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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re:	Chapter 11
STG LOGISTICS, INC., *et al*.,	Case No. 26-10258 (MEH)
Debtors.[1]	(Jointly Administered)

NOTICE OF FILING 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

PLEASE TAKE NOTICE that on March 13, 2026, the Debtors filed the *Debtors' Motion for Entry of an Order Conditionally Approving (I) the Adequacy of the Disclosure Statement, (II) the Solicitation Procedures, (III) the Forms of Ballots and Notices in Connection Therewith, and (IV) Certain Dates with Respect Thereto* [Docket No. 405] seeking approval of the *Disclosure Statement Relating to the Joint Plan of Reorganization of STG Logistics, Inc. And Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 403] (the "Disclosure Statement") in the chapter 11 cases of the above-captioned debtors and debtors in possession (collectively, the "Debtors").

PLEASE TAKE FURTHER NOTICE the Debtors hereby file the *First Amended Disclosure Statement Relating to the First Amended Joint Plan of Reorganization of STG*

1 The last four digits of Debtor STG Logistics, Inc.'s tax identification number are 8624. A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at https://dm.epiq11.com/STGLogistics. The location of the Debtors' service address in these chapter 11 cases is: 5165 Emerald Parkway, Dublin, Ohio 43017.

Logistics, Inc. And Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, attached hereto as **Exhibit A** (the "Amended Disclosure Statement").

PLEASE TAKE FURTHER NOTICE that a comparison between the Disclosure Statement and the Amended Disclosure Statement is attached hereto as **Exhibit B**.

PLEASE TAKE FURTHER NOTICE that copies of the Amended Disclosure Statement and all other documents filed in these chapter 11 cases may be obtained free of charge by visiting the website of Epiq Corporate Restructuring, LLC at https://dm.epiq11.com/STGLogistics. You may also obtain copies of any pleadings by visiting the Court's website at https://www.njb.uscourts.gov in accordance with the procedures and fees set forth therein.

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Dated: April 14, 2026

/s/ Michael D. Sirota

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Exhibit A

Amended Disclosure Statement

IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re:	Chapter 11
STG LOGISTICS, INC., *et al*.,	Case No. 26-10258 (MEH)
Debtors.[1]	(Jointly Administered)

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

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Dated: April 14, 2026

[1] The last four digits of Debtor STG Logistics, Inc.'s tax identification number are 8624. A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at https://dm.epiq11.com/STGLogistics. The location of the Debtors' service address in these chapter 11 cases is: 5165 Emerald Parkway, Dublin, Ohio 43017.

THIS IS NOT A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THIS DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE COURT. THIS FIRST AMENDED DISCLOSURE STATEMENT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT. THE INFORMATION IN THIS FIRST AMENDED DISCLOSURE STATEMENT IS SUBJECT TO CHANGE. THIS FIRST AMENDED DISCLOSURE STATEMENT IS NOT AN OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY ANY SECURITIES.

IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS FIRST AMENDED DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS AND EQUITY INTERESTS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE JOINT PLAN OF REORGANIZATION OF STG LOGISTICS, INC. AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE. NOTHING IN THIS FIRST AMENDED DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY OTHER PURPOSE. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS FIRST AMENDED DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN ARTICLE IX HEREIN.[2]

HOLDERS OF CLAIMS OR EQUITY INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS FIRST AMENDED DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. THE DEBTORS URGE EACH HOLDER OF A CLAIM OR EQUITY INTEREST TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX, OR BUSINESS ADVICE IN REVIEWING THIS FIRST AMENDED DISCLOSURE STATEMENT, THE PLAN, AND THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS FIRST AMENDED DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE PLAN.

THIS FIRST AMENDED DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, AND CERTAIN ANTICIPATED EVENTS IN THE CHAPTER 11 CASES. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THEY DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS FIRST AMENDED DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN IN ALL PURPOSES. FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan, attached hereto as **Exhibit A**, or the *Debtors' Motion for Entry of an Order Approving (I) the Adequacy of the Disclosure Statement, (II) the Solicitation Procedures, (III) the Forms of Ballots and Notices in Connection Therewith, and (IV) Certain Dates with Respect Thereto* (the "Disclosure Statement Motion"), as applicable.

CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

IN PREPARING THIS FIRST AMENDED DISCLOSURE STATEMENT, THE DEBTORS RELIED ON FINANCIAL DATA DERIVED FROM THE DEBTORS' BOOKS AND RECORDS AND ON VARIOUS ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS AND OPERATIONS. WHILE THE DEBTORS BELIEVE THAT SUCH FINANCIAL INFORMATION FAIRLY REFLECTS THE FINANCIAL CONDITION OF THE DEBTORS AS OF THE DATE HEREOF AND THAT THE ASSUMPTIONS REGARDING FUTURE EVENTS REFLECT REASONABLE BUSINESS JUDGMENTS, NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED HEREIN OR ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS AND OPERATIONS AND THEIR FUTURE RESULTS. THE DEBTORS EXPRESSLY CAUTION READERS NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

THIS FIRST AMENDED DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION, OR WAIVER. THE DEBTORS OR ANY OTHER AUTHORIZED PARTY MAY SEEK TO INVESTIGATE, FILE, AND PROSECUTE CLAIMS AND MAY OBJECT TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THIS FIRST AMENDED DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS.

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS FIRST AMENDED DISCLOSURE STATEMENT AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS FIRST AMENDED DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO AND EXPRESSLY DISCLAIM ANY DUTY TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE. HOLDERS OF CLAIMS OR EQUITY INTERESTS REVIEWING THIS FIRST AMENDED DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS DISCLOSURE STATEMENT WAS FILED. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION, MODIFICATION, OR AMENDMENT. THE DEBTORS RESERVE THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE TERMS OF THE PLAN AND THE RESTRUCTURING SUPPORT AGREEMENT.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS FIRST AMENDED DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS FIRST AMENDED DISCLOSURE STATEMENT.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS OR EQUITY INTERESTS (INCLUDING THOSE HOLDERS OF CLAIMS OR EQUITY INTERESTS WHO DO NOT SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, WHO VOTE TO REJECT THE

PLAN, OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE BOUND BY THE TERMS OF THE PLAN AND THE RESTRUCTURING TRANSACTIONS CONTEMPLATED THEREBY.

THE CONFIRMATION AND EFFECTIVENESS OF THE PLAN ARE SUBJECT TO CERTAIN MATERIAL CONDITIONS PRECEDENT DESCRIBED HEREIN AND SET FORTH IN ARTICLE X OF THE PLAN. THERE IS NO ASSURANCE THAT THE PLAN WILL BE CONFIRMED, OR IF CONFIRMED, THAT THE CONDITIONS REQUIRED TO BE SATISFIED FOR THE PLAN TO GO EFFECTIVE WILL BE SATISFIED (OR WAIVED).

YOU ARE ENCOURAGED TO READ THE PLAN AND THIS FIRST AMENDED DISCLOSURE STATEMENT IN THEIR ENTIRETY, INCLUDING ARTICLE IX, ENTITLED "RISK FACTORS" BEFORE SUBMITTING YOUR BALLOT TO VOTE ON THE PLAN.

THE BANKRUPTCY COURT'S APPROVAL OF THIS FIRST AMENDED DISCLOSURE STATEMENT DOES NOT CONSTITUTE A GUARANTEE BY THE BANKRUPTCY COURT OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN OR AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE MERITS OF THE PLAN.

THE DEBTORS HAVE SOUGHT TO ENSURE THE ACCURACY OF THE FINANCIAL INFORMATION PROVIDED IN THIS FIRST AMENDED DISCLOSURE STATEMENT; HOWEVER, THE FINANCIAL INFORMATION CONTAINED IN THIS FIRST AMENDED DISCLOSURE STATEMENT OR INCORPORATED HEREIN BY REFERENCE HAS NOT BEEN, AND WILL NOT BE, AUDITED OR REVIEWED BY THE DEBTORS' INDEPENDENT AUDITORS UNLESS EXPLICITLY PROVIDED OTHERWISE HEREIN.

SPECIAL NOTICE REGARDING FEDERAL AND STATE SECURITIES LAWS AND FORWARD-LOOKING STATEMENTS

The Plan and First Amended Disclosure Statement have neither been filed with, nor approved or disapproved by the United States Securities and Exchange Commission (the "SEC") or any similar federal, state, local, or foreign federal regulatory authority and neither the SEC nor any such similar regulatory authority has passed upon the accuracy or adequacy of the information contained in this First Amended Disclosure Statement or the Plan. The securities to be issued on or after the Effective Date will not have been the subject of a registration statement filed with the SEC under the Securities Act of 1933, as amended (the "Securities Act"), or any securities regulatory authority of any state under any state securities law ("Blue-Sky Laws"). Any representation to the contrary is a criminal offense. The securities may not be offered or sold within the United States or to, or for the account or benefit of, United States persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable laws of other jurisdictions.

To the extent permitted and available, the Debtors will rely on section 1145(a) of the Bankruptcy Code to exempt from registration under the Securities Act and Blue-Sky Laws the offer, issuance, and distribution, if applicable, of Reorganized Equity under the Plan (other than any Reorganized Equity underlying the Management Incentive Plan), and to the extent such exemption is not permitted and/or available, then such Reorganized Equity will be offered, issued, and distributed under the Plan in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws. Neither the Solicitation nor this First Amended Disclosure Statement constitutes an offer to sell or the solicitation of an offer to buy securities in any state or jurisdiction in which such offer or solicitation is not authorized.

Any Reorganized Equity underlying the Management Incentive Plan will be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from U.S. federal, state, and local securities registration requirements under the Securities Act, Blue-Sky Laws, and any applicable similar federal, state, or local laws, will be considered "restricted securities," and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

This First Amended Disclosure Statement contains "forward-looking statements" within the meaning of United States securities laws. Statements containing words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "target," "model," "can," "could," "may," "should," "will," "would," or similar words or the negative thereof, constitute "forward-looking statements." However, not all forward-looking statements in this First Amended Disclosure Statement may contain one or more of these identifying terms. Forward-looking statements are based on the Debtors' current expectations, beliefs, assumptions, and estimates. These statements are subject to significant risks, uncertainties and assumptions that are difficult to predict and could cause actual results to differ materially and adversely from those expressed or implied in the forward-looking statements. The Debtors consider all statements regarding anticipated or future matters, including the following, to be forward-looking statements:

- **business strategy;**
- **financial condition, revenues, cash flows, and expenses;**
- **the adequacy of the Debtors' capital resources and liquidity;**
- **levels of indebtedness, liquidity, and compliance with debt covenants;**
- **financial strategy, budget, projections, and operating results;**
- **the amount, nature, and timing of capital expenditures;**
- **availability and terms of capital;**
- **successful results from the Debtors' operations;**
- **the integration and benefits of asset and property acquisitions or the effects of asset and property acquisitions or dispositions on the Debtors' cash position and levels of indebtedness;**
- **costs of conducting the Debtors' operations;**
- **general economic and business conditions;**
- **effectiveness of the Debtors' risk management activities;**
- **counterparty credit risk;**
- **the outcome of pending and future litigation;**
- **uncertainty regarding the Debtors' future operating results;**
- **plans, objectives, and expectations;**
- **risks in connection with acquisitions;**
- **governmental regulations and taxation applicable to the Debtors, including any changes related thereto;**
- **the overall health of the logistics industry; and**
- **the Debtors' ability to satisfy future cash obligations.**

Statements concerning these and other matters are not guarantees of the Company's future performance. There are risks, uncertainties, and other important factors that could cause the Post-Effective Date Debtors' actual performance or achievements to be different from those they may project, and the Debtors undertake no obligation to update the projections made herein. These risks, uncertainties and factors may include the following: (a) the Debtors' ability to confirm and consummate the Plan; (b) the potential that the Debtors may need to pursue an alternative transaction if the Plan is not confirmed or a Sale, if any, is not approved; (c) the Debtors' ability to reduce their overall financial leverage; (d) the potential adverse impact of the Chapter 11 Cases on

the Debtors' operations, management, and employees; (e) the risks associated with operating the Debtors' business during the Chapter 11 Cases; (f) customer responses to the Chapter 11 Cases; (g) the Debtors' inability to discharge or settle Claims during the Chapter 11 Cases; (h) the Debtors' plans, objectives, business strategy, and expectations with respect to future financial results and liquidity, including the ability to finance operations in the ordinary course of business; (i) the Debtors' levels of indebtedness and compliance with debt covenants; (j) additional post-restructuring financing requirements; (k) the amount, nature, and timing of the Debtors' capital expenditures and cash requirements, and the terms of capital available to the Debtors; (l) the effect of competitive products, services, or procuring by competitors; (m) the outcome of pending and future litigation claims; (n) the proposed restructuring and costs associated therewith; (o) the effect of natural disasters, pandemics, and general economic and political conditions on the Debtors; (p) the regulatory environment; (q) changes in domestic and foreign laws and regulations; (r) the effects of governmental regulation on the Debtors' business; (s) geopolitical instability; (t) the Debtors' ability to implement cost-reduction initiatives in a timely manner; (u) adverse tax changes; (v) the terms and conditions of the Takeback Term Loan Facility, the Exit RCF Facility, and the Reorganized Equity, to be entered into, or issued, as the case may be, pursuant to the Plan; (w) the terms and conditions of the Sale, if any; (x) the results of renegotiating certain key commercial agreements and any disruptions to relationships with landlords, suppliers, partners, among others; (y) compliance with Laws and regulations; and (z) each of the other risks identified in this First Amended Disclosure Statement. Due to these uncertainties, you cannot be assured that any forward-looking statements will prove to be correct. The Debtors are under no obligation to (and expressly disclaim any obligation to) update or alter any forward-looking statements whether as a result of new information, future events, or otherwise, unless instructed to do so by the Bankruptcy Court.

You are cautioned that all forward-looking statements are necessarily speculative, and there are certain risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. The projections and forward-looking information contained herein and attached hereto are only estimates, and the timing and amount of actual distributions to Holders of Allowed Claims, Allowed Intercompany Interests, and Allowed Equity Interests, among other things, may be affected by many factors that cannot be predicted. Any analyses, estimates, or recovery projections may or may not turn out to be accurate.

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EXHIBITS[1]

EXHIBIT A Plan of Reorganization

EXHIBIT B Restructuring Support Agreement

EXHIBIT C Organizational Structure Chart

EXHIBIT D Liquidation Analysis

EXHIBIT E Financial Projections

[1] Each Exhibit is incorporated herein by reference.

I. INTRODUCTION.

STG Logistics, Inc. and its affiliated debtors and debtors in possession (each, a "Debtor" and collectively, the "Debtors," and together with their non-Debtor affiliates, "STG" or the "Company"), submit this first amended disclosure statement (this "Disclosure Statement"), pursuant to section 1125 of the Bankruptcy Code, to Holders of Claims against the Debtors in connection with the solicitation of votes for acceptance of 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] (the "Plan"). A copy of the Plan is attached hereto as **Exhibit A** and incorporated herein by reference.

THE DEBTORS AND THE CONSENTING STAKEHOLDERS THAT HAVE EXECUTED THE RESTRUCTURING SUPPORT AGREEMENT BELIEVE THAT THE COMPROMISES CONTEMPLATED UNDER THE PLAN ARE FAIR AND EQUITABLE, MAXIMIZE THE VALUE OF THE DEBTORS' ESTATES, AND PROVIDE THE BEST RECOVERY TO STAKEHOLDERS. AT THIS TIME, THE DEBTORS BELIEVE THE PLAN REPRESENTS THE BEST AVAILABLE OPTION FOR EMERGING FROM THE CHAPTER 11 CASES. THE DEBTORS STRONGLY RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

II. PRELIMINARY STATEMENT.

Originally known as St. George Logistics, STG was founded four decades ago as a warehousing and container freight services company headquartered in South Kearny, New Jersey. Over the ensuing decades, STG executed a series of strategic acquisitions, eventually becoming North America's leading provider of integrated port-to-door solutions. To meet the surging demand for logistics capabilities, STG expanded its service offerings throughout the supply chain and developed a network of localized logistics expertise from coast to coast. Today, STG operates the largest network of neutral container freight stations and is the fourth-largest asset-based intermodal marketing company and one of the largest drayage providers (*i.e.*, short-distance transportation of containers and freight) in North America. Despite its rapid growth, and the ever-changing nature of the logistics industry, STG continues to focus on providing seamless and integrated transportation solutions tailored to the needs of each and every customer, with operations that strengthen supply chains, commerce, and communities.

The importance of the transportation and logistics industry can hardly be overstated: it connects over 8.3 million businesses with suppliers, partners, and customers.[4] Freight movement underpins every stage of the supply chain—from procurement and production through delivery—and supports key industries including agriculture, manufacturing, construction, and trade. In 2023, the U.S. freight transportation system moved more than 20 billion tons of goods valued at approximately $18.7 trillion, with trucking alone responsible for over 64 percent of total freight weight and more than 72 percent of freight value.[5] STG plays a pivotal role in this space, operating a fleet of approximately 15,000 domestic intermodal containers, approximately 3,300 chassis, and approximately 2,150 drivers to support its transportation services. STG also maintains approximately 4.5 million square feet in warehousing space to support its logistics services, which include its container freight station ("CFS") services and transloading, contracts logistics, and less-than-truckload ("LTL") business segments. Through contracts, partnerships, and active relationships, STG has access to thousands of third-party carriers, which include transportation companies

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[4] *Transportation Statistics Annual Report 2024*, U.S. Dep't of Transp., Bureau of Transp. Stat., (2024), https://doi.org/10.21949/e0kq-gf72.

[5] *Id.*

and owner-operators, and a network of over 130 leased and partnership facilities. This extensive network allows the Company to service all major markets across the country.

Notwithstanding the critical importance of the industry, third-party logistics service providers have faced substantial macroeconomic and industry headwinds in recent years that have eroded volumes, pressured margins, and strained operations. STG has not been spared. For starters, the Company was buffeted by the effects of the COVID-19 pandemic. Like others in the industry, STG initially saw extraordinary demand as consumer spending shifted during lockdowns from services and dining to goods, while related supply chain disruptions—including port backlogs and a shortage of containers—drove freight rates to record highs. Between 2020 and 2022, the Company's revenue increased over 60 percent in the aggregate. To meet increasing demand, the Company acquired XPO Logistics Inc.'s ("XPO") intermodal business segment ("XPO Intermodal") in March 2022 for approximately $700 million. Through the acquisition, STG added intermodal and drayage services across approximately 40 locations with approximately 700 new employees with the intention of enabling the Company to meet market demand.

However, in the years that followed the pandemic, STG's operations have been impacted by an industry-wide downturn, a shifting tariff regime, and increased geopolitical uncertainty. Since March 2022, the trucking industry has faced one of its longest and deepest downturns in history, as excess capacity built during the pandemic years (based on high freight rates, cheap credit, and government stimulus), led to a collapse in freight rates and a years-long freight market depression dubbed the "Great Freight Recession" by industry analysts. In addition, other macroeconomic issues—including a rapid and dramatic rise in interest rates, persistent inflation, and ongoing supply chain disruptions—all placed significant pressure on the Company's cost structure. Collectively, these macroeconomic headwinds have severely strained STG's operations and significantly tightened its liquidity.

The Company has been proactive in addressing its liquidity challenges. First, the Company and its advisors, including Kirkland & Ellis LLP ("K&E"), approached its existing stakeholders in early 2024 to discuss strategic options to address the Company's liquidity needs. After months of hard-fought, arm's-length negotiations, STG and a majority of the Reception Purchaser Lenders (the "Required Lenders") executed that certain Fifth Amendment to Credit Agreement and First Amendment to Guaranty and Security Agreement dated as of May 1, 2024 (the "Fifth Amendment," and the transactions related thereto, the "Fifth Amendment Transactions"). The Fifth Amendment was negotiated at arm's-length by sophisticated parties with counsel. The Fifth Amendment Transactions provided the Company with a critical influx of cash and certain covenant relief, including a critical equity injection of $30 million provided by Wind Point Partners AAV II, L.P. ("Wind Point"), Reception Oaktree Aggregator, L.P. and certain of its affiliates in their capacities as holders of equity interests that are each party to the Restructuring Support Agreement ("Oaktree/Duration," and collectively with Wind Point, the "Consenting Sponsors").

Despite the additional liquidity provided by the Fifth Amendment Transactions, the Company needed further relief due to deteriorating market conditions and a rapidly declining adjusted EBITDA, which fell approximately 95 percent year-over-year in the second quarter of 2024. Beginning in August 2024, the Company proactively engaged its Consenting Sponsors, the Reception Purchaser Agent, and an ad hoc group of Reception Purchaser Lenders (the "2024 Ad Hoc Group"), which held a majority of Reception Purchaser Loans, on a liquidity infusion and deleveraging transaction to help the Company weather the ongoing market downturn. After months of good faith, arm's-length negotiations, STG, the 2024 Ad Hoc Group, the Consenting Sponsors, and certain other participating Reception Purchaser Lenders (together, with the 2024 Ad Hoc Group, the "Participating Lenders") consummated a series of transactions in October 2024 (the "October 2024 Refinancing"), which was executed with the support of over 93 percent of STG's lenders. Despite supporting the Fifth Amendment Transactions, two lenders (of the 28 total at the time)—Siemens Financial Services, Inc. and Axos Financial, Inc. (collectively, the "Non-Participating Holders")—did not participate in the October 2024 Refinancing and alleged that they were improperly

excluded from the October 2024 Refinancing, and, among other things, that the October 2024 Refinancing (i) violated their contractual rights, (ii) unlawfully transferred value, (iii) improperly conferred enhanced rights to other lenders, and (iv) was not transacted in good faith. The Non-Participating Holders have since commenced litigation regarding the October 2024 Refinancing in the New York Supreme Court (the "Non-Participating Holder Litigation"). After the Debtors filed for bankruptcy, this litigation continued in an adversary proceeding (the "Adversary Proceeding") before the Bankruptcy Court. In the Adversary Proceeding, the Non-Participating Holders seek relief that could:

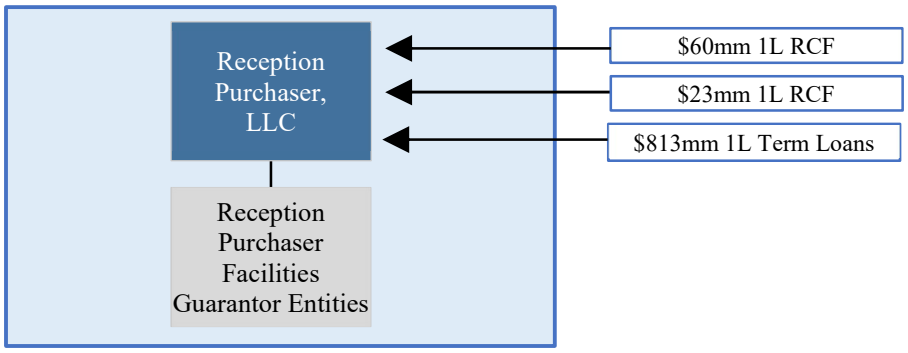
- disallow or subordinate claims arising from the October 2024 Refinancing;
- unwind or otherwise judicially alter the challenged transfers and related intercompany transactions;
- invalidate or impair asserted lien, priority, guaranty and intercompany claim rights embedded in the Plan; and
- reorder the distribution waterfall on which the Debtors' proposed sale and reorganization structures in the Plan depend.

The Debtors and the Participating Lenders deny these allegations, believe that these remedies are not supported by applicable legal standards, and have moved to dismiss certain new claims brought in the Adversary Proceeding (including in respect of subordination of Claims of the Participating Lenders).

