecured claims. The mediation commenced on April 6, 2026, and was further extended to, and including, April 9, 2026. I personally attended and participated in the mediation on behalf of the Special Committee. In particular, I met with my counsel, Debtors’ counsel, the mediator and representatives of the various Mediation Parties to discuss and refine proposed settlement terms as they developed.

10. As summarized in the mediator’s report [Adv. Pro. Docket No. 111], the Mediation Parties were unable to resolve issues related to the Adversary Proceeding and New York litigation in *Axos Financial Inc. v. Reception Purchaser LLC*, No. 650108/2025 (N.Y. Sup. Ct.) (the “**New York Litigation**”). During the Mediation, however, the Committee, the Debtors, and the Ad Hoc Group successfully reached a settlement in principle of all issues raised by or relating to the Committee in the chapter 11 cases, including the treatment of general unsecured claims against the Debtors (the “**Committee Settlement**”).

11. Thereafter, the Debtors, the Ad Hoc Group, Antares Capital, LP and certain of its affiliates (collectively, “**Antares**”), and the Non-Participating Holders continued to engage in extensive, arm’s-length negotiations regarding the outstanding issues related to the Claims set forth in the Adversary Proceeding. On April 26, 2026, the Debtors, the Ad Hoc Group, Antares, and

the Non-Participating Holders reached a global resolution of all such outstanding issues, including issues related to the Adversary Proceeding and the Non-Participating Holder Litigation (the “**Reception Purchaser Settlement**”). I understand the parties will seek approval from the Court of such settlement in connection with confirmation of the Plan.

12. On May 16, 2026, the Debtors filed the Plan [Docket No. 804], which, among other things, incorporated the Committee Settlement and the Reception Purchaser Settlement. Article VIII of the Plan (Settlement, Release, Injunction and Related Provisions) sets forth the Debtors’ proposed settlement of various disputes and the scope of releases of estate claims and causes of action (the “**Release Provisions**”). I understand that the Release Provisions include releases by the Debtors of claims and causes of action against various parties, including the DIP Lenders, the Consenting Stakeholders, and the Committee.

13. In my capacity as disinterested supervisor and sole member of the Special Committee, with the assistance of my advisors, I evaluated the settlement provisions, including the Committee Settlement and the Reception Purchaser Settlement (collectively, the “**Settlement Provisions**”), and the Release Provisions and the Debtors’ potential claims and causes of action that would be released thereunder. I did so from the perspective of what is in the best interest of the Debtors and their estates, taking into account, among other things: (a) the merits of potential claims, including the probability of success in litigation in light of the facts and applicable law; (b) the complexity, likely duration, cost and potential distraction associated with litigating such claims; (c) the collectability and potential magnitude of any recoveries; and (d) the role of the Release Provisions in supporting the Plan’s overall restructuring transactions and distributions to stakeholders.

Overview of the Independent Investigation and Its Conclusions

14. Under my direction, my advisors undertook substantial factual discovery and legal analysis in connection with the Independent Investigation, including, among other things: (a) requesting and reviewing more than 116,396 documents and communications produced by the Company, Antares Capital LP, the ad hoc group of lenders, and the Company's equity sponsors, including corporate organizational documents, financial statements, budget forecasts, email correspondence, transaction and debt documents, historical board and special committee minutes and materials, advisor and lender presentations, and director and officer liability insurance policies; and (b) conducting interviews of 10 individuals with information relevant to the Independent Investigation, namely: (i) the disinterested supervisor of the 2024 Special Committee, (ii) a Managing Director at Stout Risius Ross, (iii) a Managing Director at Goldman Sachs, (iv) the Chief Executive Officer of the Company, (v) a Vice President at Wind Point Partners, (vi) a Managing Director at Antares (as defined below), (vii) a Managing Director at Evercore, (viii) the Chairman of STG's Board of Directors, (ix) a Partner at PJT Partners, and (x) a Senior Vice President at Oaktree Capital.

15. In addition, my advisors and I reviewed and considered: (a) key pleadings filed in the New York Litigation, (b) key pleadings filed in these chapter 11 cases by the Debtors, the Committee, the Non-Participating Holders and other parties-in-interest, and the Court's orders on those pleadings; (c) the Disclosure Statement and Plan; (d) relevant transcripts of hearings in these cases and in related proceedings; and (e) materials and deposition transcripts filed in the adversary proceeding commenced by Axos Financial, Inc. and Siemens Financial Services, Inc. captioned *Axos Financial, Inc. et al. v. Reception Purchaser, LLC et al.*, Adv. Proc. No. 26-01032 (Bankr. D.N.J. Feb. 4, 2026) (the "**Adversary Proceeding**").