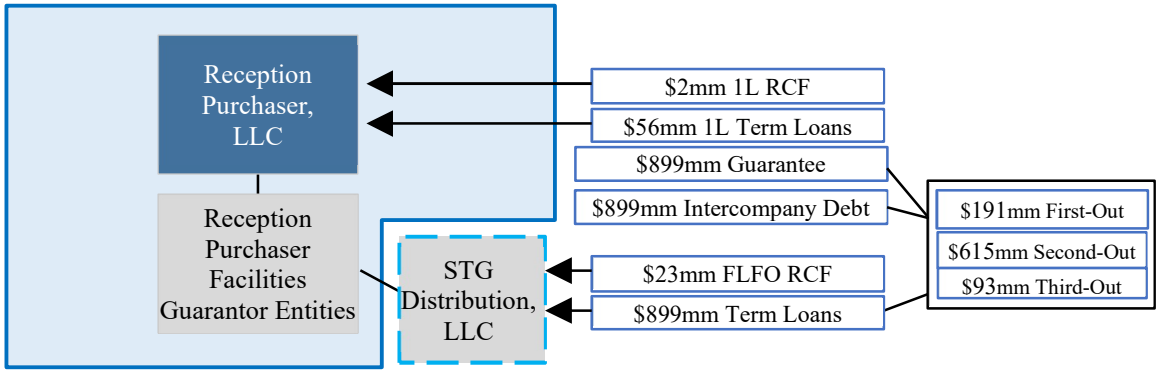
The following image summarizes STG's capital structure before and after the October 2024 Refinancing, which effectively separated the Company into two silos: the STG Distribution silo and the Reception Purchaser silo.[6]

[6] As set forth in the structure chart attached hereto as **Exhibit C**, the STG Distribution Loans are secured by the STG Distribution silo and the Reception Purchaser silo, while the Reception Purchaser Loans are secured only by the Reception Purchaser silo.

PRE-TRANSACTION CORPORATE STRUCTURE[1]



POST-TRANSACTION[1] CORPORATE STRUCTURE



[1] Reflects par balances at the close of the October 2024 Refinancing.

The October 2024 Refinancing extended the Company's liquidity runway and provided additional room for the Company to address operational challenges head on while awaiting a market recovery. This transaction generated over $327 million in incremental liquidity for the Company, including (a) $187 million of new money (exclusive of fees), provided to the Company via a combination of new funded debt and equity, and (b) cash interest and amortization savings of over $140 million (exclusive of fees) as a result of 36 months of paid-in-kind interest post-transaction close. In total, the Company also captured approximately $62 million of discount. In addition, the October 2024 Refinancing was consummated alongside modified terms with the Company's equipment lenders. This further supplemented the Company's liquidity with significant cash flow relief in the form of eighteen (18) months of interest-only payments with the deferred principal to be amortized from the end of the interest-only period through maturity, which was extended by eighteen (18) months through 2027. Based on the Company's 2024 market forecasts, the Company expected a return to pre-COVID levels in adjusted EBITDA, rate improvements, and a strong overall snapback as supply and demand normalized by 2026 or 2027. Unfortunately, that recovery in the market has not materialized as anticipated, in part due to shifting tariff regimes and trade policy uncertainty, described in more detail below.

To further extend its runway, beginning in mid-2025 the Company's management team implemented a series of EBITDA improvement initiatives to manage cash flow and mitigate the ongoing impact of the Great Freight Recession, including staff reductions, real estate and equipment rationalization, and optimizing the Company's network and IT services. As a result of these initiatives, the Company was projected to have realized approximately $68 million in annualized cost-savings as it exits 2025. However, despite the Company's continued efforts to bolster liquidity, persistent macroeconomic headwinds and STG's debt service obligations challenged the Company's turnaround efforts and could not provide sufficient runway to a fulsome market recovery. As a result, the Company, with the assistance of its

advisors, determined that it was prudent to engage with the Ad Hoc Group, certain of its other lenders, the Consenting Sponsors, and other key stakeholders on a deleveraging transaction designed to, among other things, right-size the Company's balance sheet.[7]

Following several months of good faith, arm's-length negotiations, the Debtors and their advisors successfully reached an agreement with the Ad Hoc Group, certain other lenders holding STG Distribution Loans (the "Supporting Lenders"), and the Consenting Sponsors, on a consensual restructuring. On January 12, 2026, the Debtors, the Ad Hoc Group, the Supporting Lenders, and the Consenting Sponsors executed the Restructuring Support Agreement attached hereto as **Exhibit B**. The Restructuring Support Agreement enjoys the support of the holders of approximately 100 percent, 99 percent, 95 percent, and 84 percent of the STG Distribution RCF, FLFO Term Loans, FLSO Term Loans, and FLTO Term Loans, respectively.

The Restructuring Support Agreement contemplates the following:

- a comprehensive balance sheet recapitalization through the Debtors' chapter 11 plan that will equitize all or a portion of the DIP Claims, the FLFO Term Loan Claims, and the FLSO Term Loan Claims;

- the option to toggle to one or more sales of all, substantially all, or any portion of the Debtors' assets or reorganized equity interests free and clear of all liens, claims, rights, interests, pledges, obligations, restrictions, limitations, charges, encumbrances, and other interests to the highest or otherwise best bidder(s) (each, a "Sale Transaction" and, collectively, if applicable, the "Sale Transactions");

- entry into a delayed draw priming debtor-in-possession term loan financing facility in an aggregate principal amount of approximately $294 million consisting of: (a) "new money" super priority DIP term loans in an aggregate principal amount equal to up to $150 million and (b) a "roll-up" of approximately $144 million in the aggregate of FLFO Term Loan Claims and FLSO Term Loan Claims;

- on the Effective Date, if the Recapitalization Transaction occurs, (a) Holders of FLFO Term Loan Claims shall exchange certain of the FLFO Term Loan Claims for equity in the Reorganized Equity and (b) the Debtors will enter into the Exit RCF Facility with certain Holders of FLFO RCF Claims.

The Restructuring Support Agreement provides the Debtors with the flexibility to maximize value for all stakeholders, including through one or more Sale Transactions. To identify potential bidders, the Debtors, with the assistance of their advisors, will commence a postpetition marketing process for potential Sale Transactions. The Restructuring Support Agreement provided for certain milestones to move the Debtors through chapter 11 in a streamlined manner. These milestones were subsequently extended following extensive, arms'-length negotiations between the Debtors, the Committee, and myriad other stakeholders. The extended milestones provide for various benchmarks relating to the Debtors' sale process, including a bid deadline on April 22, 2026, an auction on April 29, 2026, and a sale hearing on May 18, 2026, or as otherwise determined by the Bankruptcy Court. The Debtors believe these milestones

[7] A true and correct copy of the Company's most recent finalized consolidating balance sheet is attached as Exhibit C to the *Declaration of Tyler Holtgreven, Chief Financial Officer of STG Logistics, Inc., in Support of the Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 33] (the "First Day Declaration").

provide sufficient time to maximize the value of any transaction and afford interested parties sufficient time to submit bids.

The Restructuring Support Agreement and Restructuring Transactions contemplated thereby, including the DIP Facility, are indicative of the support the Company enjoys from a significant portion of its funded indebtedness as well as the Consenting Sponsors. However, as of the Petition Date, the Debtors only had approximately $34 million in unrestricted cash on hand, which was insufficient to fund these chapter 11 cases. The DIP Facility ensured a smooth transition into these chapter 11 cases and will provide the Debtors with sufficient liquidity to fund their operations in the near to mid-term.

In the weeks leading up to the Petition Date, market noise and published media around the Company's prospective chapter 11 continued to intensify, prompting certain customers and vendors to reach out to the Debtors seeking assurances of their ability to perform and meet their obligations in the ordinary course of business. The immediate infusion of new money provided by the DIP Facility was an important signal to such customers, vendors, and other stakeholders that the Debtors are well-capitalized and will have ample liquidity to continue to meet obligations in the ordinary course. With this essential funding in hand, the Debtors are pursuing either one or more Sale Transactions or the Recapitalization Transaction and are seeking to emerge from chapter 11 with substantially reduced leverage and the ability to continue as a going concern.

III. QUESTIONS AND ANSWERS REGARDING THIS DISCLOSURE STATEMENT AND THE PLAN.

A. What is chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 promotes equality of treatment for creditors and similarly situated equity interest holders, subject to the priority of distributions prescribed by the Bankruptcy Code.

The commencement of a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the date the chapter 11 case is commenced. The Bankruptcy Code provides that a debtor may continue to operate its business and remain in possession of its property as a "debtor in possession."

Consummating a plan is the principal objective of a chapter 11 case. A bankruptcy court's confirmation of a plan binds the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor (whether or not such creditor or equity interest holder voted to accept the plan), and any other entity as may be ordered by the bankruptcy court. Subject to certain limited exceptions, the order issued by a bankruptcy court confirming a plan provides for the treatment of the debtor's liabilities in accordance with the terms of the confirmed plan.

B. Why are the Debtors sending me this Disclosure Statement?

The Debtors are seeking to obtain Bankruptcy Court approval of the Plan. Before soliciting acceptances of the Plan, section 1125 of the Bankruptcy Code requires the Debtors to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan and to share such disclosure statement with all holders of claims whose votes on the Plan are being solicited. This Disclosure Statement is being submitted in accordance with these requirements.

C. Am I entitled to vote on the Plan?

Your ability to vote on, and your distribution under, the Plan, if any, depends on what type of Claim you hold and whether you held that Claim as of the Voting Record Date (*i.e.*, as of April 8, 2026). Each category of Holders of Claims, Intercompany Interests, or Equity Interests, as set forth in Article III of the Plan pursuant to sections 1122(a) and 1123(a)(1) of the Bankruptcy Code, is referred to as a "Class." Each Class's respective voting status is set forth below:

Class	Claims, Interests, and Intercompany Interests	Status	Voting Rights
Class 1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 3A	FLFO RCF Claims	Impaired	Entitled to Vote
Class 3B	FLFO Term Loan Claims	Impaired	Entitled to Vote
Class 3C	Reception Purchaser First Lien Claims	Impaired	Entitled to Vote
Class 4	FLSO Term Loan Claims	Impaired	Entitled to Vote
Class 5	FLTO Term Loan Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 6	Auto Liability Claims	Impaired	Entitled to Vote
Class 7A	General Unsecured Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 7B	Convenience Claims	Impaired	Entitled to Vote
Class 8	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept) / Not Entitled to Vote (Deemed to Reject)
Class 9	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept) / Not Entitled to Vote (Deemed to Reject)
Class 10	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 11	Equity Interests	Impaired	Not Entitled to Vote (Deemed to Reject)

D. What is the "toggle" feature of the Plan?

The Plan will implement the Recapitalization Transaction unless the Debtors determine, in the exercise of their reasonable business judgment, that pursuing a Sale is in the best interest of the Debtors; *provided* that the Debtors shall have, in good faith, coordinated and consulted with the DIP Lenders and the Ad Hoc Group in making such determination (the "Toggle Trigger Event"). If the Debtors "toggle" to the Sale, the Claims, Intercompany Interests, and Equity Interests will receive the proposed treatment under the Plan for a Sale. As a result, Holders of Claims will receive recoveries under the Plan on a much quicker timeline than if the Plan did not include a "toggle" feature, which reduces expenses and permits the Debtors to emerge in either scenario on the expedited timeline currently contemplated.

A vote to accept the Plan is a vote to approve both the Recapitalization Transaction and a Sale.

E. What is the Allocation Condition?

The Allocation Condition, as defined in the Plan, is the allocation of value between the STG Distribution LLC Debtor silo and the Reception Purchaser, LLC Debtor silo acceptable to each of the Debtors and the Required Consenting FLFO Term Lenders in good faith. Determination of the Allocation Condition may impact the recoveries on account of Claims in Class 3B, Class 3C, and Class 4.

F. What is the difference between the Sale and Recapitalization Transaction?

The default option under the Plan—the Recapitalization Transaction—is a balance sheet recapitalization pursuant to which, among other things, the Post-Effective Date Debtors distribute all Reorganized Equity to Holders of DIP Claims, FLFO Claims, and FLSO Claims on the Effective Date, subject to dilution by the MIP Equity. Under the Recapitalization Transaction, over $1.1 billion of funded debt obligations would be eliminated, which would in turn substantially reduce the Company's funded debt maintenance obligations.

As the Debtors pursue the Recapitalization Transaction, they will continue to engage with all parties by means of a marketing process. Should the Debtors determine, in accordance with their good faith coordination and consultation with the DIP Lenders and the Ad Hoc Group, that pursuing a Sale is in the best interest of the Debtors, the Debtors will "toggle" and pursue such Sale. The Sale would be a sale of all or substantially all of the Debtors' assets through one or more sales to a Purchaser. Under the Sale, Holders of Claims would receive net proceeds resulting from the Sale (*i.e.*, the Net Distributable Cash) in accordance with the priorities set forth in the Plan.

A vote to accept the Plan is a vote to approve either the Sale or a Recapitalization Transaction, as applicable.

G. What will I receive from the Debtors if the Plan is consummated?

The following chart provides a summary of the anticipated recovery to Holders of Claims, Intercompany Interests, and Equity Interests, or under the Plan. Any estimates of Claims, Intercompany Interests, or Equity Interests in this Disclosure Statement may vary from the final amounts allowed by the Bankruptcy Court. Your ability to receive distributions under the Plan depends upon the ability of the Debtors to obtain Confirmation and meet the conditions necessary to consummate the Plan.

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO CHANGE. FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS, INTERCOMPANY INTERESTS, AND EQUITY INTERESTS REFERENCE SHOULD BE MADE TO THE ENTIRE PLAN.[8]

IN THE EVENT THAT THE NON-PARTICIPATING HOLDERS ARE SUCCESSFUL, IN WHOLE OR IN PART, IN THE ADVERSARY PROCEEDING, RECOVERIES MAY NEED TO BE REALLOCATED AND THE PLAN MAY NEED TO BE AMENDED AND RESOLICITED, WHICH MAY DELAY THE TIMELINE OF THE CHAPTER 11 CASES, INCREASE COSTS, AND RESULT IN THE FAILURE TO OBTAIN THE VOTES NECESSARY FOR CONFIRMATION. IN ADDITION, SUCH A RULING MAY RESULT IN A FAILURE TO MEET THE LITIGATION CONDITION UNDER THE RESTRUCTURING SUPPORT AGREEMENT.

[8] The recoveries set forth below may change based upon changes in the amount of Claims that are "Allowed" as well as other factors related to the Debtors' business operations and general economic conditions.

SUCH A RESULT MAY LEAD TO A TERMINATION OF THE RESTRUCTURING SUPPORT AGREEMENT WHICH, IN TURN, MAY REQUIRE ADDITIONAL ENGAGEMENT WITH STAKEHOLDERS TO RENEGOTIATE THE PLAN.

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class 1	Other Secured Claims	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, each Holder of an Allowed Other Secured Claim shall receive, in full and final satisfaction of such Claim and at the option of the Debtors: (i) payment in full in Cash in an amount equal to its Allowed Other Secured Claim; (ii) the collateral securing its Allowed Other Secured Claim; (iii) Reinstatement of its Allowed Other Secured Claim; or (iv) such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	TBD	100%
Class 2	Other Priority Claims	Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, each Holder of an Allowed Other Priority Claim shall receive, in full and final satisfaction of such Claim, Cash on the Effective Date in an amount equal to such Allowed Other Priority Claim, or as and when due in the ordinary course of business of the Post-Effective Date Debtors, or otherwise as consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.	TBD	100%
Class 3A	FLFO RCF Claims	Except to the extent that a Holder of an Allowed FLFO RCF Claim agrees to less favorable treatment on the Effective Date, each Holder of an Allowed FLFO RCF Claim shall receive, in full and final satisfaction of such Claim at its election, either (i) if the applicable Holder is a Consenting FLFO RCF Lender, (x) if the Recapitalization Transaction occurs, the Committed RCF Treatment or (y) if the Sale occurs, repayment or cash collateralization, as applicable, of such Holder's FLFO RCF Claims from the RCF Reserve Account (or any amounts held in the RCF Reserve Account) pursuant to the Sale Order or (ii) if the applicable Holder is not a Consenting FLFO RCF Lender, treatment in accordance with and *pro rata* to the FLFO Term Loan Claims (Class 3B) treatment.	$25,023,459	100%

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class 3B	FLFO Term Loan Claims	Except to the extent that a Holder of an Allowed FLFO Term Loan Claim agrees to less favorable treatment on the Effective Date, each Holder of an Allowed FLFO Term Loan Claim shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, subject to the Allocation Condition, such Holder's *pro rata* share of (x) if the Incremental New Money DIP Loans are funded, 78.3% of the Reorganized Equity (subject to dilution from the MIP Equity) or (y) if the Incremental New Money DIP Loans are not funded, 86.0% of the Reorganized Equity (subject to dilution from the MIP Equity); *provided* that, if a portion, but not all of the Incremental New Money DIP Loans are funded, the amount of Reorganized Equity set out in item (b)(i)(y) shall be proportionally reduced by the same proportion as the amount of funded Incremental New Money DIP Loans bears to the total amount of Incremental New Money DIP Commitments; or (ii) if the Sale occurs, following the FLFO Payment pursuant to the Sale Order, such Holder's *pro rata* distribution of Net Distributable Cash.	$209,105,951[9]	Unspecified[10]
Class 3C	Reception Purchaser First Lien Claims	Except to the extent that a Holder of an Allowed Reception Purchaser First Lien Claim agrees to less favorable treatment, on the Effective Date, each Holder of an Allowed Reception Purchaser First Lien shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, its *pro rata* share of Reorganized Equity receivable by Class 3B and Class 4, subject to the Allocation Condition; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, solely attributable to such Holder's collateral underlying such Allowed Reception Purchaser First Lien Claim and subject to the Allocation Condition.	$57,964,815[11]	Unspecified

[9] Such amount is inclusive of all 1O Roll-Up DIP Claims.

[10] Because the Debtors do not want to prejudice the sale process by disclosing estimated recoveries for Holders of FLFO Term Loan Claims, Reception Purchaser First Lien Claims, FLSO Term Loan Claims, and Auto Liability Claims, such recoveries are not estimated herein. For more detail, please see Article XI.F of this Disclosure Statement entitled, "Valuation." Unless a Toggle Trigger Event occurs, the Plan will implement the Recapitalization Transaction, and the Debtors intend to file a valuation with respect to the Recapitalization Transaction five business days in advance of the Confirmation Objection Deadline.

[11] For illustrative purposes only; amount excludes any Intercompany Notes Claims and STG Distribution Guaranty Claims which, for the avoidance of doubt, are Class 3C Claims.

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class 4	FLSO Term Loan Claims	Except to the extent that a Holder of an Allowed FLSO Term Loan Claim agrees to less favorable treatment, on the Effective Date, each Holder of an Allowed FLSO Term Loan Claim shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, its *pro rata* share of 2.5% of the Reorganized Equity (subject to dilution by the MIP Equity), subject to the Allocation Condition; or (ii) if the Sale occurs, following the FLSO Payment pursuant to the Sale Order, its *pro rata* distribution of the Net Distributable Cash, subject to payment in full in Cash of the FLFO Claims and subject to the terms of the STG Distribution Credit Agreement.	$668,651,248[12]	Unspecified
Class 5	FLTO Term Loan Claims	Except to the extent that a Holder of an Allowed FLTO Term Loan Claim agrees to less favorable treatment, each Holder of an Allowed FLTO Term Loan Claim shall receive either: (i) if the Recapitalization Transaction occurs, all FLTO Term Loan Claims shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such FLTO Term Loan Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLSO Term Loan Claims and subject to the terms of the STG Distribution Credit Agreement.	$100,673,003	0%
Class 6	Auto Liability Claims	Unless a Holder of an Allowed Auto Liability Claim agrees to less favorable treatment, each Holder of an Allowed Auto Liability Claim shall receive in full and final satisfaction of such Claim either (i) if the Recapitalization Transaction occurs, subject to the Second Out Condition, treatment rendering its Allowed Auto Liability Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLTO Term Loan Claims.	$6,000,000	100% or Unspecified

[12] Such amount is inclusive of all 2O Roll-Up DIP Claims.

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class 7A	General Unsecured Claims	Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each Holder of an Allowed General Unsecured Claim shall receive either: (i) if the Recapitalization Transaction occurs, all General Unsecured Claims shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such General Unsecured Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLTO Term Loan Claims.	$29,000,000[13]	0%
Class 7B	Convenience Claims	Except to the extent that a Holder of an Allowed Convenience Claim agrees to less favorable treatment, each Holder of an Allowed Convenience Claim shall receive such Holder's *pro rata* share of the Convenience Claims Cash Pool; *provided* that such *pro rata* share shall not exceed $100,000 for any such Holder.	$4,700,000	20% – 30%[14]
Class 9	Intercompany Claims	Except to the extent that a Holder of an Allowed Intercompany Claim agrees to less favorable treatment, each Holder of an Allowed Intercompany Claim shall receive either: (i) if the Recapitalization Transaction occurs, all Intercompany Claims shall be Reinstated, set off, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Post-Effective Date Debtors without any distribution; or (ii) if the Sale occurs, all Intercompany Claims shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors without any distribution.	N/A	N/A

[13] The Debtors estimate approximately $29,000,000 of General Unsecured Claims assuming no Holders elect to be treated as Class 7B Convenience Claims.

[14] The Debtors estimate that Holders of up to approximately $4,700,000 in Class 7A General Unsecured Claims, when capped at the Convenience Claim threshold of $100,000, may elect to be treated as Class 7B Convenience Claims, which would result in an estimated recovery of approximately 20% to 30% for participating Holders, subject to allowance and the aggregate amount of Class 7A General Unsecured Claims that elect into Class 7B.

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class 10	Intercompany Interests	Except to the extent that a Holder of an Allowed Intercompany Interest agrees to less favorable treatment, each Holder of an Allowed Intercompany Interest shall receive either: (i) if the Recapitalization Transaction occurs, all Intercompany Interests shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors without any distribution; (ii) if the Sale occurs, all Intercompany Interests shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors without any distribution.	N/A	N/A
Class 11	Section 510(b) Claims	Except to the extent that a Holder of an Allowed Section 510(b) Claim agrees to less favorable treatment, each Holder of an Allowed Section 510(b) Claim shall receive either: (i) if the Recapitalization Transaction occurs, all Section 510(b) Claims shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such Section 510(b) Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the General Unsecured Claims and Auto Liability Claims.	N/A	N/A
Class 12	Equity Interests	Except to the extent that a Holder of an Allowed Equity Interest agrees to less favorable treatment, each Holder of an Allowed Equity Interest shall receive either: (i) if the Recapitalization Transaction occurs, all Equity Interests shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such Equity Interests shall not receive any distribution under the Plan on account of such Equity Interest; (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the Section 510(b) Claims.	N/A	N/A

H. What will I receive from the Debtors if I hold an Allowed Administrative Claim, DIP Claim, or a Priority Tax Claim?

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP Claims, Professional Fee Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims, Intercompany Interests, and Equity Interests set forth in Article III of the Plan.

1. Administrative Claims.

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the Post-Effective Date Debtors, as applicable, each Holder of an Allowed Administrative Claim (other than Holders of DIP Claims, Professional Fee Claims, and Claims for fees and expenses pursuant to section 1930 of chapter 123 of title 28 of the United States Code) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of such Allowed Administrative Claim in accordance with the following: (1) if an Administrative Claim is Allowed and due on or prior to the Effective Date, on the Effective Date or as soon as reasonably practicable thereafter; (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than thirty (30) days after the date on which an order allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by a Debtor in the ordinary course of its business after the Petition Date, in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by such Holder and the Debtors or the Post-Effective Date Debtors, as applicable; or (5) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

Except as otherwise provided in Article II.A of the Plan, requests for payment of Administrative Claims must be Filed with the Bankruptcy Court and served on the Debtors by the applicable Administrative Claims Bar Date. **Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, their Estates, or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Debtors or the Post-Effective Date Debtors, as applicable, or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity.**

2. DIP Claims.

On the Effective Date, except to the extent that a Holder of an Allowed DIP Claim agrees to alternative treatment, and in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed DIP Claim, each Holder of an Allowed DIP Claim shall receive, either:

a. if the Recapitalization Transaction occurs, (i) on account of its New Money DIP Claim, (A) the Takeback Term Loans, and (B) (1) if the Incremental New Money DIP Loans are funded, 19.2% of the Reorganized Equity (subject to dilution from the MIP Equity) or (2) if the Incremental New Money DIP Loans are not funded, 11.5% of the Reorganized Equity (subject to dilution from the MIP Equity); provided that, if a portion, but not all of the Incremental New Money DIP Loans are funded, the amount of Reorganized Equity set out in item (i)(B)(2) shall be proportionally increased by the same proportion as the amount of funded Incremental New Money DIP Loans bears to the total amount of Incremental New Money DIP Commitments, (ii) on account of its 1O Roll-Up DIP Claim, if any, such treatment consistent with the FLFO Term Loan Claims, and (iii) on account of its 2O Roll-Up DIP Claim, if any, such treatment consistent with the FLSO Term Loan Claims;[15] or

[15] For the avoidance of doubt, notwithstanding that any fees payable on the New Money DIP Claims shall be waived or cancelled in connection with a Recapitalization Transaction, such fees shall continue to be accounted for in determining each holder of a New Money DIP Claim's ratable share of the consideration among New Money DIP Claims.

b. if the Sale occurs, the DIP Payment pursuant to the Sale Order.

Notwithstanding the foregoing, in the event of a Recapitalization Transaction, nothing in the Plan or in the Confirmation Order shall have the effect of releasing, discharging, or compromising any rights of any DIP Secured Party or their Related Persons (as defined in the DIP Credit Agreement) (in any capacity) arising under, related to, or in connection with any rights, Claims, or Causes of Action in respect of the DIP Indemnity; *provided* that in the event of a Credit Bid, the DIP Indemnity shall be assumed by the purchaser.

3. Priority Tax Claims.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall receive Cash equal to the full amount of its Claim or such other treatment in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

4. Professional Fee Claims.

a. Final Fee Applications and Payment of Professional Fee Claims.

All requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than sixty (60) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Post-Effective Date Debtors shall pay Professional Fee Claims in Cash in the amount the Bankruptcy Court allows, including from the Professional Fee Escrow Account or the Wind Down Debtor Account.

b. Professional Fee Escrow Account.

On the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals. Such funds shall not be considered property of the Estates of the Debtors or the Post-Effective Date Debtors, as applicable. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Post-Effective Date Debtors from the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed. When all Allowed Professional Fee Claims have been paid in full, any remaining amount in the Professional Fee Escrow Account shall promptly be paid to the Post-Effective Date Debtors without any further notice to, action, order, or approval of the Bankruptcy Court.

c. Professional Fee Amount.

Professionals shall reasonably estimate their unpaid Professional Fee Claims and other unpaid fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date and shall deliver such estimates to the Debtors no later than three (3) Business Days before the Effective Date; *provided*, *however*, that such estimate shall not be deemed to limit the amount of the fees and expenses that may be Allowed pursuant to the Professional's final request for payment. If a Professional does not provide an estimate, the Debtors or the Post-Effective Date Debtors, as applicable, may estimate the unpaid and unbilled fees and expenses of such Professional for the purpose of determining the Professional Fee Amount. The total aggregate amount so estimated as of the Effective Date shall be utilized by the Debtors to determine the amount to be funded to the Professional Fee Escrow Account.

d. Post-Confirmation Fees and Expenses.

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors or the Post-Effective Date Debtors, as applicable, shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by the Debtors or the Post-Effective Date Debtors, as applicable. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors and/or the Post-Effective Date Debtors, as applicable, may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

I. How do I know if my Claim is a General Unsecured Claim?

General Unsecured Claim means any Claim that is not: (a) an Administrative Claim; (b) a Claim by a professional seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred through and including the Confirmation Date under sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code; (c) a Priority Tax Claim; (d) a DIP Claim; (e) an Other Secured Claim; (f) an Other Priority Claim; (g) a Funded Debt Claim; or (h) an Intercompany Claim; *provided* that any Holder of an Allowed General Unsecured Claim that makes the Convenience Claim Election shall receive the Convenience Claim Treatment.

J. What does it mean if I have a Convenience Claim?

If you have an Allowed Convenience Claim, that means (a) the total amount of your Allowed General Unsecured Claim is greater than $50 but less than or equal to $100,000 and you irrevocably elect on your Ballot to have your Allowed General Unsecured Claim and treated as a Convenience Claim (the "Convenience Claim Election"); or (b) you elected on your Ballot to treat your Allowed General Unsecured Claim as a Convenience Claim, including, if applicable, reducing your Allowed General Unsecured Claim to $100,000. Holders of Allowed Convenience Claims will receive the treatment provided to Holders of Class 7B Convenience Claims and will receive their *pro rata* share of the Convenience Claims Cash Pool. If you make the Convenience Claim Election to receive the Convenience Claim Treatment, you may not opt out of the releases set forth in Article IX of the Plan.

If you have an Allowed Class 7A General Unsecured Claim above $100,000, you may irrevocably elect on your Ballot to have your Allowed Class 7A General Unsecured Claim reduced to $100,000 and treated as a Class 7B Convenience Claim. If you have an Allowed Class 7A General Unsecured Claim of less than $100,000 and you irrevocably elect on your Ballot to make the Convenience Claim Election, you will have an Allowed Convenience Claim in the amount of your actual Allowed General Unsecured Claim and such Allowed Convenience Claim will receive the Convenience Claim Treatment. To be clear, if you make the Convenience Claim Election, such Allowed General Unsecured Claim will be reduced to $100,000 (as applicable) and considered an Allowed Convenience Claim. You may not revoke your Convenience Claim Election.

Allowed Convenience Claims will receive their *pro rata* share of the Convenience Claims Cash Pool pursuant to the Convenience Claim Treatment under the Plan. Holders of Allowed Convenience Claims, including Holders of Allowed General Unsecured Claims above $100,000 making the Convenience Claim Election, will not be entitled to additional payments other than any payment pursuant to their treatment as a Holder of a Class 7B Convenience Claim under the Plan. The Debtors estimate that Holders of approximately $4,700,000 million in Class 7A General Unsecured Claims may elect to be treated as

Class 7B Convenience Claims, which would result in an estimated recovery of approximately 20% to 30% for participating Holders, subject to allowance and the aggregate amount of Class 7A General Unsecured Claims that elect into Class 7B. The Convenience Claim Reserve will be established by the Debtors on the Effective Date to hold the Convenience Claim Cash Pool and the distribution to Holders of Allowed Convenience Claims shall be paid in Cash to such Holders from the Convenience Claim Reserve as soon as reasonably practicable after such Convenience Claims are Allowed. The Convenience Claims Cash Pool is $975,000 in the aggregate, and no single Holder of an Allowed Convenience Claim shall receive more than $100,000 on account of such Claim.

K. Are any regulatory approvals required to consummate the Plan?

There are no known U.S. regulatory approvals that are required to consummate the Plan. However, to the extent any such regulatory approvals or other authorizations, consents, ruling, or documents are necessary to implement and effectuate the Plan, it is a condition precedent to the Effective Date that they be obtained. In the case of the Sale, a filing under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (and expiration or early termination of the waiting period thereunder) may be required as a condition precedent to any asset sale that exceeds the applicable size of the transaction threshold.

L. What happens to my recovery if the Plan is not confirmed or does not go effective?

In the event that the Plan is not confirmed or does not go effective, there is no assurance that the Debtors will be able to reorganize their business or that Holders of Claims will receive the potential recoveries reflected herein. It is possible that any alternative may provide Holders of Claims with less than they would have received pursuant to the Plan. For a more detailed description of the consequences of an extended chapter 11 case, or of a liquidation scenario, *see* Article XI.G of this Disclosure Statement, titled "Liquidation Analysis" and the Liquidation Analysis attached hereto as **Exhibit D**.

M. If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan goes effective, and what is meant by "Confirmation," "Effective Date," and "Consummation?"

"Confirmation" of the Plan refers to approval of the Plan by the Bankruptcy Court. Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After Confirmation of the Plan by the Bankruptcy Court, there are conditions that need to be satisfied or waived so that the Plan can go effective. Initial distributions to Holders of Allowed Claims will only be made on the date the Plan becomes effective—the "Effective Date"—or as soon as reasonably practicable thereafter, as specified in the Plan. "Consummation" of the Plan refers to the occurrence of the Effective Date. *See* Article IX of this Disclosure Statement, entitled "Risk Factors.," for a discussion of conditions precedent to Consummation of the Plan.

N. What are the sources of Cash and other consideration required to fund the Plan?

If the Recapitalization Transaction occurs, the Debtors shall fund or make distributions under the Plan, as applicable, with: (i) the Reorganized Equity; (ii) the Debtors' Cash on hand; (iii) the Convenience Claim Reserve; (iv) the Takeback Term Loans; (v) the Exit RCF Facility; and (vi) the Takeback Equipment Financing Debt (if any).

If the Sale occurs, the Wind Down Debtors will fund distributions under the Plan with the Sale Payment Amount, the RCF Reserve Account, Net Distributable Cash, the Convenience Claim Reserve, and, if applicable, any remaining amount in the Wind Down Debtor Account (if any, after completion of the Wind Down and payment in full of all amounts required to be paid by the amounts deposited in the Wind Down Debtor Account).

O. Are there risks to owning the Reorganized Equity upon the Debtors' emergence from chapter 11?

Yes. *See* Article IX of this Disclosure Statement, entitled "Risk Factors," for a discussion of such risks.

P. Is there potential litigation related to the Plan?

Parties in interest may object to the approval of this Disclosure Statement and may object to Confirmation of the Plan, which objections potentially could give rise to litigation.

In the event that it becomes necessary to confirm the Plan over the rejection of certain Classes, the Debtors may seek confirmation of the Plan notwithstanding the dissent of such rejecting Classes. The Bankruptcy Court may confirm the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code, which allow the Bankruptcy Court to confirm a plan that has been rejected by an impaired Class if it determines that the Plan satisfies section 1129(b) of the Bankruptcy Code. *See* Article XI.E of this Disclosure Statement, entitled "Confirmation Without Acceptance by All Impaired Classes."

Q. What is the Management Incentive Plan and how will it affect the distribution I receive under the Plan?

Distributions of Reorganized Equity made in the event the Recapitalization Transaction occurs will be subject to dilution from the MIP Equity. If the Recapitalization Transaction occurs, on or within thirty (30) days following the Effective Date, the New Board shall adopt and implement the Management Incentive Plan to be used to incentivize and compensate employees, directors, consultants, and other services providers of the Post-Effective Date Debtors, which Management Incentive Plan will include the ability to grant restricted stock units, options, Reorganized Equity, or other rights exercisable, exchangeable, or convertible into Reorganized Equity (or equivalent Cash value thereof) in accordance with the Restructuring Support Agreement.

R. Does the Plan preserve Causes of Action?

The Plan provides for the retention of all Causes of Action other than those that are expressly waived, relinquished, exculpated, released, compromised, or settled. The specific treatment of Causes of Action under the Plan is dependent on whether the Sale or Recapitalization Transaction occurs.

In the event of the Recapitalization Transaction. In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article IX of the Plan, all Causes of Action shall vest in the Post-Effective Date Debtors as Retained Causes of Action. For the avoidance of doubt, any Cause of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including Article IX of the Plan, shall not be considered a Retained Cause of Action. The Post-Effective Date Debtors shall have the exclusive right, authority, and discretion to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment such Retained Causes of Action, as appropriate, in accordance with the best interests of the Post-Effective Date Debtors and no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Retained Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. For the avoidance of doubt, any Claims or Causes of Action against the Consenting Stakeholders and/or their Affiliates and/or advisors shall not be Retained Causes of Action. The Released Preference Actions shall not be Retained Causes of Action.

No Person or Entity may rely on the absence of a specific reference in the Schedule of Retained Causes of Action, the Plan, the Plan Supplement, or the Disclosure Statement to any Cause

of Action against it as any indication that the Debtors or Post-Effective Date Debtors, as applicable, will not pursue any and all available Retained Causes of Action against it. The Debtors and Post-Effective Date Debtors expressly reserve all rights to prosecute any and all Retained Causes of Action against any Person or Entity, except as otherwise expressly provided in the Plan, including Article IX of the Plan.

The Post-Effective Date Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (x) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court, and (y) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement to file motions or substitutions of parties or counsel in each such matter.

In the event of the Sale. Unless any Cause of Action against a Person or an Entity is expressly acquired pursuant to the Purchase Agreement, waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors shall convey to the Plan Administrator all rights to commence, prosecute, or settle, as appropriate, any and all Retained Causes of Action, including any action specifically enumerated in the Schedule of Retained Causes of Action, whether arising before or after the Petition Date, which shall vest in the Plan Administrator pursuant to the terms of the Plan. The Plan Administrator may enforce all rights to commence, prosecute, or settle, as appropriate, any and all Retained Causes of Action, whether arising before or after the Petition Date, and the Plan Administrator's rights to commence, prosecute, or settle such Retained Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Plan Administrator may, in its reasonable business judgment, pursue such Retained Causes of Action and may retain and compensate professionals in the analysis or pursuit of such Retained Causes of Action to the extent the Plan Administrator deems appropriate, including on a contingency fee basis. No Person or Entity may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Plan Administrator will not pursue any and all available Retained Causes of Action against them. The Debtors and the Plan Administrator expressly reserve all rights to prosecute any and all Retained Causes of Action against any Person or Entity, except as otherwise expressly provided in the Plan; *provided* that the Wind Down Debtors, in consultation with the Plan Administrator after the Effective Date, may prosecute any such Retained Cause of Action against any party only in connection with their objection to and resolution of any Claim asserted by such party. Unless any Cause of Action against an Entity is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, the Plan Administrator expressly reserves all Retained Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Retained Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. The Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Retained Causes of Action, or to decline to do any of the foregoing, without the consent or approval of any third party or any further notice to, or action, order, or approval of, the Bankruptcy Court. The Released Preference Actions shall not be Retained Causes of Action.

S. Will there be releases, exculpation, and injunction granted to parties in interest as part of the Plan?

Yes, the Plan proposes to release the Released Parties and to exculpate the Exculpated Parties. The Debtors' releases, third-party releases, exculpation, and injunction provisions included in the Plan are an integral part of the Debtors' overall restructuring efforts and were an essential element of the negotiations among the Debtors and their key constituencies in obtaining support for the Plan.

"*Exculpated Parties*" means, collectively, and in each case solely in its capacity as such: (a) each of the Debtors; and (b) with respect to the Debtors, each of their respective current and former directors, the Special Committee, managers, officers, attorneys, financial advisors, consultants, or other professionals or advisors that served in such capacity between the Petition Date and Effective Date.

"*Related Party*" means, with respect to a specified Person, each of such Person's, and in each case in its capacity as such, current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, predecessors, participants, successors, assigns (whether by operation of law or otherwise), subsidiaries, current, former, and future associated entities, managed or advised entities, accounts or funds, partners, limited partners, general partners, principals, members, management companies, fund advisors, managers, fiduciaries, trustees, employees, agents (including any Disbursing Agent), advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, representatives advisors, predecessors, successors, and assigns. For the avoidance of doubt, the Debtors' Related Parties include the Special Committee and any attorneys or professionals retained by any current or former director or manager of a Debtor in his or her capacity as director or manager as a Debtor, including, for the avoidance of doubt, any attorneys or professionals retained by the Special Committee.

"*Released Party*" means collectively, and in each case solely in its capacity as such: (a) each Debtor; (b) each Post-Effective Date Debtor; (c) each Consenting Stakeholder; (d) each Consenting Sponsor; (e) each DIP Lender; (f) the DIP Agent; (g) each Agent; (h) the Committee and each of its members; (i) each Releasing Party; (j) each current and former Affiliate of each Entity in clause (a) through the following clause (k); and (k) each Related Party of each Entity in clauses (a) through this clause (k); *provided, however*, that, in each case, an Entity shall not be a Released Party if it: (x) elects to opt out of the Third-Party Release; or (y) timely objects to the Third-Party Release and such objection is not withdrawn or otherwise resolved before the Confirmation Order is entered. For the avoidance of doubt and notwithstanding anything in the Plan to the contrary, no non-Releasing Party shall be a Released Party under the Plan.

"*Releasing Party*" means collectively, and each solely in its capacity as such: (a) each Debtor; (b) each Post-Effective Date Debtor; (c) each Consenting Stakeholder; (d) each Consenting Sponsor; (e) each DIP Lender; (f) the DIP Agent; (g) each Agent; (h) the Committee and each of its members; (i) all Holders of Claims; (j) all Holders of Equity Interests; (k) each current and former Affiliate of each Entity in clause (a) through the following clause (l); and (l) each Related Party of each Entity in clauses (a) through this clause (l); *provided, however*, that each Entity that (x) elects to opt out of the Third-Party Release; or (y) timely objects to the Third-Party Release and such objection is not withdrawn or otherwise resolved before the Confirmation Order is entered shall not be a Releasing Party.

The Released Parties and the Exculpated Parties have made substantial and valuable contributions to the Debtors' restructuring through efforts to negotiate and implement the Plan, which will maximize and preserve the going-concern value of the Debtors for the benefit of all parties in interest.

The Restructuring Transactions contemplated in the Plan are the value-maximizing path forward for the Company. As such, the Debtor Release and the Third-Party Release appropriately offer certain protections to, among others, parties who constructively participated in the Debtors' restructuring process by supporting the Plan. For example, the DIP Lenders played an integral role in the Restructuring Transactions and have agreed to provide up to $150 million in new money under the DIP Facility to fund the administration of the Chapter 11 Cases and the implementation of the Restructuring Transactions. Accordingly, each of the Released Parties and the Exculpated Parties warrants the benefit of the release and exculpation provisions.

Based on the foregoing, the Debtors believe that the releases, exculpation, and injunction provisions in the Plan are necessary and appropriate and meet the requisite legal standard promulgated by the United States Court of Appeals for the Third Circuit. Moreover, the Debtors will present evidence at the Confirmation Hearing to demonstrate the basis for and propriety of the release and exculpation provisions. The release, exculpation, and injunction provisions that are contained in the Plan are copied in pertinent part below.

The 2025 Special Committee, with the assistance of its independent counsel, White & Case LLP ("White & Case"), conducted an initial assessment prior to the Petition Date and continues to actively assess (a) the existence of any potential Claims or Causes of Action that the Debtors may hold—including, without limitation—against certain insiders and other affiliated Entities and (b) whether the Debtors should retain, release, or seek to settle any such Claims and Causes of Action (the "Investigation"). The 2025 Special Committee's Investigation is described in detail in Article VI.C below. In conjunction with the Investigation, the 2025 Special Committee, with the assistance of White & Case, has been evaluating the proposed releases and settlements contemplated by the Plan. As set forth in Article VI.C of this Disclosure Statement, the 2025 Special Committee has concluded that the release provisions contained in the Plan are appropriate. The 2025 Special Committee's conclusions with respect to the Investigation into potential Claims against the above-referenced Released Parties are based on the facts and circumstances as identified and known by the 2025 Special Committee as of the date hereof. Accordingly, to the extent the Investigation uncovers additional facts with respect to potential Claims or Causes of Action prior to confirmation, the 2025 Special Committee may recommend that the Debtors amend and narrow the scope of the proposed Released Parties or remove such Claims or Causes of Action entirely in order to allow such Claims or Causes of Action to be preserved.

1. Release of Liens.

Except as otherwise specifically provided in the Plan, the Confirmation Order, the Takeback Term Loan Facility Documents, the Exit RCF Facility Documents, the Sale Order (if any), the DIP Orders (solely with respect to the RCF Reserve Account in connection with the Wind Down), or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim or any related claim that may be asserted against a non-Debtor Affiliate, in satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, except for Other Secured Claims that the Debtors elect to Reinstate in accordance with the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates or any non-Debtor Affiliate shall be fully released and discharged, and all of the right, benefit, title, and interest of any Holder (and the applicable Agents of such Holder) of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert and, as applicable, be reassigned, surrendered, reconveyed, or retransferred to the Post-Effective Date Debtors and their successors and assigns. The Holders of such Secured Claim or claim against a non-Debtor Affiliate (and the applicable agents for such Holders) shall be authorized and directed, at the sole cost and expense of the Post-Effective Date Debtors, to release any collateral or other property of any Debtor or non-Debtor Affiliate (including any Cash Collateral and possessory collateral) held by such Holder (and the applicable agents for such Holder) and to take such actions as may be reasonably requested by the Debtors or Post-Effective Date Debtors, as applicable, to evidence the release of such Liens, including the execution, delivery, and filing or recording of such releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency, records office, or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

2. Releases by the Debtors.

Except as otherwise specifically provided in the Plan or the Confirmation Order, pursuant to section 1123(b) of the Bankruptcy Code, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, each Released Party is deemed, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by and on behalf of each and all of the Debtors, their Estates, and the Post-Effective Date Debtors in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Claim or Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims and Causes of Action (including all Avoidance Actions), whether known or unknown, including any derivative claims asserted or assertable on behalf of the Debtors, their Estates, and the Post-Effective Date Debtors, whether liquidated or unliquidated, fixed, or contingent, matured, or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or herein-after arising, whether in Law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common Law, or any other applicable international, foreign, or domestic Law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise, that such Holders or their Estates, Affiliates, heirs, executors, administrators, successors, assigns, managers, accountants, attorneys, representatives, consultants, agents, and any other Persons claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively), or on behalf of the Holder of any Claim against, or Equity Interest or Intercompany Interest in, a Debtor or other Entity, or that any Holder of any Claim against or Equity Interest or Intercompany Interest in a Debtor or other Entity could have asserted on behalf of the Debtors based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof or otherwise), the purchase, sale, or rescission of any Security of the Debtors or the Post-Effective Date Debtors, the Restructuring Transactions, the Chapter 11 Cases, the Debtors' in- or out- of- court restructuring efforts, the subject matter of, or the transactions or events giving rise to, any Claim, Equity Interest, or Intercompany Interest that is treated in the Plan, the business or contractual arrangements or interaction between or among any Debtor and any Released Party, the distribution of any Cash or other property of the Debtors to any Released Party, the assertion of or enforcement of rights or remedies against the Debtors, the restructuring of any Claim, Equity Interest, or Intercompany Interest before or during the Chapter 11 Cases, including, but not limited to, the sale and marketing efforts related thereto, intercompany transactions between or among the Debtors or between the Debtors and their non-Debtor Affiliates, the Restructuring Support Agreement, the STG Distribution Credit Agreement, the Reception Purchaser Credit Agreement, the Equipment Financings, the DIP Facility, the DIP Orders, the DIP Documents, the Takeback Term Loan Facility, the Takeback Term Loan Facility Documents, the Exit RCF Facility, the Exit RCF Facility Documents, the Sale (if any), the Sale Documents (if any), the 2024 Equity Transactions, the 2024 Refinancing Transactions, the Disclosure Statement Order, the Confirmation Order, the First Day Pleadings, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Disclosure Statement, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the Plan, or the Plan Supplement, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the Investigation, the Equipment Financings, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement under the Restructuring Transactions, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) any Causes of Action specifically retained by the Debtors pursuant to a schedule of retained Causes of Action to be attached as an exhibit to the Plan Supplement, or (iii) any Cause of Action related to any act or omission that is determined by a Final Order of a court of competent jurisdiction to have constituted actual fraud or willful misconduct.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, including, the Released Parties' contribution to facilitating the Restructuring Transactions and implementing the Plan; (2) a good faith settlement and compromise of the Claims and Causes of Action released by the Debtor Release; (3) in the best interests of the Debtors, their Estates, and all Holders of Claims, Equity Interests, and Intercompany Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for a hearing; and (6) a bar to any of the Debtors, the Post-Effective Date Debtors, or the Debtors' Estates asserting any Claim or Cause of Action released pursuant to the Debtor Release.