16. Throughout the course of the Independent Investigation, I maintained ongoing dialogue with my advisors, including by holding regular meetings with W&C, to discuss the Independent Investigation's process, progress, and findings, all considering the Debtors' and their Estates' best interest.

17. The following is a summary of the Special Committee's findings and conclusions in connection with its investigation.

I. Matters Evaluated in the Independent Investigation

18. As part of the Independent Investigation, the Special Committee investigated the potential Claims and Causes of Action that would be impacted by the Release Provisions and Settlement Provisions under the Plan, including, among other things, potential estate claims arising out of: (a) the October 2024 Refinancing, (b) the Company's acquisition of the North American intermodal division of XPO Logistics, Inc. ("**XPO Logistics**") for approximately \$710 million in March 2022, (c) certain prepetition transfers from the Company to Wind Point Partners ("**Wind Point**"), Oaktree Capital Management ("**Oaktree**"), and Duration Capital Partners ("**Duration**," and together with Wind Point and Oaktree, the "**Consenting Sponsors**") and to other insiders made within a year of the Petition Date (the "**Insider Payments**"), (d) the Company's distributions of approximately \$48.6 million between March 24, 2022 and December 31, 2022 (the "**2022 Distributions**"), (e) the Company's related party agreements with CSX Transportation, Inc. ("**CSX**," and such agreements, the "**CSX Agreements**") that resulted in operating expenses of approximately \$59.2 million and \$18.2 million incurred in 2023 and 2024, respectively, (f) the Company's related party agreements with affiliates of the Consenting Sponsors that resulted in operating expenses of approximately \$1.8 million from 2023-2024 (the "**Consenting Sponsor Affiliate Agreements**"), and (g) the Company's acquisition of Frontline Carrier Systems (USA),

Inc. and Clear Lane Freight Systems, LLC (the “**Front Line and Clear Lane Acquisitions**”), and Best Dedicated Solutions (the “**BDS Acquisition**”).

II. Independent Investigation Conclusions

19. Based on the Independent Investigation and under the totality of the facts and circumstances, the Special Committee’s conclusion is that the Settlement Provisions and the Release Provisions are in the best interest of the Debtors, their Estates, and all of their stakeholders, including considering the criteria laid out in ¶ 13, *supra*.

20. Specifically, based on my experience and active involvement in the Mediation and in my capacity as disinterested supervisor and sole member of the Special Committee, I believe that the settlements embodied in the Settlement Provision, including the Committee Settlement and Reception Purchaser Settlement, are the product of rigorous and productive negotiations among the Debtors and their stakeholders. The Settlement Provisions provide consensus and finality between economic stakeholders in these chapter 11 cases and avoid costly and protracted litigation, the cost of which would materially diminish stakeholder distributions. With respect to the Reception Purchaser Settlement (and the release provisions contained therein) in particular, I believe that if the Debtors were forced to litigate the issues necessary to resolve the Claims related to the Reception Purchaser Settlement, including through the Adversary Proceeding, such litigation would be costly, protracted, inherently uncertain, and would leave the Debtors and their Estates in a worse-off position. Such litigation would also prolong the Debtors’ bankruptcy process, draining the Debtors’ Estates and distracting the Debtors’ key personnel and advisors, who would otherwise be focused on implementing the Restructuring Transactions and strengthening the Debtors’ go-forward business. Accordingly, and in part based upon the Special Committee’s Independent Investigation, I have concluded that the Settlement Provisions are

justified, are a sound exercise of the Debtors' business judgment, are in the best interest of creditors and all stakeholders, are an integral part of the Plan, and should be approved.

21. Additionally, in my capacity as disinterested supervisor and sole member of the Special Committee, I have concluded that the Release Provisions in the Plan represent a fair and reasonable exercise of the Debtors' business judgment and are in the best interest of the Debtors and their estates and stakeholders. In particular, I understand that the Release Provisions were a material inducement for the Consenting Stakeholders, each of which has been instrumental in negotiating, formulating and implementing the Restructuring Transactions contemplated by the Plan, to support the Debtors' restructuring, as set forth in the Restructuring Support Agreement, and that the Debtors likely would not have been able to build the level of consensus with respect to the Plan without the Release Provisions. After considering merits, defenses, litigation risk, cost, delay and collectability, I have concluded that the Debtors do not possess viable estate claims of significant net value that should be excluded from the Release Provisions in order to be pursued separately rather than compromised under the Plan. The Plan also retains certain Causes of Action, as set forth therein and in the Schedule of Retained Causes of Action. The Release Provisions are justified, are a sound exercise of the Debtors' business judgment, are in the best interest of creditors and all stakeholders, are an integral part of the Plan and should be approved given the results of the Special Committee's Independent Investigation.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: May 16, 2026

/s/ David M. Barse

David M. Barse
Disinterested Supervisor and Sole
Member of the Special Committee