3. Releases by Holders of Claims, Equity Interests, and Intercompany Interests.

Except as otherwise specifically provided in the Plan or the Confirmation Order, pursuant to section 1123(b) of the Bankruptcy Code, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, each Releasing Party is deemed to have, hereby conclusively, absolutely, unconditionally, irrevocably and forever released and discharged each Debtor, Post-Effective Date Debtor, and Released Party from any and all Claims and Causes of Action (including all Avoidance Actions), whether known or unknown, including any derivative claims asserted or assertable on behalf of the Debtors, the Post-Effective Date Debtors, and their Estates (as applicable) whether liquidated or unliquidated, fixed, or contingent, matured, or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or herein-after arising, whether in Law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common Law, or any other applicable international, foreign, or domestic Law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise, that such Holders or their Estates, Affiliates, heirs, executors, administrators, successors, assigns, managers, accountants, attorneys, representatives, consultants, agents, and any other Persons claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof or otherwise), the purchase, sale, or rescission of any Security of the Debtors or the Post-Effective Date Debtors, the Restructuring Transactions, the Chapter 11 Cases, the subject matter of, or the transactions or events giving rise to, any Claim, Equity Interest, or Intercompany Interest that is treated in the Plan, the business or contractual arrangements or interaction between or among any Debtor and any Released Party, the distribution of any Cash or other property of the Debtors to any Released Party, the assertion of or enforcement of rights or remedies against the Debtors, the restructuring of any Claim, Equity Interest, or Intercompany Interest before or during the Chapter 11 Cases, the Debtors' in- or out-of-court restructuring efforts, including, but not limited to, the sale and marketing efforts related thereto, intercompany transactions between or among the Debtors or between the Debtors and their non-Debtor Affiliates, the Restructuring Support Agreement, the STG Distribution Credit Agreement, the Reception Purchaser Credit Agreement, the Equipment Financings, the DIP Facility,

the DIP Orders, the DIP Documents, the Takeback Term Loan Facility, the Takeback Term Loan Facility Documents, the Exit RCF Facility, the Exit RCF Facility Documents, the Sale (if any), the Sale Documents (if any), the 2024 Equity Transactions, the 2024 Refinancing Transactions, the Disclosure Statement Order, the Confirmation Order, the First Day Pleadings, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Disclosure Statement, the Plan, the Plan Supplement, the Restructuring Transactions, any contract, instrument, release, or other agreement or document created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the Plan, or the Plan Supplement, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the Investigation, the Equipment Financings, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) any Causes of Action specifically retained by the Debtors pursuant to a schedule of retained Causes of Action to be attached as an exhibit to the Plan Supplement, (iii) any indemnification rights and obligations under the Prepetition Debt Documents, or (iv) any Cause of Action related to any act or omission that is determined by a Final Order of a court of competent jurisdiction to have constituted actual fraud or willful misconduct.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (1) consensual; (2) essential to the Confirmation of the Plan; (3) given in exchange for the good and valuable consideration provided by the Released Parties, including the Released Parties' contribution to facilitating the Restructuring Transactions and implementing the Plan; (4) a good faith settlement and compromise of the Claims released by the Third-Party Release; (5) in the best interests of the Debtors and their Estates; (6) fair, equitable, and reasonable; (7) given and made after due notice and opportunity for a hearing; and (8) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Third-Party Release.

Without limiting the foregoing, from and after the Effective Date, any Entity that votes to accept the Plan or that is given the opportunity to opt into the releases contained in the Plan and exercises such opportunity to opt into the releases may not assert any claim, Claim, or other Cause of Action against any Released Party based on or relating to, or in any manner arising from, in whole or in part, the Debtors. From and after the Effective Date, any such Entity may not assert any claim or other Cause of Action against any Released Party for which it is asserted or implied that such claim or Cause of Action is not subject to the releases contained in the Plan without first obtaining a Final Order from the Bankruptcy Court (a) determining, after notice and a hearing, that such claim or Cause of Action is not subject to the releases contained in the Plan and (b) specifically authorizing such Person or Entity to bring such claim or Cause of Action against any such Released Party. The Bankruptcy Court will have sole and exclusive jurisdiction to determine whether a claim or Cause of Action constitutes a direct or derivative claim, is colorable and, only to the extent legally permissible and as provided for in the Plan, the Bankruptcy Court shall have jurisdiction to adjudicate the underlying claim or Cause of Action.

4. Exculpation.

Except as otherwise expressly provided in the Plan or the Confirmation Order, to the fullest extent permitted by applicable law, no Exculpated Party shall have or incur, and each Exculpated Party is exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Disclosure Statement, the Plan, or any Restructuring Transaction, contract, instrument, release or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Cases, the negotiation and pursuit of the Restructuring Support Agreement, the Definitive Documents, the Plan Supplement, the participation in the DIP Facility, the participation in Takeback Term Loan Facility, the Exit RCF Facility, the participation in the Sale (if any), the participation in the 2024 Equity Transactions, the participation in the 2024 Refinancing Transactions, the pursuit of Confirmation, the pursuit of Consummation, the Investigation, the Equipment Financings, the administration and implementation of the Plan, including the issuance of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement. The Exculpated Parties have acted in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan, including the issuance of Securities thereunder. The exculpation will be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable Law or rules protecting such Exculpated Parties from liability.

The Exculpated Parties have, and upon Consummation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

5. Injunction.

Except as otherwise specifically provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities who have held, hold, or may hold Claims, Equity Interests, or Intercompany Interests that have been released, discharged, or settled, or are subject to exculpation under the Plan are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Post-Effective Date Debtors, the Exculpated Parties, or the Released Parties: (a) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests; (c) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the Estates of such Entities on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests; (d) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities, in each case, on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests unless such Holder has

Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a claim or interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (e) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests released or settled pursuant to the Plan.

Upon entry of the Confirmation Order, all Holders of Claims, Equity Interests, and Intercompany Interests and their respective current and former employees, agents, officers, directors, managers, principals, and direct and indirect Affiliates, in their capacities as such, shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Each Holder of an Allowed Claim, Allowed Equity Interest, or Allowed Intercompany Interest, as applicable, by accepting, or being eligible to accept, distributions under or Reinstatement of such Claim, Equity Interest, or Intercompany Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in Article IX.F of the Plan.

No Person or Entity may commence or pursue a Claim or Cause of Action of any kind against the Debtors, the Post-Effective Date Debtors, the Exculpated Parties, or the Released Parties that relates to or is reasonably likely to relate to any act or omission in connection with, relating to, or arising out of a Claim or Cause of Action released, discharged, settled, or that is subject to exculpation pursuant to the Plan, without the Bankruptcy Court (i) first determining, after notice and a hearing, that such Claim or Cause of Action represents a colorable Claim of any kind, and (ii) specifically authorizing such Person or Entity to bring such Claim or Cause of Action against any such Debtor, Post-Effective Date Debtor, Exculpated Party, or Released Party.

For more detail, see Article IX of the Plan, entitled "Settlement, Release, Injunction, and Related Provisions," which is incorporated herein by reference.

T. Do I have to grant the releases under the Plan? Can I opt out of the releases?

If you vote to accept the Plan or make the Convenience Claim Election, you cannot opt out of the Third-Party Release set forth in Article IX.D of the Plan. By voting to accept the Plan or making the Convenience Claim Election, you are consenting to grant the Third-Party Release.

You can opt out of providing the Third-Party Release if (a) you are a Holder of Claims or Equity Interests that (i) is deemed to accept the Plan, (ii) is eligible to vote on the Plan and abstain from voting on the Plan, (iii) votes to reject the Plan, or (iv) is deemed to reject the Plan, and (b) you affirmatively opt out of the releases provided by the Plan by checking the applicable box on the Opt-Out Form indicating that you opt not to grant the releases provided in the Plan.

U. What are the consequences of opting out of the releases provided by the Plan?

If a Holder of a Claim or Interest opts out of the Third-Party Release, such Holder will not be a "Releasing Party" and will preserve any direct Causes of Action that it may have against the Released Parties. Such Holder will also not be a "Released Party," and, the Post-Effective Date Debtors and any third party that is a Releasing Party will preserve all Causes of Action against such Holder.

Upon the Effective Date, the Post-Effective Date Debtors will be vested with authority to commence, litigate, and settle any and all retained Causes of Action. By opting out of providing the Third-Party Release under the Plan, a Holder also forgoes the opportunity to receive the Debtor Release under the Plan. As a result, after the Effective Date, the Post-Effective Date Debtors may pursue any Causes

of Action held by the Debtors that are preserved under the Plan against a Holder that opts out of the Third-Party Release.

V. When is the deadline to vote on the Plan?

The Voting Deadline is May 15, 2026, at 5:00 p.m. (prevailing Eastern Time).

W. How do I vote on the Plan?

Detailed instructions regarding how to vote on the Plan are contained on the ballot distributed to Holders of Claims that are entitled to vote on the Plan (the "Ballot"). For your vote to be counted, the Ballot containing your vote must be properly completed, executed, and delivered as directed so that it is **actually received** by the Debtors' claims, noticing, and solicitation agent, Epiq Corporate Restructuring, LLC (the "Claims and Noticing Agent") **on or before the Voting Deadline, *i.e.*, May 15, 2026, at 5:00 p.m., prevailing Eastern Time**. *See* Article X of this Disclosure Statement, entitled "Solicitation and Voting Procedures," for additional information.

X. Why is the Bankruptcy Court holding a Confirmation Hearing?

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a hearing on confirmation of the Plan and recognizes that any party in interest may object to Confirmation of the Plan. The Confirmation Hearing is scheduled to occur on May 22, 2026, at 10:00 a.m., prevailing Eastern Time. The Confirmation Hearing may be adjourned from time to time without further notice.

Y. What is the purpose of the Confirmation Hearing?

The confirmation of a plan of reorganization by a bankruptcy court binds the debtor, any issuer of securities under a plan of reorganization, any person acquiring property under a plan of reorganization, any creditor or equity interest holder of a debtor, and any other person or entity as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by the bankruptcy court confirming a plan of reorganization discharges a debtor from any debt that arose before the confirmation of such plan of reorganization and provides for the treatment of such debt in accordance with the terms of the confirmed plan of reorganization.

Z. What is the effect of the Plan on the Debtors' ongoing business?

The Debtors are reorganizing under chapter 11 of the Bankruptcy Code or pursuing an asset sale for all or substantially all of the Debtors' assets. As a result, the occurrence of the Effective Date means that the Debtors ***may or may not*** be liquidated or forced to go out of business depending, in part, on whether the Sale or Recapitalization Transaction is pursued, as well as the effects of the Chapter 11 Cases on the Debtors' business relationships. Following Confirmation, the Plan will be consummated on the Effective Date, which is the date that is the first Business Day after the Confirmation Date on which (a) no stay of the Confirmation Order is in effect, (b) all conditions precedent to the occurrence of the Effective Date set forth in Article X.A of the Plan have been satisfied or waived in accordance with Article X.B of the Plan, and (c) the Plan has been substantially consummated, and (d) a notice of the effective date of the Plan has been Filed on the docket of the Chapter 11 Cases (*see* Article X of the Plan). On or after the Effective Date, and unless otherwise provided in the Plan, the Post-Effective Date Debtors may operate their business and, except as otherwise provided by the Plan, may use, acquire, or dispose of property and compromise or settle any Claims or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. Additionally, upon the Effective Date, all actions contemplated by the Plan will be deemed authorized and approved.

AA. Will any party have significant influence over the corporate governance and operations of the Post-Effective Date Debtors?

As of the Effective Date, the term of the current members of the boards of directors or other Governing Bodies of the Debtors shall expire, and, in the event of a Recapitalization Transaction, the members for the initial term of the New Board shall be appointed.

The initial members of the New Board, if applicable, will be identified in the Plan Supplement to the extent known at the time of filing. In the event of a Recapitalization Transaction, each such member and officer of the Post-Effective Date Debtors shall serve from and after the Effective Date pursuant to the terms of the New Governance Documents and other constituent documents of the Post-Effective Date Debtors. The members of the New Board shall be chosen by the Debtors or the Post-Effective Date Debtors, subject to the applicable terms of the Restructuring Support Agreement.

BB. Who do I contact if I have additional questions with respect to this Disclosure Statement or the Plan?

If you have any questions regarding this Disclosure Statement or the Plan, please contact the Debtors' Claims and Noticing Agent, Epiq Corporate Restructuring, LLC, via one of the following methods:

By regular mail, hand delivery, or overnight mail at:
STG Logistics, Inc. Ballot Processing Center
c/o Epiq Corporate Restructuring, LLC
10300 SW Allen Blvd.
Beaverton, OR 97005

By electronic mail at:
STGLogistics@epiqglobal.com

By telephone at:
(877) 702-9718 (toll free, U.S. and Canada) or (971) 385–5935 (local) and request to speak with a member of the solicitation team.

Copies of the Plan, this Disclosure Statement, and any other publicly filed documents in the Chapter 11 Cases are available upon written request to the Claims and Noticing Agent at the address above or by downloading the documents from the Debtors' restructuring website at https://dm.epiq11.com/STGLogistics (free of charge) or via PACER at https://www.pacer.gov (for a fee) upon filing.

CC. Do the Debtors recommend voting in favor of the Plan?

Yes. The Debtors believe that the Plan provides for a greater distribution to the Debtors' creditors than would otherwise result from any other available alternative. The Debtors believe that the Plan is in the best interest of all Holders of Claims, and that any other alternatives (to the extent they exist) fail to realize or recognize the value inherent under the Plan. A Recapitalization Transaction will significantly deleverage the Debtors' balance sheet, and the Sale, if any, will only allow for a higher or otherwise better recovery for Holders of Claims and Equity Interests.

DD. Who Supports the Plan?

The Plan is supported by the Debtors, the Ad Hoc Group, certain consenting lenders that are not members of the Ad Hoc Group (the "Additional Supporting Lenders"), the DIP Lenders (the Ad Hoc Group, Additional Supporting Lenders, and DIP Lenders, collectively, the "Consenting Lenders"), and the Consenting Sponsors (collectively, with the Consenting Lenders, the "Consenting Stakeholders").

IV. THE DEBTORS' CORPORATE HISTORY, STRUCTURE, AND BUSINESS OVERVIEW.

A. Overview of STG's History and Operations.

1. Corporate History.

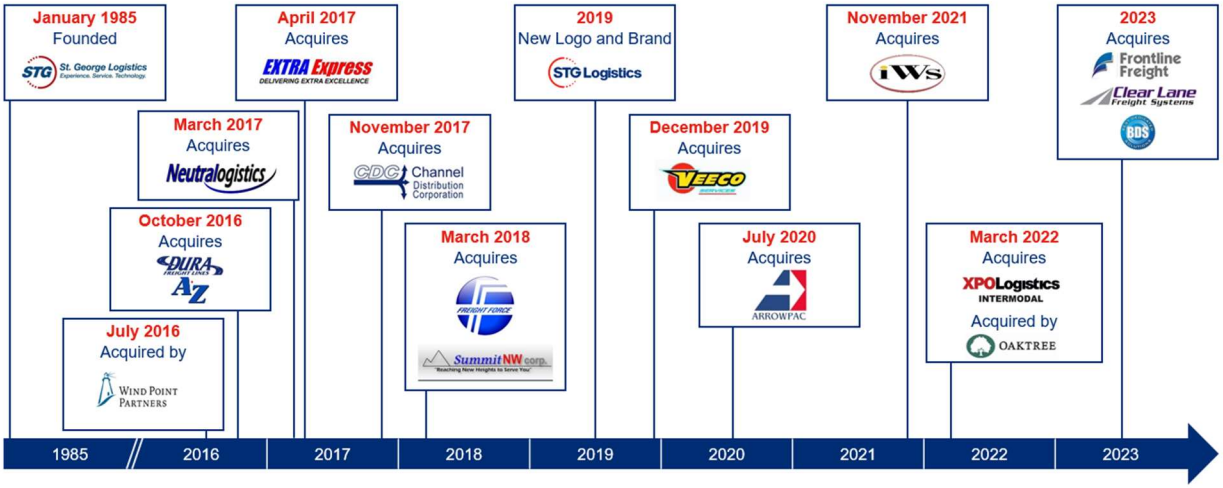
The Company, formerly known as "St. George Warehouse," was founded in 1985 as a warehousing company headquartered in South Kearny, New Jersey. It was acquired by Wind Point in July 2016. Having found success in its core market in warehousing and CFS services, the Company explored strategic acquisitions to grow the Company further and bolster its third-party logistics, container drayage, warehousing, freight, and intermodal transport capabilities. In 2019, after several acquisitions that included Channel Distribution Corporation and Summit NW Corporation, the Company's brand was launched to integrate operations under the "STG Logistics" banner.

By March 2022, STG had quadrupled in size since Wind Point's initial acquisition. To build on its success, the Company continued to pursue strategic acquisitions that expanded its operational footprint and service offerings. To that end, STG acquired XPO Intermodal, a leading intermodal and national drayage provider with a network of 48 locations, approximately 11,000 intermodal containers, and long-term rail partnerships with Class I railroads,[16] providing seamless intermodal solutions across North America. As part of this acquisition, STG was recapitalized by Wind Point as well as Oaktree/Duration, resulting in the Company's current equity ownership. Additionally, the Company expanded its intermodal container fleet to a total of 15,000 by 2023. In 2023, STG acquired Frontline Carrier Systems (USA), Inc. and Clear Lane Freight Systems, LLC, as well as Debtor Best Dedicated Solutions, LLC ("BDS"), which expanded STG's service offerings to include deferred LTL and over-the-road truck brokerage capabilities.

Throughout its history, STG has a proven track record of providing tailored logistics solutions that promote sustainability and supply chain resilience, all while helping its customers grow their businesses. For example, STG was a recipient of the 2025 Top Supply Chain Projects Award for its sustainability

[16] For regulatory purposes, the Surface Transportation Board categorizes rail carriers into three classes: Class I, Class II, and Class III. The classes are based on the carrier's annual operating revenues. For 2024, the most recent year calculated, the threshold for Class I carriers is $1,074,600,816. *Economic Data*, Surface Transp. Bd., (Jan. 8, 2026 at 09:46 ET), https://www.stb.gov/reports-data/economic-data/.

initiative, "Green Haul Solution."[17]

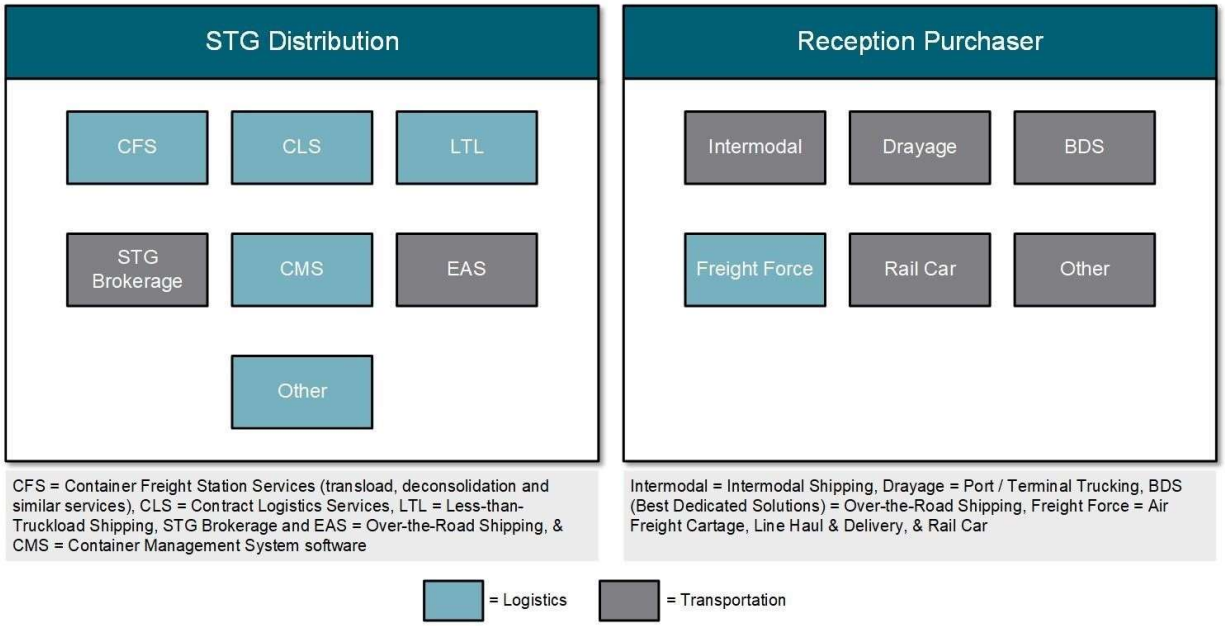


2. Business Operations.

Over the past 40 years, STG has pursued targeted strategic acquisitions to expand its service portfolio and market share, generating approximately $1.6 billion in annual revenue in 2024. Today, STG's customers have access to its vast transportation network and logistics service offerings, which includes approximately 130 leased and partnership facilities, approximately 15,000 intermodal containers, approximately 2,150 drivers, and access to thousands of third-party carriers.

The Company organizes its business into two divisions: Transportation and Logistics. For the twelve (12) month period following October 2024, the Transportation division—which includes STG's intermodal, drayage, and over-the-road business segments—accounted for approximately $721 million, $257 million, and $84 million of the Company's revenue, respectively. The Logistics division—which includes STG's CFS and transloading, contracts logistics, LTL, and Freight Force, Inc. business segments—accounted for approximately $243 million, $77 million, $36 million, and $12 million of the Company's revenue, respectively.

[17] Mayer, Marina, *Top Supply Chain Projects Award: Collaboration is Key*, Food Logistics (June 16, 2025), https://www.foodlogistics.com/transportation/3pl-4pl/article/22938222/top-supply-chain-projects-award-collaboration-is-key; Mayer, Marina, *Top Supply Chain Projects Award: Collaboration is Key*, Supply & Demand Chain Exec. (June 16, 2025), https://www.sdcexec.com/awards/top-supply-chain-projects/article/22938222/top-supply-chain-projects-award-collaboration-is-key.



3. Transportation.

Intermodal. STG operates one of the largest independent intermodal networks in North America. Following its acquisition of XPO Intermodal, STG controls a vast asset-based platform utilizing its domestic containers and chassis. These resources, coupled with long-standing partnerships with Class I railroads, enable STG to integrate rail transportation with its over-the-road trucking services for long-haul containerized freight. Intermodal services offer shippers a reliable, cost-efficient, and sustainable alternative to exclusively trucking-based transport.

Drayage. STG is one of the largest U.S. drayage providers, offering the critical first- and last-mile connections between ports, rail ramps, warehouses, and distribution centers. The Company executes hundreds of thousands of container moves each year through its fleet of drivers and international chassis. STG operates in more than 40 strategically located terminal locations with comprehensive coverage at all major port and rail gateways. These services ensure the efficient flow of cargo inland and mitigate congestion at critical gateways, an indispensable function for U.S. ports and rail systems.

Over-the-Road. STG's over-the-road services—provided by Debtor STG Transportation Solutions, LLC, which includes BDS and Debtor Explore Airtrans Services, LLC—encompass full truckload ("FTL") shipments and LTL freight shipments. FTL shipments contain a single shipper's freight, which fills an entire trailer and is delivered from point to point (*i.e.*, from port to customer). By contrast, LTL shipments consolidate multiple shippers' partial loads, allowing smaller volumes of freight to move cost-effectively across the country. As a freight broker, STG leverages technology and relationships with third-party carriers to arrange for the nationwide transportation of our customers' domestic shipments.

4. Logistics.

CFS & Transloading. Through its nationwide network of CFS and transloading facilities, STG offers bonded devanning, cargo consolidation, drayage, and customs bonded services. STG is the largest provider of CFS in the U.S., operating approximately twenty (20) warehouses and maintaining partnerships

with roughly 60 facilities at nearly all major ports and inland hubs. These locations, which contribute to the approximately 3 million square feet of transload, consolidation, and warehousing space the Company maintains, allow STG to break down import containers into smaller shipments for multiple consignees, consolidate exports, and transload international freight into domestic containers and trailers for intermodal or truckload transport. This capability enhances supply chain resilience and streamlines cargo processing from ocean or air carriers into the domestic distribution system.

Contract Logistics. STG provides comprehensive contract logistics services, including warehousing, inventory management, distribution, and e-commerce fulfillment. These offerings enable shippers to outsource inventory management and supply chain execution, reducing costs and improving efficiency. STG's operations extend across approximately 2 million square feet of warehousing space at approximately ten (10) retail and food-grade chilled facilities. STG's contract logistics services offer its customers seamless door-to-door and port-to-door movement, a leading warehouse management system, and real-time tracking updates on pickups and deliveries.

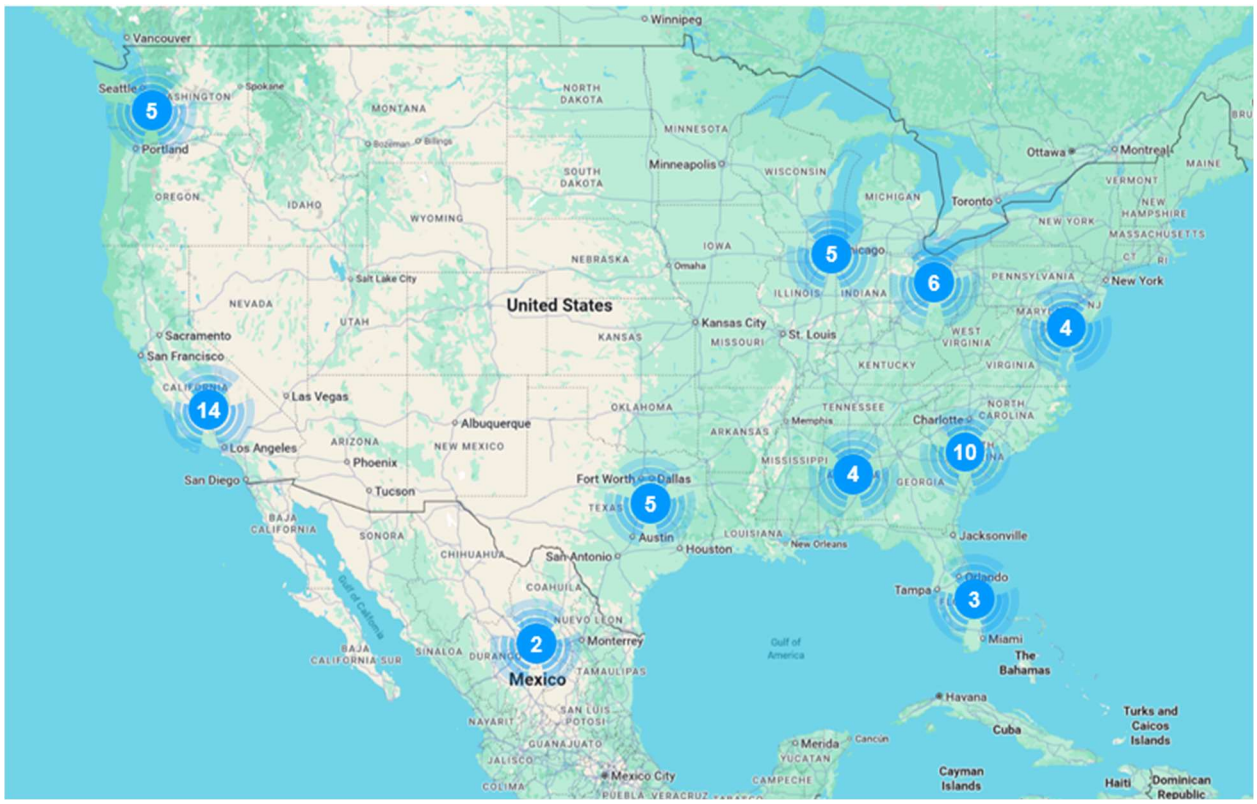
LTL Logistics. As discussed above, LTL shipments consolidate multiple shippers' partial loads into a single container or truck, providing STG's customers with an efficient logistics service. STG typically relies on its strategically placed hubs in a hub-and-spoke cross-dock network to facilitate its LTL shipments, but STG also offers deferred LTL shipments that allow for consolidated shipping on a more deliberate timeline. STG utilizes its specialized LTL services—freight class expertise, advanced booking technology, special handling, real-time tracking to monitor cargo, and a wide range of transit time options—to offer its customers cost-effective logistics solutions.

Freight Force, Inc. Freight Force is a cartage and truckload provider with a network of approved motor carriers providing pickup, long haul, and delivery services in more than 65 cities in the U.S. These services provide customers with a comprehensive solution for nationwide cartage, middle-mile, and last-mile delivery requirements. Freight Force addresses almost any specific customer needs or projects with its capabilities, which include, but are not limited to, airline container loading and unloading, residential delivery services, and white glove service for specialized handling of deliveries.

Cargo Management Systems ("CMS"). STG also maintains a proprietary platform that provides real-time inventory management and allows cargo owners to make decisions to rapidly fill or redirect orders across the entire ecosystem of shipment recipients. STG's CMS technology streamlines the shipping process and provides customers with greater transparency and cost savings. All of STG's major logistics services utilize CMS technology, including CFS, contract logistics, and LTL Logistics, and the Company provides licenses to third parties to utilize the platform as well.

5. Geographic Footprint.

As noted above, the Company initially expanded through a series of strategic acquisitions that focused on developing a network of localized expertise. STG's national footprint was greatly expanded by its acquisition of XPO Intermodal. Today, the Company's network includes approximately 60 leased sites nationwide, as illustrated below:



Imagery ©2025 , Map Data ©2025 Google, INEGI

B. The Debtors' Prepetition Corporate and Capital Structure.

1. STG's Corporate Structure.

As set forth in the structure chart attached hereto as **Exhibit C**, Debtor Reception Holdings, L.P. ("Reception Holdings") wholly owns, directly or indirectly, each of the Debtors.

2. STG's Prepetition Capital Structure.

As described in greater detail below, the Debtors' current capital structure is the product of the October 2024 Refinancing, which created two distinct funded debt silos. As of the Petition Date, the Debtors had approximately $1.2 billion in aggregate principal amount of funded debt obligations (excluding the Intercompany Term Loans (as defined below)). The table below summarizes the Debtors' prepetition capital structure:

Funded Debt	Maturity	Approximate Principal Amount Outstanding
STG Distribution, LLC Debt		
FLFO Term Loans	October 2029	$209 million
STG Distribution RCF	October 2029	$25 million

FLSO Term Loans	October 2029	$669 million
FLTO Term Loans	October 2029	$101 million
Capital Leases / Equipment Financing	Various	$2 million
Total STG Distribution, LLC Debt		**$1,005 million**
Reception Purchaser, LLC Debt		
Reception Purchaser RCF	March 2027	$2 million
Reception Purchaser Term Loan Facility	March 2028	$56 million
Capital Leases / Equipment Financing	Various	$96 million
Total Reception Purchaser, LLC Debt (excl. the Intercompany Guaranty and Intercompany Term Loans)		**$154 million**
Total Debt		**$1,159 million**

a. Reception Purchaser Facilities.

To finance its acquisition of XPO Intermodal, certain of the Debtors became party to that certain Credit Agreement dated March 24, 2022 (as amended through and most recently by that certain Seventh Amendment to Credit Agreement, dated as of December 6, 2024, and as may otherwise be amended, restated, amended and restated, supplemented, or otherwise modified from time to time) (the "Reception Purchaser Credit Agreement," and the loans issued thereunder, the "Reception Purchaser Loans"), by and among Debtor Reception Purchaser, LLC ("Reception Purchaser"), as borrower, Debtor Reception Mezzanine Holdings, LLC and certain of its direct and indirect subsidiaries, as guarantors (together, with Reception Purchaser, the "Reception Purchaser Loan Parties"), Antares Capital LP, as collateral agent and disbursing agent (in such capacity, the "Reception Purchaser Agent"), and the lender parties thereto (the "Reception Purchaser Lenders"). The Reception Purchaser Credit Agreement provides for the Reception Purchaser RCF and the Reception Purchaser Term Loan Facility (collectively, the "Reception Purchaser Facilities"). The Reception Purchaser Loans accrue interest at a rate per annum of the Base Rate or Adjusted Term SOFR (each as defined in the Reception Purchaser Credit Agreement), as applicable, *plus* an applicable margin of either 5.00 percent or 6.00 percent, respectively. The Reception Purchaser Loans are secured by a first priority lien on substantially all of the assets of the Reception Purchaser Loan Parties, including, but not limited to, certain intangible assets of Debtor STG Logistics, Inc. ("Reception Purchaser Collateral").[18]

(i) Reception Purchaser RCF.

The Reception Purchaser Credit Agreement provides the Debtors with a senior secured revolving credit facility. The initial aggregate principal amount of the facility was approximately $60 million (the "Reception Purchaser RCF," and the loans thereunder, the "Reception Purchaser RCF Loans"). The Reception Purchaser RCF matures on March 24, 2027. After the October 2024 Refinancing, the vast majority of Reception Purchaser RCF Loans were assigned to STG Distribution as lender. As of the Petition

[18] The Reception Purchaser Collateral includes certain contracts, registered trademarks, subsidiary equity interests of subsidiaries, cash, bank accounts, tax assets, and prepayments and proceeds related to insurance policies, among others.

Date, approximately $2 million is outstanding and owed to the Non-Participating Holders under the Reception Purchaser RCF.

(ii) Reception Purchaser Term Loan Facility.

The Reception Purchaser Credit Agreement provides the Debtors with a senior secured term loan facility in an aggregate principal amount of approximately $56 million (the "Reception Purchaser Term Loan Facility," and the loans thereunder, the "Reception Purchaser Term Loans"). The Reception Purchaser Term Loan Facility matures on March 24, 2028. As of the Petition Date, approximately $56 million is outstanding under the Reception Purchaser Term Loan Facility.

b. October 2024 Refinancing Facilities.

As described herein, to address the Company's imminent need for additional liquidity, the Debtors consummated the October 2024 Refinancing through a new money financing and Reception Purchaser Term Loan exchange. Pursuant to the October 2024 Refinancing, certain collateral previously encumbered by the Reception Purchaser Facilities was transferred to newly formed Debtor STG Distribution, LLC ("STG Distribution") and Debtor STG Distribution Holdings, LLC ("STG Distribution Holdings"), and the following loans were issued.

(i) STG Distribution Facilities.

As part of the October 2024 Refinancing, certain of the Debtors became party to that certain Credit Agreement dated October 3, 2024 (as amended through and most recently by that certain First Amendment to Credit Agreement, dated as of December 6, 2024, and as may otherwise be amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "STG Distribution Credit Agreement," and the loans thereunder, the "STG Distribution Loans"), by and among STG Distribution, as borrower, STG Distribution Holdings and Reception Purchaser, as holdings and guarantors, Debtor Reception Mezzanine Holdings, LLC and certain of its direct and indirect subsidiaries, as guarantors (together, with Reception Purchaser, STG Distribution Holdings, and STG Distribution, the "STG Distribution Loan Parties"), Wilmington Savings Fund Society, as collateral agent and administrative agent (in such capacity, the "STG Distribution Agent"), and the lender parties thereto (the "STG Distribution Lenders").[19] The STG Distribution Credit Agreement provides for the STG Distribution RCF and the STG Distribution Term Loan Facility (collectively, the "STG Distribution Facilities"). The STG Distribution Facilities mature on October 3, 2029, with a springing maturity date of December 24, 2027, if the Reception Purchaser Facilities (other than any Reception Purchaser RCF commitments held by STG Distribution) are not terminated on or before December 23, 2027. The STG Distribution Facilities are secured by a first priority lien on substantially all of the assets of the STG Distribution Loan Parties and Reception Purchaser Loan Parties (the "STG Distribution Collateral").[20] The STG Distribution Term Loans are also secured by a guarantee of payment pursuant to that certain Guaranty and Security Agreement, dated as of October 3, 2024 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Guaranty and Security Agreement") made by the Guarantors (as defined in the Guaranty and Security Agreement) in favor of the STG Distribution Agent, for the benefit of the STG Distribution Lenders. The guaranty provided pursuant to the foregoing is supported by and among the Reception Purchaser Loan Parties, as grantors, and the STG Distribution Agent, which guarantee is supported by a

[19] Relatedly, Exhibit D to the First Day Declaration is a true and correct copy of the First Lien Pari Passu Intercreditor Agreement dated as of October 3, 2024.

[20] STG Distribution Collateral includes certain equipment and other fixed assets, equipment leases, and patents, among other security.

first lien on substantially all of the assets of the Reception Purchaser Loan Parties. With respect to the Reception Purchaser Loan Parties, the STG Distribution Facilities are secured on a *pari passu* basis with the liens securing the Reception Purchaser Facilities.

(A) STG Distribution RCF.

The STG Distribution Credit Agreement provided the Debtors with a senior secured first lien "first out" revolving credit facility to be used for the issuance of letters of credit only in an aggregate amount not to exceed $40 million, plus applicable fees, costs, expenses, and premiums (the "STG Distribution RCF"). As of the Petition Date, there are approximately $25 million in issued and undrawn letters of credit under the STG Distribution RCF.

(B) STG Distribution Term Loan Facility.

The STG Distribution Credit Agreement provides the Debtors with three separate tranches of term loans, each with first priority liens on the STG Distribution Collateral (the "STG Distribution Term Loan Facility," and the loans thereunder, the "STG Distribution Term Loans"). The "first out" tranche (the "FLFO Term Loans") initially provided an aggregate principal amount of approximately $191 million, comprised of approximately $137 million of new money, approximately $9 million in transaction-related fees, and exchanged Reception Purchaser Term Loans in an aggregate principal amount of approximately $45 million. The "second out" and "third out" tranches (the "FLSO Term Loans" and "FLTO Term Loans," respectively) were initially comprised of Reception Purchaser Term Loans exchanged by the Participating Lenders in an aggregate principal amount of approximately $615 million and $93 million, respectively. The STG Distribution Term Loans accrue interest at a rate per annum of the Base Rate or adjusted Term SOFR (each as defined in the STG Distribution Credit Agreement) *plus* an applicable margin that varies depending on the type and tranche of STG Distribution Loan and method of payment (*e.g.*, payment-in-kind versus cash). As of the Petition Date, there are approximately $209 million, $669 million, and $101 million outstanding FLFO Term Loans, FLSO Term Loans, and FLTO Term Loans, respectively.

(ii) Intercompany Term Loans.

As part of the October 2024 Refinancing, certain of the Debtors entered into a secured intercompany loan on a first lien basis pursuant to that certain Intercompany Credit Agreement dated as of October 3, 2024 (as may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Intercompany Credit Agreement," and the loans thereunder, the "Intercompany Term Loans"), by and among Reception Purchaser, as borrower, Debtor Reception Mezzanine Holdings, LLC, as holdings, Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent (in such capacity, the "Intercompany Term Loan Agent"), and STG Distribution, as lender (the "Intercompany Term Loan Lender"). The Intercompany Term Loans were extended on the same terms as, and have the same amounts outstanding as, the STG Distribution Term Loans.

c. Equipment Financings.

The Company is party to certain equipment leases and financings (the "Equipment Financings") that it enters into, as lessee or borrower in relation to the equipment subject thereto, with certain banks and finance companies. The equipment subject to the leases include the Company's approximately 11,500 financed or leased intermodal containers as well as certain forklifts, trucks, racking, and other miscellaneous warehousing equipment which the Company uses every day to support its customer's freight, logistics, and

transportation needs. As of the Petition Date, the Company owes an aggregate of approximately $98 million on account of the Equipment Financings.[21]

d. Preferred Equity Interests.

As of the Petition Date, approximately 533,200 of Reception Holdings' Class A preferred equity units (the "Class A Preferred Units"), 30,000 of Reception Holdings' Class A-1 preferred equity units (the "Class A-1 Preferred Units"), and 50,000 of its Class A-2 preferred equity units (the "Class A-2 Preferred Units" and together with the Class A Preferred Units and the Class A-1 Preferred Units, collectively, the "Preferred Units") were issued and outstanding. As of the Petition Date, (a) all of the Class A-2 Preferred Units were held by the Consenting Sponsors and were issued in connection with the $50 million new equity contribution provided by the Consenting Sponsors in connection with the October 2024 Refinancing, and (b) the majority of the Class A-1 Preferred Units were held by the Consenting Sponsors and were issued in connection with the Fifth Amendment Transactions. Certain of the now outstanding Class A Preferred Units were issued in March 2022 in connection with STG's acquisition of XPO Intermodal and the related recapitalization of the Company by the Consenting Sponsors (the "2022 Recapitalization"). Certain of the Class A Preferred Units were primarily held by former employees and members of management who "rolled over" their equity interests in connection with the 2022 Recapitalization.

The Preferred Units are the most senior class of equity interests issued by Reception Holdings and, depending on the class of Preferred Unit, the Preferred Units have different distribution requirements, which are determined in accordance with the Limited Partnership Agreement of Reception Holdings. The differing distribution requirements with respect to each class of Preferred Units are primarily driven by accrued but unpaid amounts (based on a respective "yield" rate for such Preferred Units) along with the respective unreturned capital contribution thresholds for such Preferred Units.

e. Common Equity Interests.

As of the Petition Date, Reception Holdings had two series of common equity interests, including approximately 11,000,000 Class B common units issued and outstanding (the "Class B Common Units") and approximately 1,300,000 Class C common (incentive) units issued and outstanding (together with the Class B Common Units, the "Common Units"). The Common Units are not listed on a national securities exchange. All the vested and unvested Common Units are held by the Consenting Sponsors, current and former employees, current and former members of the Board, and current and former members of management.

Reception Holdings also had three additional series of stock issued on account of incentive programs and/or sales bonuses. This includes approximately 9,500 Class D (sales bonus) units issued and outstanding held by current management and employees, approximately 10,000,000 Class E (incentive) units issued and outstanding by current management and employees, and approximately 375,000 Class F (incentive) units issued and outstanding held by current members of the Board.

V. EVENTS PRECEDING THE CHAPTER 11 CASES.

STG experienced tremendous growth during the COVID-19 pandemic—during which time revenue increased dramatically—and significantly expanded its capacity and portfolio of service offerings via the XPO Intermodal acquisition, amongst others. However, demand downshifted after peaking in 2021,

[21] This amount reflects the rounded sum of the Equipment Financing obligations owed by the STG Distribution silo and the Reception Purchaser silo.

and the "Great Freight Recession" deepened industry woes. Despite the liquidity and runway generated by the Fifth Amendment Transactions and the October 2024 Refinancing, the slower-than-anticipated market recovery strained operations and related costs and significantly tightened liquidity. To navigate these ongoing challenges, the Company implemented a number of proactive efforts to bolster liquidity and navigate the challenging freight industry environment.

A. Business Challenges.

1. Economic and Operational Headwinds.

The "Great Freight Recession". As described above, since March 2022, the U.S. surface transportation industry, a key sector in which STG operates, has faced one of its longest and deepest downturns in history. The "Great Freight Recession" has left the freight industry in a persistent slowdown for over three years due to collapsing freight rates in the aftermath of the COVID-19 boom fueled by high freight rates, cheap credit, and government stimulus. In addition, unforeseen supply and demand pressures have prolonged the Great Freight Recession. While capacity was projected to normalize as smaller fleets—unable to operate at current pricing—exited the market, STG's competitors have pursued operational improvements and cost rationalization opportunities to maintain operating ratios despite the declining rate environment to maintain market share in the saturated, post-COVID world. In addition to the over-abundance of supply, freight demand has remained unpredictable as the key drivers—consumer spending, industrial production, and construction/housing activity—remain muted. Softening freight demand, along with lingering excess capacity in the market, has led to a declining rate environment and further strained STG's performance for the past three years; the Company's consolidated revenues decreased by approximately $65 million between 2023 and 2024 and is projected to decline $162 million between 2024 and 2025.

Tariffs and Inflation. In the midst of the Great Freight Recession and the Company's declining performance, tariffs began to impact the freight and logistics industry. Beginning in January 2025, tariffs began to shift on a moment's notice, ranging anywhere from 10 to 145 percent depending on the country from which goods are imported to the U.S. Indeed, due to the fluctuating tariffs, import volumes are forecasted to decline by approximately 14 percent year over year in the second half of 2025.[22] Against this landscape, the Company's 2025 volume is expected to be 7 percent lower than 2024 in its Logistics division largely driven by tariff-driven import declines. In addition, persistent inflation has increased the Company's expenses, including, among others, insurance costs. Between 2023 and 2025, the Company's insurance and claims expenses are projected to increase by approximately 48 percent largely as a result of inflationary pressures.

Increased Market Competition and Consolidation. STG faces additional volume loss arising from structural changes in the marketplace that have altered competitive dynamics and pressured revenue generation. Specifically, the trucking industry faces high price-based competition arising from market oversaturation and a trend of large shippers internalizing trucking operations. Many companies—such as Dollar General, Chick-Fil-A, and Home Depot—have begun to grow private in-house fleets.[23] Today,

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[22] *With Shelves Stocked, Imports Should See Slowdown in November and December*, Nat'l Retail Fed'n (Nov. 7, 2025), https://nrf.com/media-center/press-releases/with-shelves-stocked-imports-should-see-slowdown-in-november-and-december.

[23] Shcedrina, Krystyna, *Private fleets cut mileage, boost safety, adopt new leasing, maintenance trends: NPTC*, (Aug. 23, 2024), https://www.trucknews.com/transportation/private-fleets-cut-mileage-boost-safety-adopt-new-leasing-maintenance-trends-nptc/1003188291/.

private fleets now handle an all-time high of 70 percent of outbound shipments in the U.S.[24] This has left an oversaturated market competing for dwindling demand, which has reduced shipping rates and incentivized large vendors to renegotiate contracts.

The logistics industry also faces intense price competition and volume loss arising from market consolidation that has stunted STG's profit growth. Customers are increasingly turning to in-house logistics or a single carrier for their logistics needs. Large third-party logistics providers have benefited from these customer trends. The four largest companies in the third-party logistics industry now account for approximately 85 percent of total market share.[25] The pressure from large carriers and overall market softness has led to increased price competition and aggressive pricing at both the local and regional levels in a battle to consolidate market share.

As a result of these shifts, the leverage of large carriers in the market has grown, and left smaller and mid-sized third-party logistics providers, like STG, with lower freight demand and volume, diminished bargaining power, and reduced profitability.

Growing Regulatory Uncertainty. Furthermore, the trucking sector, already beset by the Great Freight Recession, must contend with growing and uncertain regulatory oversight in the U.S., including evolving California Air Resources Board regulation requirements impacting transportation and warehousing, as well as classification of drivers as independent contractors under the Fair Labor Standards Act and state equivalents, among others. This slew of regulatory oversight raises operating and compliance costs, which is expected to dampen profits through 2030.[26] International regulations also have a large impact on the movement of goods through the international supply chain system. Despite the Company's national platform and diversified service offerings, STG's operations and bottom line have been impacted by an industry recession, abrupt shifts in supply and demand, heightened competition, trade disputes, and regulatory uncertainty.

2. Litigation Overhang.

The Company's recovery in the face of these macroeconomic pressures has also been impeded by ongoing litigation. The Company is involved in certain ongoing disputes, including, but not limited to, employment-related claims, contract disputes, and certain personal injury and property damage claims arising primarily from motor vehicle collisions. The Non-Participating Holder Litigation has added additional strain on management focus and the Company's operational efficiency and financial condition.

B. Proactive Approach to Address Financial and Operational Issues.

1. Fifth Amendment Transactions and October 2024 Refinancing.

Against the backdrop of these complex market challenges and distracting litigation, the Company, in consultation with its advisors, determined that approaching its existing stakeholders for much-needed liquidity and covenant relief was necessary to best position the Company for long-term success. Following months of arm's-length negotiations, STG and the Required Lenders entered into the Fifth Amendment

[24] *Benchmarking Survey Report 2025*, Nat'l Priv. Truck Council (2025).

[25] Lee, Seth, *Third Party Logistics in the US* at 21, IBIS World (May 2025).

[26] Samorajski, Oliwier, *Local Freight Trucking in the US* at 10, IBIS World (Apr. 2025).

Transactions, which, in addition to executing the Fifth Amendment to the Credit Agreement, included a vital equity commitment of $30 million from the Consenting Sponsors.

Although the additional liquidity provided meaningful short-term relief, it soon became clear that a more long-term solution would be required. The Company proceeded to effectuate the October 2024 Refinancing through a new money financing and Reception Purchaser Term Loan exchange in which the Company received over $327 million in critical value, including $137 million in new money "first out" term loans, over $140 million in cash interest savings (exclusive of fees), and $50 million of equity capital from the Consenting Sponsors, which altered the Company's entire capital structure. Over 93 percent of holders of Reception Purchaser Term Loans and 97 percent of holders of Reception Purchaser RCF Loans participated in the October 2024 Refinancing. The Company also renegotiated terms with existing lessors, generating approximately $30 million of incremental liquidity.

The October 2024 Refinancing included, among other steps, entry into that certain Sixth Amendment to Credit Agreement and Second Amendment to Guaranty and Security Agreement dated as of October 3, 2024, and the designation of certain entities as unrestricted subsidiaries not subject to certain restrictive covenants in the Reception Purchaser Credit Agreement. This transaction extended the Company's liquidity runway, providing necessary breathing room for the Company to address operational challenges head on and offer critical support to assist in navigating through the downturn in the transportation logistics market. For example, the Company was able to utilize this transaction to renegotiate its large number of container financings that were previously agreed to at peak-market pricing. All Reception Purchaser Lenders accepted this offer, except for the Non-Participating Holders. The Non-Participating Holders initiated the Non-Participating Holder Litigation, which seeks to unwind the October 2024 Refinancing.

The October 2024 Refinancing occurred against the backdrop of expected recovery in the market, which ultimately has not materialized as anticipated. Inflation affected the Company's expenses for insurance and real estate, amongst others. For example, inflation is a key driver in increasing the Company's insurance and claims expenses, which are projected to rise to $32 million in 2025, a 48 percent increase since 2023. Furthermore, market forecasts pre-dating the October 2024 Refinancing predicted the market would begin to recover in 2025, and the Company anticipated adjusted EBITDA margins would normalize followed by a stronger snapback as supply and demand stabilized. These rebounds failed to materialize, and the forecasted growth did not provide the support the Company needed. Notwithstanding the optimistic market predictions and the Company's proactive steps to secure favorable refinancing, the market declined rather than deliver the heavily forecasted upward trajectory.

2. Operational Changes.

In mid-2025, the Company's management set out to implement a series of aggressive EBITDA improvement initiatives to reduce costs and manage cash flow more efficiently in 2025 and thereafter. To that end, the Company executed staff reductions, rationalized its real estate portfolio, eliminated empty miles by improving overall network balance, and reduced IT expenses, among other actions. Projections indicate an approximately 200 basis point improvement in adjusted EBITDA percentage margin from 2024 to 2026 largely driven by the implementation of the EBITDA improvement initiatives.

The Company's value-nurturing approach contemplated roughly $68 million of run-rate operational initiatives that continue to be the primary driving force behind an anticipated increase in adjusted EBITDA margin in the coming years. The largest components of the projected margin improvement include: (a) $26 million of purchased transportation reductions; (b) $21 million of operating expense streamlining; (c) $12 million of selling, general and administrative expense, and organizational rightsizing; (d) $5 million of equipment rationalization; and (e) $4 million of commercial optimization initiatives. Included in the aforementioned, the Company performed a headcount reduction of 242

employees between May 2025 and July 2025 across its transportation, logistics, and corporate sectors, resulting in approximately $22 million of gross savings before volume effects. All the foregoing initiatives, amongst others, were set in motion to ultimately boost liquidity and steer the Company towards a positive financial progression in a challenging freight industry environment.

3. Hiring of Restructuring Professionals.

In May 2025, the Debtors reengaged K&E as restructuring counsel. In addition, STG engaged both AlixPartners LLP ("AlixPartners") and PJT Partners LP ("PJT") in July 2025 as its financial advisor and investment banker, respectively.[27] Since that time, the Debtors' professionals have worked diligently with the Company and its key stakeholders in relation to these chapter 11 cases, DIP financing, and a value-maximizing turnaround.

For example, professionals from AlixPartners have operated alongside the Company to perform a comprehensive review and analysis of the Company's books and records to, among other things, assist in the preparation of the First Day Pleadings. Meanwhile, K&E engaged various stakeholders, including the secured lenders, the Consenting Sponsors, litigation counterparties, and other key stakeholders regarding, amongst other things, settlement discussions, operational matters, and the path forward for these chapter 11 cases. PJT solicited proposals from parties inside and outside of the existing capital structure regarding postpetition financing. Each of AlixPartners, K&E, and PJT have been actively involved in the preparation of customary "first day" relief to help the Company transition into chapter 11 and launch its operational restructuring initiatives as seamlessly as possible.

4. Governance Changes.

Through all of the aforementioned discussions with Consenting Sponsors, the Ad Hoc Group, and other lenders, and well before the commencement of the October 2024 Refinancing and these current restructuring discussions, the Company ensured implementation of a robust and comprehensive governance process. The Company typically holds quarterly meetings of its board of supervisors of Reception Holdings (the "Board") but temporarily increased the frequency of such meetings in August 2024 to allow for fulsome engagement and discussion among the Board related to the October 2024 Refinancing. Additionally, on August 2, 2024, Reception Holdings appointed Mr. Keshav Lall to the Board as a disinterested supervisor and established a special committee composed solely of Mr. Lall (the "2024 Special Committee"). The Board delegated to the 2024 Special Committee, among other things, (a) exclusive authority to review, discuss, consider, negotiate, approve, authorize and act upon any conflict matter, and (b) authority to take any and all actions with respect to any strategic, restructuring, financing, and/or sale transaction or series of such transactions. Following its own fulsome diligence process, the 2024 Special Committee ultimately approved the Company's consummation of the October 2024 Refinancing.

Similarly, the Company has ensured independent and disinterested representation on the Board, to ensure a thorough and fair process with respect to the Debtors' review of their restructuring alternatives. On July 31, 2025, Reception Holdings appointed David Barse to the Board as a disinterested supervisor, and, on August 5, 2025, established a special committee (the "Reception Holdings Special Committee") comprised solely of Mr. Barse. On September 21, 2025, Mr. Barse was also appointed a disinterested manager and sole member of the newly created special committees of Debtors Reception Mezzanine Holdings, LLC and Reception Purchaser (such special committees, together with the Reception Holdings Special Committee, the "2025 Special Committee").

[27] AlixPartners was initially engaged by the Company from February 2022 through July of 2023 to assist with diligence, pre-planning and post-merger integration for the XPO Intermodal acquisition.

The Board delegated to the 2025 Special Committee, among other things, (a) exclusive authority to review, discuss, consider, negotiate, approve, authorize and act upon (i) the Company's entry into and consummation of a transaction and (ii) matters relating to a transaction in which a conflict of interest exists or is reasonably likely to exist between the Company or its stakeholders and the Board under applicable law (a "Conflict Matter"), (b) authority to investigate and determine, in the 2025 Special Committee's business judgment, whether any matter related to a transaction constitutes a Conflict Matter and that any such determination shall be binding on the Company, and (c) exclusive authority to conduct an independent investigation and assess the merits and potential value of any potential claims and causes of action held by the Company.

The 2025 Special Committee, with the assistance of its independent counsel, White & Case, conducted an initial assessment prior to the Petition Date and continued after the filing of these Chapter 11 Cases to actively assess (a) the existence of any potential Claims or Causes of Action that the Debtors may hold—including, without limitation—against certain insiders and other affiliated entities and (b) whether the Debtors should retain, release, or seek to settle any such potential Claims or Causes of Action.

Since its formation, the 2025 Special Committee scheduled weekly meetings with the Company's advisors (or more frequently on an as-needed basis) to consider transactional options and stakeholder feedback, consider any potential Conflict Matters in connection therewith, and provide guidance to STG's management team and advisors regarding the 2025 Special Committee's position on such options. After this thorough process, the 2025 Special Committee ultimately recommended the Company's entry into the Restructuring Support Agreement, the DIP Facility, and the filing of these chapter 11 cases to the full Board.

C. Entry into the Restructuring Support Agreement.

1. The Restructuring Support Agreement.

Since the pivot to restructuring discussions, the Debtors, with the assistance of their advisors and the support of the Consenting Sponsors, diligently engaged in frequent, detailed turnaround discussions and hard-fought, arm's-length negotiations with the Ad Hoc Group and the Supporting Lenders. These efforts culminated in the Restructuring Support Agreement, which put the Debtors in a position to (a) pursue and consummate the transactions contemplated by the Restructuring Support Agreement in a manner that maximizes the value of the Debtors' estates, (b) resolve Company liabilities in a manner that maintains the Debtors' ability to deliver their valuable services to their customer base, and (c) provide DIP financing to support the Company during the chapter 11 proceedings and as a going-concern.

On January 12, 2026, the Debtors, the Ad Hoc Group, the Supporting Lenders, and the Consenting Sponsors executed the Restructuring Support Agreement. Under the Restructuring Support Agreement, the Consenting Stakeholders and the Debtors agreed to support, subject to the terms and conditions thereof, the Recapitalization Transaction that will allow the Debtors to successfully emerge from chapter 11 with a rightsized balance sheet or the Sale Transaction(s) to the highest or otherwise best bidder. The Debtors are committed to consummating the comprehensive recapitalization transactions embodied in the Restructuring Support Agreement and Plan and emerging from these chapter 11 cases with a stronger balance sheet and the financial flexibility to continue providing their customers with top-tier service on a go-forward basis. This transaction is supported by creditors throughout the Debtors' capital structure and will allow the Debtors to emerge quickly from chapter 11. As previously mentioned, the Debtors will continue to pursue value maximizing alternatives including a sale of some or all of its assets to the highest or otherwise best bidder after a thorough market check. It is critical that the Debtors move through their chapter 11 process as efficiently as possible to limit the administrative cost and burden on the Debtors' business imposed by the chapter 11 process. To that end, the Restructuring Support Agreement contemplated the initial milestones:

- not later than January 12, 2026, the Petition Date shall have occurred;
- not later than 3 days following the Petition Date, the Interim DIP Order shall have been entered;
- not later than 14 days following the Petition Date, the Debtors shall have filed a motion seeking approval of the Disclosure Statement;
- not later than 40 days following the Petition Date, the Bankruptcy Court shall have entered the Final DIP Order;
- not later than 75 days following the Petition Date, the Bankruptcy Court shall have entered an order approving the Disclosure Statement; provided that if the Bid Deadline is extended, this Milestone and subsequent Milestones shall be extended in parallel with the extension to the Bid Deadline;
- not later than 115 days following the Petition Date, the Bankruptcy Court shall have entered the Confirmation Order; and
- not later than 125 days following the Petition Date, the Plan Effective Date shall have occurred.

The Debtors worked closely with their key stakeholders, including the Committee, on modified Sale milestones under the Bidding Procedures Order [Docket No. 351]. The modified Sale milestones are as follows:

Event	Date
Bid Deadline	April 22, 2026, at 4:00 p.m., prevailing Eastern Time
Auction	April 29, 2026, at 10:00 a.m., prevailing Eastern Time
Notice of Successful Bidder	Within two (2) days of the conclusion of the Auction
Sale Objection Deadline	May 4, 2026, at 4:00 p.m., prevailing Eastern Time
Sale Hearing	May 18, 2026, at 10:00 a.m., prevailing Eastern Time

The Restructuring Support Agreement is the product of good faith, arm's-length negotiations with the Consenting Stakeholders and that the terms thereof provide the best restructuring option currently available to the Debtors and their estates. The transactions contemplated in the Restructuring Support Agreement will substantially deleverage the Debtors, position the Company to navigate the current business and operational environment, and maximize value for all of the Debtors' stakeholders.

VI. MATERIAL DEVELOPMENTS AND ANTICIPATED EVENTS OF THE CHAPTER 11 CASES.

A. First Day and Second Day Relief and Other Case Matters.

On the Petition Date, the Debtors filed the First Day Pleadings designed to facilitate the administration of the Chapter 11 Cases and minimize disruption to the Debtors' operations, by among other things, easing the strain on the Debtors' relationships with employees, vendors, and customers following the commencement of the Chapter 11 Cases. A brief description of each of the First Day Pleadings and the evidence in support thereof is set forth in the First Day Declaration. At a hearing on January 13, 2026

(the "First Day Hearing"), the Bankruptcy Court granted all of the interim relief requested in the First Day Pleadings, and ultimately granted all final relief following expiration of the relevant notice periods.[28]

The Debtors also filed several other motions after the Petition Date to further facilitate a smooth and efficient administration of these Chapter 11 Cases and ease administrative burdens, including certain retention applications seeking to retain certain professionals postpetition pursuant to sections 327 and 328 of the Bankruptcy Code. The Debtors requested retention of AlixPartners LLP; Cole Schotz P.C.; Epiq Corporate Restructuring, LLC; Gordon Brothers Realty Services, LLC; Kirkland & Ellis LLP and Kirland & Ellis International LLP; KPMG LLP; and PJT Partners LP. Further, the Debtors filed the following motions and proposed orders, each of which were entered by the Bankruptcy Court:

- *Debtors' Motion for Entry of an Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court* [Docket No. 132], with an order entered by the Bankruptcy Court on February 10, 2026 [Docket No. 233];

- *Debtors' Motion for Entry of an Order Authorizing Employment and Payment of Professionals Utilized in the Ordinary Course of Business* [Docket No. 133], with an order entered by the Bankruptcy Court on February 10, 2026 [Docket No. 242];

- *Debtors' Motion for Entry of an Order (I) Authorizing and Approving Procedures to Reject Executory Contracts and Unexpired Leases and (II) Granting Related Relief* [Docket No. 135], with an order entered by the Bankruptcy Court on February 10, 2026 [Docket No. 243]; and

- *Debtors' Motion for Entry of an Order (I) Authorizing and Establishing Procedures for the Compromise and Settlement of De Minimis Claims and (II) Approving the Form and Manner of the Notice of Settlement* [Docket No. 136], with an order entered by the Bankruptcy Court on February 10, 2026 [Docket No. 239].

In addition, on February 11, 2026, the Bankruptcy Court entered the *Amended Order (I) Setting Bar Dates for Submitting Proofs of Claim, Including Requests for Payment Under Section 503(b)(9), (II) Establishing an Amended Schedules Bar Date and a Rejection Damages Bar Date, (III) Approving the Form, Manner, and Procedures for Filing Proofs of Claim, (IV) Approving Notice Thereof, and (V) Granting Related Relief* [Docket No. 254] (the "Bar Date Order"). The Bar Date Order established bar dates as follows:

- **General Bar Date**: March 12, 2026, at 5:00 p.m., prevailing Eastern Time;

- **Governmental Bar Date**: July 13, 2026, at 5:00 p.m., prevailing Eastern Time;

- **Amended Schedules Bar Date**: in the event that the Debtors amend or supplement their Schedules, the later of (a) the General Bar Date or the Governmental Bar Date, as applicable, to such claim, and (b) 11:59 p.m., prevailing Eastern Time, on the date that is 30 days from the date on which the Debtors provide notice of the amendment to the Schedules; and

[28] *See* final orders at Docket Nos. 236, 237, 238, 240, 241, 244, 245, 246, 247 & 248.

- **Rejection Damages Bar Date**: in the event that an order authorizing the rejection of an executory contract or unexpired lease is entered, except as otherwise set forth in such order, the later of (i) the General Bar Date, (ii) 11:59 p.m., prevailing Eastern Time, on the date that is 30 days after the later of (A) entry of an order approving the rejection of any executory contract or unexpired lease of the Debtors or (B) the effective date of a rejection of any executory contract or unexpired lease of the Debtors pursuant to operation of any Bankruptcy Court order.

B. Approval of the DIP Facility.

On January 13, 2026, the Bankruptcy Court entered an order [Docket No. 84] approving, on an interim basis, the relief requested in the *Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* (the "Interim DIP Order"), and on February 10, 2026, the Bankruptcy Court entered an order [Docket No. 248] approving such relief on a final basis. The DIP Facility is a delayed draw priming debtor-in-possession term loan financing facility in an aggregate principal amount of up to $293,750,000 consisting of: (i) "new money" superpriority DIP term loans in an aggregate principal amount equal to up to $150 million ($85 million of which was made available upon entry of the Interim DIP Order, $40 million of which was made available upon entry of the Final DIP Order, and up to $25 million of which may be made available immediately prior to the Effective Date in the form of incremental term loans), and (ii) a "roll-up" of $143,750,000 in the collective aggregate principal amount of FLFO Term Loan Claims and FLSO Term Loan Claims.

The Final DIP Order provides for a reservation of rights in favor of the Non-Participating Holders. The Final DIP Order further provides for a reservation of rights that provides that the stipulations, admissions, and waivers contained in the DIP Orders, including the Roll-Up Obligations (as defined in the Final DIP Order), shall be binding upon all other parties in interest, unless and to the extent that a party in interest with proper standing granted by order of the Bankruptcy Court (or other court of competent jurisdiction) has timely and properly filed an adversary proceeding or contested matter under the Bankruptcy Rules by the earlier of (i) the date of the confirming of the Debtors' chapter 11 plan of reorganization and (ii) March 15, 2026 or, in the case of the Committee, April 28, 2026 (or such later date agreed by and between the Committee and the Required DIP Lenders, without the need for further order of the Bankruptcy Court). As discussed below, on February 4, 2026, the Non-Participating Holders commenced an adversary proceeding with respect to the Non-Participating Holder Litigation.

C. Sale Process and Bidding Procedures.

Immediately following the Petition Date, the Debtors, with the assistance of their proposed investment banker PJT, launched an extensive marketing process (the "Marketing Process") to engage interested third parties in the Sale. Through the Marketing Process, the Debtors have contacted approximately sixty-three (63) Potential Purchasers (as defined in the Bidding Procedures Motion) and entered into forty (40) non-disclosure agreements. Potential Purchasers which entered into non-disclosure agreements with the Debtors were granted access to a virtual data room containing volumes of information regarding the Debtors' business operations, finances, and material contracts and were permitted to request additional information and due diligence access from the Debtors.

The Debtors filed their Bidding Procedures Motion [Docket No. 199] on January 28, 2026, requesting authorization to, among other things, conduct the Marketing Process along the timeline described therein, set procedures for conduction of the Sale, and, if necessary, conduct an auction (the "Auction") to

determine the highest or otherwise best bid. The Bidding Procedures provide the Debtors with optionality to pursue the Sale if that option proves to be more value maximizing than the Recapitalization Transaction. The Bidding Procedures will also expedite resolution of these Chapter 11 Cases, reduce associated expenses, and allow the Debtors emerge as quickly and as smoothly as possible. On March 3, 2026, the Bankruptcy Court entered the Bidding Procedures Order [Docket No. 351] containing a reservation of rights in favor of the Non-Participating Holders. Unless otherwise amended or modified, the Bidding Procedures Order contemplates the following Sale timeline:

Event	Date
Bid Deadline	April 22, 2026, at 4:00 p.m., prevailing Eastern Time
Auction	April 29, 2026, at 10:00 a.m., prevailing Eastern Time
Notice of Successful Bidder	Within two (2) days of the conclusion of the Auction
Sale Objection Deadline	May 4, 2026, at 4:00 p.m., prevailing Eastern Time
Sale Hearing	May 18, 2026, at 10:00 a.m., prevailing Eastern Time

D. Appointment of Unsecured Creditors' Committee.

On January 28, 2026, the U.S. Trustee filed the *Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 198] appointing the Committee. The Committee has filed applications seeking to retain McDermott, Will & Schulte [Docket No. 334] and Kelley Drye & Warran, LLP [Docket No. 335] as its legal counsel and Province, LLC [Docket No. 336] as its financial advisor. On March 12, 2026, the U.S. Trustee filed the *Amended and Reconstituted Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 394].

Immediately after the Committee's appointment, the Debtors began sharing diligence with the Committee, which has been substantial. The Debtors also proactively engaged the Committee regarding the key components of these Chapter 11 Cases, including the Sale, the Final DIP Order, and the Bidding Procedures Order.

E. Filing of Schedules.

On February 9, 2026, the Debtors filed their Schedules, which include, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs.

F. Litigation Matters.

On February 4, 2026, the Debtors and the Non-Participating Holders agreed to the *Debtors' Application in Lieu of Motion in Support of Entry of Stipulation and Agreed Order by and Among the Debtors, the Non-Debtor Stipulating Parties, Axos Financial, Inc., And Siemens Financial Services, Inc.* [Docket No. 215] (the "Litigation Stipulation") which sets out an agreed schedule for resolution of the Non-Participating Holder Litigation. In accordance with the Litigation Stipulation, on February 4, 2026, the Non-Participating Holders commenced the Adversary Proceeding seeking resolution of the Non-Participating Holder Litigation. The Litigation Stipulation contemplates a final hearing regarding resolution of the Adversary Proceeding on May 18, 2026, subject to Bankruptcy Court availability.

Discovery in the Adversary Proceeding is underway. On February 13, 2026, the Non-Participating Holders filed a *Memorandum of Law in Support of Motion of Plaintiffs Axos Financial, Inc. and Siemens Financial Services, Inc. to Compel Defendants to Respond to Plaintiffs' Document Requests and*

Interrogatories [Adv. Pro. Docket No. 12] (the "Motion to Compel"). Following a status conference and a hearing, on February 25, 2026, the Bankruptcy Court entered its order denying the Motion to Compel [Adv. Pro. Docket No. 54]. The parties to the Adversary Proceeding collectively have noticed twenty depositions. To date, nineteen fact depositions have been taken, and all fact depositions are scheduled to be completed by April 16, 2026.

Additionally, on February 18, 2026, certain of the non-debtor defendants in the Adversary Proceeding filed partial motions to dismiss the Non-Participating Holders' Complaint [Adv. Pro. Docket Nos. 28, 31] (together, the "Motions to Dismiss"), which the Bankruptcy Court will hear on March 19, 2026. Finally, on March 10, 2026, the Bankruptcy Court granted the Unsecured Creditors' Committee's intervention in the Adversary Proceeding pursuant to the terms of the parties' *Stipulation Between and Among the Debtors, the Adversary Plaintiffs, the Adversary Defendants, and the Committee Governing Participation of the Committee in the Adversary Proceeding* [Adv. Pro. Docket No. 74].

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] (the "Mediation Order") directing the Debtors, the Non-Participating Holders, the Ad Hoc Group, and the Committee to mediate regarding (a) the dispute at issue in the Adversary Proceeding, (b) the October 2024 Refinancing and the prepetition litigation related thereto, and (c) the Plan, including treatment of general unsecured claims therein. The mediation commenced on April 6, 2026, and was further extended to, and including, April 9, 2026.

As summarized in the *Mediator's Report* [Adv. Docket No. 111], the Mediation Parties (as defined in the Mediation Order) reached an impasse with respect to settlement of Adversary Proceeding and Non-Participating Holder Litigation. However, the Committee, the Debtors, and the Ad Hoc Group successfully reached a global settlement in principle of all Committee issues in the Chapter 11 Cases, including treatment of general unsecured claims against the Debtors. Pursuant to the settlement in principle with the Committee, and as reflected in the Disclosure Statement Order, after the conclusion of its Investigation (as defined in the Final DIP Order), the Committee has agreed to waive and release claims, causes of action, adversary proceedings, or other litigation against the Prepetition Secured Parties (as defined in the Final DIP Order), and the Debtors and the Committee agreed to the expiration of the Challenge Period (as defined in the Final DIP Order) related thereto.

In the event that the Non-Participating Holders are successful, in whole or in part, in the Non-Participating Holder Litigation or the related Adversary Proceeding, recoveries under the Plan may need to be reallocated. Such a ruling may impact the recoveries of several classes, including but not limited to classes 3B, 3C, and 4. The Bankruptcy Court may determine that resolicitation of the Plan is necessary, which may delay the timeline of the Chapter 11 Cases, increase costs, and result in a failure to obtain the votes requisite for Confirmation. Such a ruling may also modify the amount of Secured Claims under the Reception Purchaser Credit Agreement and the STG Distribution Credit Agreement, including the Intercompany Notes Claims. Further, such a ruling may result in a failure to meet the Litigation Condition under the Restructuring Support Agreement. Such result may lead to termination of the Restructuring Support Agreement which, in turn, may require additional engagement with stakeholders to renegotiate Plan terms.

G. The 2025 Special Committee's Independent Investigation.

As described in the First Day Declaration, prior to the Petition Date, the 2025 Special Committee commenced the Investigation. The Investigation focused on examining potential Estate Claims and Causes

of Action that the Debtors may hold or otherwise be able to assert against insiders, affiliated entities, and certain other parties.

As part of the Investigation, the 2025 Special Committee reviewed and assessed, among other things, all potential Claims and Causes of Action contemplated to be released under the Plan, such as (a) the Company's acquisition of XPO Intermodal in March 2022, (b) the October 2024 Refinancing, and (c) certain prepetition transfers from the Company to the Sponsors and to other insiders. Counsel to the 2025 Special Committee has taken various steps to analyze potential Estate Claims and Causes of Action including, but not limited to, fraudulent and preferential transfers, unlawful dividends, breach of fiduciary duty, unjust enrichment, recharacterization, disallowance, breach of contract, tortious interference with contract, deepening insolvency, fraud, and equitable subordination, as applicable.

As part of the Investigation, counsel to the 2025 Special Committee has taken various steps, including, but not limited to: (a) reviewing over 116,396 corporate documents, including organizational documents, budget forecasts, email correspondence, transaction and debt documents, Board and 2025 Special Committee minutes and materials, advisor and lender presentations, and director and officer liability insurance policies; and (b) conducting ten interviews with individuals with relevant knowledge.

The 2025 Special Committee also investigated the Released Parties and their Related Parties. Through its independent decision-making process, the 2025 Special Committee has concluded that the release provisions contained in the Plan are appropriate. The 2025 Special Committee's conclusions with respect to the Investigation into potential Claims against the Released Parties are based on the facts and circumstances as identified and known by the 2025 Special Committee as of the date hereof. Accordingly, to the extent the Investigation uncovers additional facts with respect to potential Claims or Causes of Action prior to confirmation, the 2025 Special Committee may recommend that the Debtors amend and narrow the scope of the proposed Released Parties or remove such Claims or Causes of Action entirely in order to allow such Claims or Causes of Action to be preserved.

Further detail regarding the Investigation will be provided in connection with confirmation of the Plan.

H. Proposed Confirmation Schedule.

Under the Restructuring Support Agreement, the Debtors agreed to certain milestones to ensure an orderly and timely implementation of the Restructuring Transactions. The Debtors intend to proceed swiftly to confirmation of the Plan and emergence from these Chapter 11 Cases to mitigate uncertainty among employees, customers, and vendors, minimize disruptions to the Company's business, and curtail professional fees and administrative costs. To that end, the Debtors have proposed the following case timeline, subject to Court approval and availability:

Event	Date
Disclosure Statement Objection Deadline	April 3, 2026, at 5:00 p.m., prevailing Eastern Time
Voting Record Date	April 8, 2026
Conditional Disclosure Statement Hearing Date	April 10, 2026, at 10:00 a.m., prevailing Eastern Time
Solicitation Packages Mailing Deadline	Three (3) business days following entry of the Disclosure Statement Order (or as soon as reasonably practicable thereafter)

Event	Date
Publication Deadline	Three (3) business days following entry of the Disclosure Statement Order (or as soon as reasonably practicable thereafter)
Initial Plan Supplement Deadline	May 8, 2026, at 11:59 p.m., prevailing Eastern Time
Voting and Opt-Out Deadline	May 15, 2026, at 5:00 p.m. (prevailing Eastern Time)
Confirmation Objection Deadline	May 15, 2026, at 5:00 p.m. (prevailing Eastern Time)
Voting Report Deadline	May 18, 2026, at 11:59 p.m., prevailing Eastern Time
Confirmation Brief and Objection Reply Deadline	Two calendar days prior to the Confirmation Hearing Date, at 11:59 p.m., prevailing Eastern Time
Confirmation Hearing Date	May 22, 2026, at 10:00 a.m., prevailing Eastern Time or such other date as may be scheduled by the Court[29]

VII. SUMMARY OF THE PLAN.

The Plan contemplates the following key terms described below. In addition, the Plan contains additional detail, including descriptions of the provisions governing distributions under the Plan, the procedures for resolving contingent, unliquidated, and disputed claims, and provisions related to modification, revocation, or withdrawal of the Plan, among others.

A. General Settlement of Claims, Interests, and Intercompany Interests.

To the greatest extent permissible under the Bankruptcy Code and the Bankruptcy Rules, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Equity Interests, Intercompany Interests, and controversies released, settled, compromised, discharged, satisfied, or otherwise resolved pursuant to the Plan. The Plan shall be deemed a motion to approve the good faith compromise and settlement of all such Claims, Equity Interests, Intercompany Interests, and controversies, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates and Holders of Claims, Equity Interests, and Intercompany Interests. Subject to Article VI of the Plan, all distributions made to Holders of Allowed Claims, Equity Interests, and Intercompany Interests, as applicable, in any Class are intended to be and shall be final.

Certain Claims and Causes of Action may exist between one or more of the Debtors and one or more of its Affiliates, which Claims and Causes of Action (other than any such Claims and Causes of Action

[29] The Debtors may adjourn the Confirmation Hearing Date, any related dates and deadlines from time to time, without notice to the parties in interest other than announcement of such adjournment in open court, or by posting such notice of adjournment on the Claims and Noticing Agent's website, and/or filing a notice of adjournment with the Court and serving such notice on the 2002 List.

that are not released pursuant to Article IX.C of the Plan, including any obligations arising under business or commercial agreements or arrangements among the Released Parties and any non-Debtor Entity) have been settled, and such settlement is reflected in the treatment of the Intercompany Claims, Intercompany Interests, and the Claims against, and Equity Interests and Intercompany Interests in, each Debtor. The Plan shall be deemed a motion to approve the good faith compromise and settlement of such Claims and Causes of Action pursuant to Bankruptcy Rule 9019.

In connection with the Committee's support for the transactions contemplated in the Plan, on the Effective Date, the Debtors shall establish and fund the Convenience Claim Reserve with Cash equal to the Convenience Claims Cash Pool. The Convenience Claims Reserve shall be maintained in trust solely for the Holders of Allowed Convenience Claims and Holders of Allowed General Unsecured Claims who make the Convenience Claim Election. Such funds shall not be considered property of the Estates of the Debtors or the Post-Effective Date Debtors, as applicable. The distribution to Holders of Allowed Convenience Claims shall be paid in Cash to such Holders from the Convenience Claims Escrow Account as soon as reasonably practicable after such Convenience Claims are Allowed. When all Allowed Convenience Claims have been paid in full, any remaining amount in the Convenience Claims Reserve shall promptly be paid to the Post-Effective Date Debtors without any further notice to, action, order, or approval of the Bankruptcy Court. Additionally, the Debtors shall utilize the remaining funds, if any, allocated pursuant to that certain *Final Order (I) Authorizing the Debtors to Pay Prepetition Claims of Certain Critical Vendors, Foreign Vendors, 503(b)(9) Claimants, and Lien Claimants, (II) Granting Administrative Expense Priority to All Undisputed Obligations on Account of Outstanding Orders, and (III) Granting Related Relief* [Docket No. 246] in accordance with the terms thereof.

B. Restructuring Transactions.

The Debtors shall pursue the Recapitalization Transaction unless the Toggle Trigger Event occurs. If a Sale occurs, the Debtors and Purchaser(s) shall be authorized to take all actions as may be deemed necessary or appropriate to consummate the Sale pursuant to the terms of the Purchase Agreement(s) and the Sale Order. To the extent a Sale occurs, the Debtors shall consummate the Sale, and among other things, all of the Debtors' property other than the Excluded Liabilities (as defined in the applicable Purchase Agreement) shall be transferred to and vest in the Purchaser(s) free and clear of all Liens, charges, or other encumbrances.

Before, on, and after the Effective Date, the Debtors or the Post-Effective Date Debtors shall consummate the Restructuring Transactions and may take all actions as may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan that are consistent with and pursuant to the terms and conditions of the Plan, including, as applicable: (i) the execution and delivery of any appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, formation, organization, dissolution, or liquidation containing terms that are consistent with the terms of the Plan and the other Definitive Documents; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan, and the other Definitive Documents; (iii) the execution, delivery, and filing, if applicable, of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, or dissolution pursuant to applicable state Law; (iv) the implementation of the Management Incentive Plan and any reservation or distribution of MIP Equity; (v) if the Recapitalization Transaction occurs, the issuance and distribution of the Reorganized Equity as set forth in the Plan, the execution of any Takeback Term Loan Facility Documents, the Exit RCF Facility Documents, Takeback Equipment Financing Agreements, including the granting of any security interests and Liens pursuant to the terms thereof, the execution and delivery of the New Governance Documents and any certificates or articles of incorporation, bylaws, or such other applicable formation documents (if any) of each Post-Effective Date

Debtor (including all actions to be taken, undertakings to be made, obligations to be incurred, and fees and expenses to be paid by the Debtors and/or the Post-Effective Date Debtors, as applicable); (vi) if the Wind Down occurs, the execution and delivery of appropriate documentation and taking of such other actions as may be necessary to implement the Wind Down; (vii) if the Sale occurs, all actions necessary or appropriate to close the Sale under the applicable Purchase Agreement and Sale Order, including the execution of any transition services agreements in connection with such Sale(s), if any; (viii) such other transactions that, in the reasonable business judgment of the Debtors or the Post-Effective Date Debtors, as applicable, are required to effectuate the Restructuring Transactions; and (ix) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law.

The Confirmation Order shall and shall be deemed to, pursuant to both section 1123 and section 363 of the Bankruptcy Code, authorize, among other things, Post-Effective Date Debtors, and the Consenting Stakeholders, as applicable, to take all actions as may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan.

C. Director and Officer Liability Insurance.

After the Effective Date, the Post-Effective Date Debtors shall not terminate or otherwise reduce the coverage under any D&O Liability Insurance Policy in effect or purchased as of or following the execution date of the Restructuring Support Agreement (including any tail policy), and any members, managers, directors, and officers of the Debtors who served in such capacity at any time before the Effective Date and any other individuals, in each case, covered by such existing insurance policies, shall be entitled to the full benefits of such policy, to the extent of the terms and limitations of such policy, for the full term of such policy regardless of whether such members, managers, directors, officers, or other individuals remain in such positions after the Effective Date.

Notwithstanding anything in the Plan to the contrary, the Debtors or Post-Effective Date Debtors, as applicable, shall retain the ability to supplement such D&O Liability Insurance Policies as the Debtors or Post-Effective Date Debtors deem necessary, including by purchasing any tail coverage (including a tail policy).

D. Employment Obligations.

All Assumed Plans shall be assumed by the Post-Effective Date Debtors as of the Effective Date and shall remain in place. The Post-Effective Date Debtors shall continue to honor their obligations under such Assumed Plans; *provided* that (i) the Assumed Plans shall not include any equity or equity-based programs and awards in effect as of the Petition Date such awards and rights described in the foregoing subsections (i) shall be terminated as of the Effective Date for no consideration. Notwithstanding the foregoing, the Debtors or Post-Effective Date Debtors shall not assume any Assumed Plan that constitutes an employment agreement in favor of certain of the Debtors' existing employees that have been identified on the schedule distributed by the Debtors' counsel to the Ad Hoc Group via email on January 6, 2026, if the Toggle Trigger Event occurs.

E. Cancellation of Notes, Instruments, Certificates, and Other Documents.

Except for the purpose of evidencing a right to a distribution under the Plan, on the Effective Date, except as otherwise specifically provided for in the Plan or the Plan Supplement: (1) the obligations of any Debtor under all certificates, shares, notes, bonds, indentures, purchase rights, or other instruments or documents, directly or indirectly evidencing or creating any indebtedness or obligations of or ownership interest, equity, or portfolio interest in the Debtors or any warrants, options, or other securities exercisable or exchangeable for, or convertible into, debt, equity, ownership, or profits interests in the Debtors giving

rise to any Claim, Equity Interest, or Intercompany Interest shall be cancelled and deemed surrendered to the Debtors without any need for a Holder to take further action with respect thereto, and the Debtors shall not have any continuing obligations thereunder and Holders of or parties to such cancelled instruments, certificates, and other documentation will have no rights arising from or relating to such instruments, certificates, and other documentation, or the cancellation thereof, except the rights, distributions, and treatment provided for pursuant to the Plan or the Confirmation Order; and (2) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificates or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indenture, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors shall be fully released, settled, compromised and discharged.

Notwithstanding the foregoing or anything to the contrary in the Plan or in the Confirmation Order, the Prepetition Debt Documents shall continue in effect solely for the purposes of: (a) allowing Holders of Funded Debt Claims and the Agents to (i) receive and accept distributions under the Plan on account of such Claims, (ii) appear and be heard in the Chapter 11 Cases or in any proceeding in the Bankruptcy Court or any other court, including to enforce any obligation under the Plan or the Confirmation Order owed to the Agents or Holders of such Claims, and (iii) receive compensation and reimbursement for any reasonable and documented fees and expenses incurred in connection with the implementation, consummation, and defense of the Plan and the Confirmation Order; (b) allowing and preserving the rights of the Agents to (i) receive and make distributions on account of such Claims, (ii) maintain, enforce, and exercise any right to compensation, indemnification, expense reimbursement, priority of payment, immunity, exculpation, contribution, or any other claim or entitlement that the Agents may have under the Prepetition Debt Documents; *provided* that, subject to the terms of the Plan, any such indemnification or contribution rights under the Prepetition Debt Documents shall be limited to rights with respect to Persons other than the Debtors, and (iii) assert or maintain any rights the Agents have against any money or property distributable or allocable to Holders of such claims for amounts not paid or required to be paid hereunder; and (c) in each case, allowing Holders of Funded Debt Claims and the Agents to perform any functions that are necessary to effectuate the foregoing.

F. Section 1146 Exemption.

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a Post-Effective Date Debtor, as applicable, or to any other Person) of property under the Plan or pursuant to: (i) the issuance, Reinstatement, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Post-Effective Date Debtors, as applicable, including the Reorganized Equity; (ii) the Restructuring Transactions; (iii) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (iv) the making, assignment, or recording of any lease or sublease; or (v) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, personal property transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146 of the Bankruptcy Code, shall forego the

collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

G. The Recapitalization Transaction.

If the Recapitalization Transaction occurs, the following provisions shall govern, except for the provisions in Article IV.G.12 through and including Article IV.G.15 of the Plan (which shall occur only if the Debtors determine, in the exercise of their reasonable business judgment, to effectuate a wind down in connection with the Recapitalization Transaction).

1. The Post-Effective Date Debtors.

On the Effective Date, the New Board shall be established, and each Post-Effective Date Debtor shall adopt its New Governance Documents, subject in all respects to the consent rights of the Required Consenting FLFO Term Lenders. The Post-Effective Date Debtors shall be authorized to adopt any other agreements, documents, and instruments and to take any other actions contemplated under the Plan as necessary to consummate the Plan.

2. Sources of Consideration for Plan Distributions.

Except if a Sale occurs, the Debtors shall fund or make distributions under the Plan, as applicable, with: (i) the Reorganized Equity; (ii) the Debtors' Cash on hand; (iii) the Convenience Claim Reserve (iv) the Takeback Term Loans; (v) the Exit RCF Facility; and (vi) the Takeback Equipment Financing Debt. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. The issuance, distribution, or authorization, as applicable, of certain Securities in connection with the Plan, including the Reorganized Equity, is expected to be exempt from U.S. federal registration requirements under the Securities Act Blue-Sky Laws, and any other applicable securities laws, as described more fully in Article IV.G.7 of the Plan.

(a) Issuance of the Reorganized Equity.

Except if a Sale occurs, the Post-Effective Date STG shall be authorized to issue a certain amount of Reorganized Equity on account of the Claims as set forth in Article II and Article III of the Plan, pursuant to its New Governance Documents as well as any options or other equity awards, if any, reserved for the Management Incentive Plan. The issuance of the Reorganized Equity shall be authorized without the need for any further corporate action. On the Effective Date, the Reorganized Equity shall be issued and distributed pursuant to, and in accordance with, the Plan.

All Reorganized Equity issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, including the New Governance Documents, which terms and conditions shall bind each Entity receiving such distribution or issuance. Any Entity's acceptance of Reorganized Equity shall be deemed to constitute its agreement to the New Governance Documents, as the same may be amended or modified from time to time following the Effective Date in accordance with their terms, without the need for execution by any party thereto other than the applicable Post-Effective Date Debtor(s). The Reorganized Equity will not be registered or listed under the Securities Act or on any securities exchange as of the Effective Date.

(b) Takeback Term Loan Facility and Exit RCF Facility.

Except if a Sale occurs, on the Effective Date, Post-Effective Date STG (including any Post-Effective Date Debtors that are to be borrowers or guarantors under the Takeback Term Loans and the Exit RCF Facility) shall issue the Takeback Term Loans on the terms set forth in the Takeback Term Loan Facility Documents and enter into the Exit RCF Facility on the terms set forth in the Exit RCF Facility Documents. To the extent not already approved, the Confirmation Order shall be deemed approval of the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by Post-Effective Date STG in connection therewith, including the payment of all fees, indemnities, expenses, and other payments provided for therein and authorization of Post-Effective Date STG to enter into and execute the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents as may be required to effectuate the Takeback Term Loans and the Exit RCF Facility.

On the Effective Date, all of the Liens and security interests to be granted in accordance with the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents, to the extent applicable: (a) shall be deemed to be granted; (b) shall be legal, binding, automatically perfected, non-avoidable, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents; (c) shall be deemed automatically perfected on or prior to the Effective Date, subject only to such Liens and security interests as may be permitted under the respective Takeback Term Loan Facility Documents and the Exit RCF Facility Documents; and (d) shall not be subject to avoidance, recharacterization, or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers, fraudulent transfers, or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

Post-Effective Date STG and the Entities granting such Liens and security interests to secure the obligations under the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents shall be authorized to enter into all agreements and make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

(c) Takeback Equipment Financing Debt.

Except if a Sale occurs, on the Effective Date, the Post-Effective Date Debtors shall enter into the Takeback Equipment Financing Agreements. To the extent applicable, Confirmation of the Plan shall be deemed to be (a) approval of the Takeback Equipment Financing Debt (including the transactions and related agreements contemplated thereby and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Debtors or Post-Effective Date Debtors, as applicable, in connection therewith), to the extent not approved by the Bankruptcy Court previously and (b) authorization for the Debtors or the Post-Effective Date Debtors, as applicable, to, without further notice to or order of the Bankruptcy Court, (i) execute and deliver those documents and agreements necessary or appropriate to enter into the Takeback Equipment Financing Agreements, and incur any pay any fees and expenses in connection therewith, and (ii) act or take action under applicable Law, regulation, order, or rule or vote, consent, authorization, or approval of any person, subject to such modifications as the Debtors or the Post-Effective Date Debtors, as applicable, may deem necessary to issue the Takeback Equipment Financing Debt.

As of the Effective Date, upon the granting of Liens in accordance with the Takeback Equipment Financing Agreements, all of the Liens and security interests, if any, to be granted in accordance with the Takeback Equipment Financing Agreements shall (a) be deemed to be granted, (b) be legal, binding, automatically perfected, non-avoidable, and enforceable Liens on, and security interests in, the applicable collateral in accordance with the respective terms of the Takeback Equipment Financing Agreements, (c) be deemed perfected on or prior to the Effective Date, subject only to such Liens and security interests, if any, as may be permitted under the Takeback Equipment Financing Agreements, and (d) not be subject to avoidance, recharacterization, or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers, fraudulent transfers, or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law.

To the extent provided in the applicable Takeback Equipment Financing Agreements, the Holder(s) of Liens, if any, under the Takeback Equipment Financing Agreements are authorized to file with the appropriate authorities mortgages, financing statements, and other documents and to take any other action in order to evidence, validate, and perfect such Liens or security interests. The guarantees, mortgages, pledges, Liens, and other security interests, if any, granted to secure the obligations arising under the Takeback Equipment Financing Agreements have been granted in good faith, for legitimate business purposes, and for reasonably equivalent value as an inducement to the lenders thereunder to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer and shall not otherwise be subject to avoidance, recharacterization, or subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law, and the priorities of such Liens and security interests, if any, shall be as set forth in the Takeback Equipment Financing Agreements.

The Post-Effective Date Debtors and the Persons and Entities granted such Liens and security interests, if any, shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests, if any, under the provisions of the applicable state, federal, or other Law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required) and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable Law to give notice of such Liens and security interests, if any, to third parties.

3. Corporate Existence.

Except as otherwise provided in the Plan or the Definitive Documents, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which such Debtor is incorporated or formed and pursuant to the certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended under the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state, provincial, or federal Law). On or after the Effective Date, the respective certificate of incorporation and bylaws (or other formation documents) of one or more of the Post-Effective Date Debtors may be amended or modified on the terms therein without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. On or after the Effective Date, one or more of the Post-Effective Date Debtors may be disposed of, dissolved, wound down, or liquidated without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

4. Vesting of Assets in the Post-Effective Date Debtors.

Unless a Sale occurs, except as otherwise provided in the Plan or in any agreement, instrument, or other document incorporated in the Plan, on the Effective Date, all property in each Debtor's Estate, all Retained Causes of Action belonging to the Debtors or the Estates, and any property acquired by any of the Debtors under the Plan shall vest in each respective Post-Effective Date Debtor, free and clear of all Liens, Claims, charges, or other encumbrances (except for Liens securing Other Secured Claims that are Reinstated pursuant to the Plan, as applicable). On and after the Effective Date, except as otherwise provided in the Plan or in the Confirmation Order, each Post-Effective Date Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Equity Interests, Intercompany Interests, or Retained Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

5. Corporate Action.

Upon the Effective Date, all actions contemplated by the Plan and Definitive Documents shall be deemed authorized and approved by the Bankruptcy Court in all respects without any further corporate or equity holder action, including, as applicable, in each case subject to any applicable consent rights in the Restructuring Support Agreement: (a) the implementation of the Restructuring Transactions; (b) selection of the directors, officers, or managers for the Post-Effective Date Debtors; (c) the distribution of the Reorganized Equity; (d) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date); (e) adoption of the New Governance Documents; (f) the rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; and (g) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transactions (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Post-Effective Date Debtors, and any corporate action required by the Debtors or the Post-Effective Date Debtors, as applicable, in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the equity security Holders, directors, officers, or managers of the Debtors or the Post-Effective Date Debtors, as applicable. On or (as applicable) prior to the Effective Date, the appropriate officers of the Debtors or the Post-Effective Date Debtors, as applicable, shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Post-Effective Date Debtors, including the Reorganized Equity, the New Governance Documents, and any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by Article IV.G.5 of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

6. New Governance Documents.

Unless a Sale occurs, on or immediately prior to the Effective Date, the New Governance Documents shall be adopted or amended in a manner acceptable to the Debtors, as may be necessary to effectuate the transactions contemplated by the Plan. With respect to provisions of the New Governance Documents that relate to the releases, exculpation, injunction, indemnification, or directors' and officers' liability insurance provisions related to any Consenting Sponsor, or that would materially, directly, and adversely impact any Consenting Sponsor in a manner inconsistent with the Restructuring Support Agreement, such provisions are subject to the consent of the applicable Consenting Sponsor as incorporated by Article I.H of the Plan. To the extent required under the Plan or applicable non-bankruptcy law, each of the Post-Effective Date Debtors will file its New Governance Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state, province, or country of incorporation or formation in accordance with the corporate laws of the respective state, province, or country of

incorporation or formation to the extent such filing is required for each such document. The New Governance Documents will prohibit the issuance of non-voting equity securities to the extent required under section 1123(a)(6) of the Bankruptcy Code. For the avoidance of doubt, the New Governance Documents shall be included in the Plan Supplement. After the Effective Date, each Post-Effective Date Debtor may amend and restate its constituent and governing documents as permitted by the Laws of its jurisdiction of incorporation or formation and the terms of such documents, and the Post-Effective Date Debtors may file such amended certificates or articles of incorporation, bylaws, or other applicable formation and constituent documents as permitted by the Laws of the applicable states, provinces, or countries of incorporation or formation and the New Governance Documents. For the avoidance of doubt, any claimant's acceptance of the Reorganized Equity shall be deemed to constitute its agreement to be bound by the New Governance Documents without the need for execution by any party other than the Post-Effective Date Debtors.

7. Directors and Officers of the Post-Effective Date Debtors.

On the Effective Date, the term of the current Governing Body, including any special committee formed by the current Governing Body, of the Debtors shall expire, and the directors for the initial term of the New Board shall be appointed, subject in all respects to the consent rights of the Required Consenting FLFO Term Lenders. The initial directors of the New Board will be identified in the Plan Supplement, to the extent known at the time of filing. Except to the extent that a current director on the board of directors of STG is designated to serve as a director, manager, or sole manager of a Post-Effective Date Debtor, the current directors on the board of directors of STG prior to the Effective Date, in their capacities as such, have no continuing obligations to STG and such director shall be deemed to have resigned or shall otherwise cease to be a director of STG on the Effective Date. Each such member and officer of the Post-Effective Date Debtors shall serve from and after the Effective Date pursuant to the terms of the New Governance Documents and other constituent documents of the Post-Effective Date Debtors.

8. Effectuating Documents; Further Transactions.

On and after the Effective Date, the Post-Effective Date Debtors and the New Board are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the Definitive Documents, including the Securities issued pursuant to the Plan, in the name of and on behalf of the Post-Effective Date Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

9. Certain Securities Law Matters.

As discussed herein, the Plan provides for the offer, sale, issuance, and distribution of Reorganized Equity to certain Holders of prepetition Claims against the Debtors. The Debtors believe that the Reorganized Equity will be "securities" as defined in Section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and any applicable state securities laws.

The Debtors further believe that the issuance of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) after the Petition Date pursuant to the Restructuring Transactions under the Plan is, and the subsequent transfer of such Reorganized Equity by the holders thereof that are not "underwriters" (which definition includes "Controlling Persons) should be, exempt from U.S. federal, state, and local securities registration requirements under section 1145 of the Bankruptcy Code, Securities Act, Blue-Sky Laws, and any applicable similar U.S. federal, state, or local laws described in more detail below, except in limited circumstances.

Pursuant to section 1145 of the Bankruptcy Code, or, to the extent that section 1145 of the Bankruptcy Code is either not permitted or not applicable, Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, it is expected that the offering, issuance, and distribution of the Reorganized Equity as contemplated in the Plan shall be exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. federal, state, or local laws requiring registration prior to the offering, issuance, distribution, or sale of securities.

The Reorganized Equity to be issued under the Plan on account of Allowed Claims in accordance with, and pursuant to, section 1145 of the Bankruptcy Code will be freely transferable under the Securities Act by the recipients thereof, subject to: (a) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an "underwriter" in section 2(a)(11) of the Securities Act, compliance with any applicable state or non-U.S. securities laws, if any, and the rules and regulations of the United States Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments; and (b) any restrictions on the transferability of the Reorganized Equity as set forth in the New Governance Documents. The Debtors currently expect that all of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) issued after the Petition Date in exchange for the Claims described above should satisfy the requirements of section 1145(a) of the Bankruptcy Code.

In addition, any Reorganized Equity, including any Reorganized Equity underlying the Management Incentive Plan that may be issued pursuant to the exemption from registration set forth in Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, will be deemed "restricted securities," as defined in Rule 144(a)(3) under the Securities Act, and may not be resolved, exchanged, assigned, or otherwise transferred unless they are registered, or an exemption from registration applies, under the Securities Act, and any securities laws, or the laws of any other jurisdiction, and will bear customary legends and transfer restrictions, as set forth in Article XII of this Disclosure Statement entitled "Certain Securities Law Matters," and may not be transferred except pursuant to an effective registration statement or under an available exemption from the registration requirements of the Securities Act.

The Post-Effective Date Debtors need not provide any further evidence other than the Plan or the Confirmation Order to any Entity (including DTC and any transfer agent for the Reorganized Equity) with respect to the treatment of the Reorganized Equity to be issued under the Plan under applicable securities laws. Should the Post-Effective Date Debtors elect on or after the Effective Date to reflect any ownership of the Reorganized Equity through the facilities of DTC, DTC shall be required to accept and conclusively rely upon the Plan and the Confirmation Order in lieu of a legal opinion regarding whether the Securities to be issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services. Notwithstanding anything to the contrary in the Plan, no Entity (including, for the avoidance of doubt, DTC or any transfer agent for Securities) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the Securities to be issued under the Plan are exempt from registration and/or eligible for book-entry delivery, settlement, and depository services (to the extent applicable).

10. Management Incentive Plan.

On or within thirty (30) days following the Effective Date, the New Board shall adopt and implement the Management Incentive Plan to be used to incentivize and compensate employees, directors, consultants, and other services providers of the Post-Effective Date Debtors, which Management Incentive

Plan will include the ability to grant restricted stock units, options, Reorganized Equity, or other rights exercisable, exchangeable, or convertible into Reorganized Equity (or equivalent Cash value thereof) in accordance with the Restructuring Support Agreement.

11. Preservation of Retained Causes of Action.

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article IX of the Plan, all Causes of Action shall vest in the Post-Effective Date Debtors as Retained Causes of Action. For the avoidance of doubt, any Cause of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including Article IX of the Plan, shall not be considered a Retained Cause of Action. The Post-Effective Date Debtors shall have the exclusive right, authority, and discretion to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment such Retained Causes of Action, as appropriate, in accordance with the best interests of the Post-Effective Date Debtors and no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Retained Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. For the avoidance of doubt, any Claims or Causes of Action against the Consenting Stakeholders and/or their Affiliates and/or advisors shall not be Retained Causes of Action. The Released Preference Actions shall not be Retained Causes of Action.

No Person or Entity may rely on the absence of a specific reference in the Schedule of Retained Causes of Action, the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or Post-Effective Date Debtors, as applicable, will not pursue any and all available Retained Causes of Action against it. The Debtors and Post-Effective Date Debtors expressly reserve all rights to prosecute any and all Retained Causes of Action against any Person or Entity, except as otherwise expressly provided in the Plan, including Article IX of the Plan.

The Post-Effective Date Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (x) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court, and (y) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement to file motions or substitutions of parties or counsel in each such matter.

12. The Wind Down.

If a wind down occurs in connection with the Recapitalization Transaction, on and after the Effective Date, Post-Effective Date Debtors will be authorized and directed to implement the Plan and any applicable orders of the Bankruptcy Court in accordance with Article VII of the Plan, and the Post-Effective Date Debtors shall have the power and authority to take any action necessary to wind down and dissolve the Debtors' Estates.

As soon as practicable after the Effective Date, the Post-Effective Date Debtors shall: (a) to the extent applicable, file a certificate of dissolution or equivalent document, together with all other necessary corporate and company documents, to effect the dissolution of the Debtors under the applicable laws of their state of incorporation or formation (as applicable); and (b) take such other actions as the Post-Effective Date Debtors may determine to be necessary or desirable to carry out the purposes of the Plan with the reasonable consent of the Required Consenting FLFO Term Lenders. Any certificate of dissolution or equivalent document may be executed by the Post-Effective Date Debtors without need for any action or approval by the shareholders, board of directors or managers, or Governing Body of any Debtor. From and after the Effective Date, except with respect to the Post-Effective Date Debtors as set forth in the Plan, the Debtors (a) for all purposes shall be deemed to have withdrawn their business operations from any state in

which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action in order to effectuate such withdrawal, (b) shall be deemed to have canceled pursuant to the Plan all Equity Interests and Intercompany Interests, and (c) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date. Notwithstanding the Debtors' dissolution, the Debtors shall be deemed to remain intact solely with respect to the preparation, filing, review, and resolution of applications for Professional Fee Claims.

13. Wind Down Debtors.

On and after the Effective Date, certain of the Debtors shall continue in existence for purposes of: (a) winding down the Debtors' business and affairs as expeditiously as reasonably possible; (b) resolving Disputed Claims; (c) making distributions on account of Allowed Claims as provided hereunder; (d) funding distributions; (e) enforcing and prosecuting claims, interests, rights, and privileges under the Retained Causes of Action on the Schedule of Retained Causes of Action in an efficacious manner and only to the extent the benefits of such enforcement or prosecution are reasonably believed to outweigh the costs associated therewith; (f) filing appropriate tax returns; (g) complying with any continuing obligations under the DIP Orders; and (h) administering the Plan in an efficient manner. Such Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (x) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court and DIP Orders (as applicable) and (y) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

14. The Wind Down Debtor Account.

On or prior to the Effective Date and if the Debtors, with the consent of the Required Consenting FLFO Term Lenders, elect to pursue a wind down in connection with the Recapitalization Transaction, the Debtors shall establish the Wind Down Debtor Account by depositing Cash on hand in the amount of the Wind Down Amount into the Wind Down Debtor Account. The Wind Down Debtor Account shall be used by the Post-Effective Date Debtors to (a) fund the estimated fees, costs, and expenses necessary to fully administer and wind down the Debtors' Estates, including the fees, costs, and expenses of the Post-Effective Date Debtors to wind down the Debtors' Estates, and (b) pay in full in Cash all Claims required to be paid under the Bankruptcy Code and Plan in order for the Effective Date to occur or otherwise assumed or required to be paid under the terms of the Plan, in each case to the extent not liquidated and paid in full in Cash on the Effective Date; *provided* that all costs and expenses associated with such wind down and the storage of records and documents shall constitute expenses of the Wind Down Debtors and shall be paid from the Wind Down Debtor Account. Any amount remaining in the Wind Down Debtor Account after the dissolution of the Wind Down Debtors shall be distributed on account of unpaid Claims, Equity Interests, and Intercompany Interests in accordance with the priorities and treatment set forth in Article III of the Plan until such Claims, Equity Interests, and Intercompany Interests are paid in full.

15. Vesting of Assets in the Wind Down Debtors.

Except as otherwise provided in the Plan, the Confirmation Order, any order of the Bankruptcy Court, any agreement, instrument, or other document incorporated therein, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, the assets of the Debtors not transferred in connection with the Recapitalization Transaction shall vest in the Wind Down Debtors for the purpose of liquidating the Estates, free and clear of all Liens, Claims, charges, or other encumbrances; *provided* that (x) after funding the Professional Fee Escrow Account, the collateral, or proceeds of sales of such collateral, of the Wind Down Debtors securing the DIP Claims shall remain subject to the liens and claims of the DIP Lenders to the same extent as such liens and claims were

enforceable against the Debtors and the Debtors' assets until such DIP Claims are repaid in full pursuant to Article II of the Plan and (y) the RCF Reserve Account (and any amounts in the RCF Reserve Account) shall remain subject to the Liens and Claims of the Consenting FLFO RCF Lenders until the FLFO RCF Claims held by such Consenting FLFO RCF Lenders are paid in full in Cash or treated in accordance with the Exit RCF Documents, and shall not be used to fund the Wind Down Amount or otherwise available for any use or purpose other than as expressly provided in the DIP Orders; *provided* that the RCF Reserve Account (and any amounts therein) shall be released to the reorganized Debtors if they establish the Exit RCF Facility. On and after the Effective Date, except as otherwise provided for in the Plan and the DIP Orders, the Debtors and the Wind Down Debtors may operate their business and use, acquire, or dispose of property, and compromise or settle any Claims, Equity Interests, Intercompany Interests, or Retained Causes of Action.

16. Closing the Chapter 11 Cases.

On or following the Effective Date, the Post-Effective Date Debtors shall be permitted, subject to the Filing of appropriate motion by the Post-Effective Date Debtors, to close all of the Chapter 11 Cases except one, and all contested matters relating to any Post-Effective Date Debtor, including objections to Claims, shall be administered and heard in such remaining Chapter 11 Case.

When all Disputed Claims have become Allowed or Disallowed and all distributions have been made in accordance with the Plan, the Post-Effective Date Debtors may seek authority to close any remaining Chapter 11 Cases in accordance with the Bankruptcy Code and the Bankruptcy Rules.

H. The Sale.

If the Sale occurs, the following provisions shall govern.

1. The Wind Down.

If the Sale occurs, on and after the Effective Date, the Plan Administrator will be authorized and directed to implement the Plan and any applicable orders of the Bankruptcy Court in accordance with Article VII of the Plan, and the Plan Administrator shall have the power and authority to take any action necessary to wind down and dissolve the Debtors' Estates.

As soon as practicable after the Effective Date, the Plan Administrator shall: (a) to the extent applicable, file a certificate of dissolution or equivalent document, together with all other necessary corporate and company documents, to effect the dissolution of the Debtors under the applicable laws of their state of incorporation or formation (as applicable); and (b) take such other actions as the Plan Administrator may determine to be necessary or desirable to carry out the purposes of the Plan. Any certificate of dissolution or equivalent document may be executed by the Plan Administrator without need for any action or approval by the shareholders, board of directors or managers, or Governing Body of any Debtor. From and after the Effective Date, except with respect to the Post-Effective Date Debtors as set forth in the Plan, the Debtors (a) for all purposes shall be deemed to have withdrawn their business operations from any state in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action in order to effectuate such withdrawal, (b) shall be deemed to have canceled pursuant to the Plan all Equity Interests and Intercompany Interests, and (c) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date. Notwithstanding the Debtors' dissolution, the Debtors shall be deemed to remain intact solely with respect to the preparation, filing, review, and resolution of applications for Professional Fee Claims.

2. Wind Down Debtors.

On and after the Effective Date, the Wind Down Debtors shall continue in existence for purposes of: (a) winding down the Debtors' business and affairs as expeditiously as reasonably possible; (b) resolving Disputed Claims; (c) making distributions on account of Allowed Claims as provided hereunder; (d) funding distributions; (e) enforcing and prosecuting claims, interests, rights, and privileges under the Retained Causes of Action on the Schedule of Retained Causes of Action in an efficacious manner and only to the extent the benefits of such enforcement or prosecution are reasonably believed to outweigh the costs associated therewith; (f) filing appropriate tax returns; (g) complying with any continuing obligations under the DIP Orders; and (h) administering the Plan in an efficient manner. The Wind Down Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (x) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court and DIP Orders (as applicable) and (y) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

3. The Wind Down Debtor Account.

On or prior to the Effective Date, the Debtors shall establish the Wind Down Debtor Account by depositing Cash on hand in the amount of the Wind Down Amount into the Wind Down Debtor Account. The Wind Down Debtor Account shall be used by the Post-Effective Date Debtors to (a) fund the estimated fees, costs, and expenses necessary to fully administer and Wind Down the Debtors' Estates, including the fees, costs, and expenses of the Plan Administrator to Wind Down the Debtors' Estates, and (b) pay in full in Cash all Claims required to be paid under the Bankruptcy Code and Plan in order for the Effective Date to occur or otherwise assumed or required to be paid under the terms of the Plan, in each case to the extent not liquidated and paid in full in Cash on the Effective Date; *provided* that all costs and expenses associated with the Wind Down and the storage of records and documents shall constitute expenses of the Wind Down Debtors and shall be paid from the Wind Down Debtor Account. Any amount remaining in the Wind Down Debtor Account after the dissolution of the Wind Down Debtors shall be distributed on account of unpaid Claims, Equity Interests, and Intercompany Interests in accordance with the priorities and treatment set forth in Article III of the Plan until such Claims, Equity Interests, and Intercompany Interests are paid in full. In no event shall the Plan Administrator be required or permitted to use its personal funds or assets for such purposes.

4. Vesting of Assets in the Wind Down Debtors.

Except as otherwise provided in the Plan, the Confirmation Order, the Purchase Agreement(s) (if any), and/or the Sale Order (if any), any order of the Bankruptcy Court approving a Sale, or any agreement, instrument, or other document incorporated therein, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, the assets of the Debtors shall vest in the Wind Down Debtors for the purpose of liquidating the Estates, free and clear of all Liens, Claims, charges, or other encumbrances; *provided* that (x) after funding the Professional Fee Escrow Account, the collateral, or proceeds of sales of such collateral, of the Wind Down Debtors securing the DIP Claims shall remain subject to the liens and claims of the DIP Lenders to the same extent as such liens and claims were enforceable against the Debtors and the Debtors' assets until such DIP Claims are repaid in full pursuant to Article II of the Plan and (y) the RCF Reserve Account (and any amounts in the RCF Reserve Account) shall remain subject to the Liens and Claims of the Consenting FLFO RCF Lenders until the FLFO RCF Claims held by such Consenting FLFO RCF Lenders are paid in full in Cash or treated in accordance with the Exit RCF Documents, and shall not be used to fund the Wind Down Amount or otherwise available for any use or purpose other than as expressly provided in the DIP Orders. On and after the Effective Date, except as otherwise provided for in the Plan and the DIP Orders, the Debtors and the Wind Down Debtors

may operate their business and use, acquire, or dispose of property, and compromise or settle any Claims, Equity Interests, Intercompany Interests, or Retained Causes of Action.

5. Sources of Consideration for Plan Distributions.

In the event of a Sale, the Sale Payment Amount, the RCF Reserve Account (and any amounts in the RCF Reserve Account), Net Distributable Cash, the Convenience Claim Reserve, and any remaining amounts in the Wind Down Debtor Account (if any, after completion of the Wind Down and payment in full of all amounts required to be paid by the amounts deposited in the Wind Down Debtor Account) will fund distributions under the Plan. Notwithstanding anything to the contrary in the Plan or in the Purchase Agreement, on the Effective Date, any Retained Cause of Action not settled, released, discharged, enjoined, or exculpated under the Plan on or prior to the Effective Date shall vest in the Wind Down Debtors and shall be subject to administration by the Plan Administrator.

6. Dissolution and Governing Bodies of the Debtors.

As of the Effective Date, the Governing Body of each Debtor shall be dissolved without any further action required on the part of the Debtors or the Debtors' officers, directors, managers, shareholders, members, or Governing Bodies, and any remaining officers, directors, managers, or managing members of any Debtor shall be dismissed without any further action required on the part of any such Debtor, the equity holders of the Debtors, the officers, directors, managers, or Governing Body, as applicable, of the Debtors, or the members of any Debtor. Subject in all respects to the terms of the Plan, the Debtors shall be dissolved as soon as practicable on or after the Effective Date, but in no event later than the closing of the Chapter 11 Cases.

As of the Effective Date, the Plan Administrator shall act as the sole officer, director, manager, and Governing Body, as applicable, of the Debtors with respect to its affairs. Subject in all respects to the terms of the Plan, the Plan Administrator shall have the power and authority to take any action necessary to effectuate the Wind Down and dissolve any of the Debtors, including those powers set forth in Article VII.C of the Plan.

The filing by the Plan Administrator of any of the Debtors' certificate of dissolution shall be authorized and approved in all respects without further action under applicable law, regulation, order, or rule, including any action by the stockholders, members, board of directors, or board of managers.

7. Release of Liens.

Except as otherwise expressly provided in the Plan or in the Confirmation Order, on the Effective Date, all Liens on any property of any Debtors or the Wind Down Debtors shall automatically terminate, all property subject to such Liens shall be automatically released, and all guarantees of any Debtors or the Wind Down Debtors shall be automatically discharged and released; *provided* that notwithstanding anything to the contrary set forth in this Plan, (x) all security interests and Liens in favor of the Holders of FLFO RCF Claims in the RCF Reserve Account (and any amounts in the RCF Reserve Account) shall remain valid, binding, and in full effect on and after the Effective Date and (y) the proceeds of the RCF Reserve Account (and any amounts in the RCF Reserve Account) shall remain subject to the Liens and Claims of the Holders of FLFO RCF Claims to the same extent as such Liens and Claims were enforceable against the Debtors and the Debtors' assets until the Holders of FLFO RCF Claims receive their distributions or other treatment in accordance with Article III of the Plan; *provided*, *further*, that notwithstanding anything to the contrary set forth in the Plan, subject to the funding of the Professional Fee Escrow Account, (a) all Liens of the DIP Agent or the DIP Lenders, as applicable, on any property of any Debtors or the Wind Down Debtors shall remain valid, binding, and in full effect on and after the Effective Date, (b) all property of the Debtors and Wind Down Debtors shall remain subject to the Liens and claims

of the DIP Agent or DIP Lenders, as applicable, and shall continue to secure all Obligations (as defined in the DIP Credit Agreement) owing to the or the DIP Agent or the DIP Lenders, as applicable, (c) all guarantees of any Debtors or the Wind Down Debtors in favor of the DIP Lenders shall be reaffirmed and remain in full force and effect, and (d) the proceeds of sales of any collateral of the Wind Down Debtors securing the DIP Claims shall remain subject to the liens and claims of the DIP Agent or the DIP Lenders to the same extent as such liens and claims were enforceable against the Debtors and the Debtors' assets, in each case of (a)-(d) until the DIP Agent or the DIP Lenders, as applicable, receive their distributions or other treatment in accordance with Article II of the Plan. Notwithstanding anything to the contrary in the Plan, the release of Liens and Claims in favor of the DIP Secured Parties or Holders of FLFO RCF Claims, as applicable, shall be subject to the terms of a payoff letter, the Sale Order, or the DIP Orders, as applicable, subject in all respects to the consent of the Required DIP Lenders or Required Consenting FLFO RCF Lenders, as applicable.

8. Corporate Action.

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (a) consummation of the Wind Down; and (b) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors before, on, or after the Effective Date involving the corporate structure of the Debtors or the Wind Down Debtors, and any corporate action required by the Debtors or the Wind Down Debtors in connection with the Plan or corporate structure of the Debtors or Wind Down Debtors, shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors or the Wind Down Debtors. Before, on, or after the Effective Date, the appropriate officers of the Debtors or the Wind Down Debtors, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Wind Down Debtors. The authorizations and approvals contemplated by Article IV.I of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

9. Effectuating Documents; Further Transactions.

Prior to the Effective Date, the Debtors are, and on and after the Effective Date, the Wind Down Debtors, the Plan Administrator, and the officers and members thereof are, authorized to and may issue, execute, deliver, file, or record to the extent not inconsistent with any provision of the Plan such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, without the need for any approvals, authorizations, notice, or consents, except for those expressly required pursuant to the Plan.

10. Preservation of Retained Causes of Action.

Unless any Cause of Action against a Person or an Entity is expressly acquired pursuant to the Purchase Agreement, waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors shall convey to the Plan Administrator all rights to commence, prosecute, or settle, as appropriate, any and all Retained Causes of Action, including any action specifically enumerated in the Schedule of Retained Causes of Action, whether arising before or after the Petition Date, which shall vest in the Plan Administrator pursuant to the terms of the Plan. The Plan Administrator may enforce all rights to commence, prosecute, or settle, as appropriate, any and all Retained Causes of Action, whether arising before or after the Petition Date, and the Plan Administrator's rights to commence, prosecute, or settle such Retained Causes of Action shall be

preserved notwithstanding the occurrence of the Effective Date. The Plan Administrator may, in its reasonable business judgment, pursue such Retained Causes of Action and may retain and compensate professionals in the analysis or pursuit of such Retained Causes of Action to the extent the Plan Administrator deems appropriate, including on a contingency fee basis. No Person or Entity may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Plan Administrator will not pursue any and all available Retained Causes of Action against them. The Debtors and the Plan Administrator expressly reserve all rights to prosecute any and all Retained Causes of Action against any Person or Entity, except as otherwise expressly provided in the Plan; *provided* that the Wind Down Debtors, in consultation with the Plan Administrator after the Effective Date, may prosecute any such Retained Cause of Action against any party only in connection with their objection to and resolution of any Claim asserted by such party. Unless any Cause of Action against an Entity is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, the Plan Administrator expressly reserves all Retained Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Retained Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. The Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Retained Causes of Action, or to decline to do any of the foregoing, without the consent or approval of any third party or any further notice to, or action, order, or approval of, the Bankruptcy Court. The Released Preference Actions shall not be Retained Causes of Action.

11. Closing the Chapter 11 Cases.

On or following the Effective Date, the Plan Administrator shall be permitted to close all of the Chapter 11 Cases except for one of the Chapter 11 Cases as determined by the Plan Administrator and the Wind Down Debtors and all contested matters relating to each of the Debtors, including objections to Claims, shall be administered and heard in such Debtor's Chapter 11 Case.

VIII. OTHER KEY ASPECTS OF THE PLAN.

A. Treatment of Executory Contracts and Unexpired Leases.

1. Assumption and Rejection of Executory Contracts and Unexpired Leases.

If the Recapitalization Transaction occurs, except as otherwise provided in the Plan or otherwise agreed to by the Debtors and the counterparty to an Executory Contract or Unexpired Lease, subject in all respects to the consent rights of the Required Consenting FLFO Term Lenders, on the Effective Date each Executory Contract and Unexpired Lease, not previously assumed, assumed and assigned, or rejected shall be deemed automatically assumed, pursuant to sections 365 and 1123 of the Bankruptcy Code, unless such Executory Contract or Unexpired Lease: (i) is identified on the Rejected Executory Contracts and Unexpired Leases List as of the Effective Date, in which case such Executory Contract of Unexpired Lease shall be rejected as of the Effective Date; (ii) previously expired or terminated pursuant to its own terms; (iii) is the subject of a motion to reject Filed on or before the Effective Date; or (iv) is an Insurance Policy (which shall be treated in accordance with Article V.E of the Plan). The assumption of Executory Contracts and Unexpired Leases hereunder may include the assignment of certain of such contracts to Affiliates. The Plan constitutes a motion for approval of the foregoing assumptions and assignments, and the Confirmation Order will constitute an order of the Bankruptcy Court granting such motion.

If a Sale occurs, on the Effective Date, except as otherwise provided in the Plan, all Executory Contracts and Unexpired Leases that are not otherwise assumed, assumed and assigned, or rejected shall be

deemed automatically rejected by the applicable Wind Down Debtor or the Plan Administrator, as applicable, pursuant to sections 365 and 1123 of the Bankruptcy Code, other than those that: (a) are identified on the Assumed Executory Contracts and Unexpired Leases List; (b) previously expired or terminated pursuant to their own terms; (c) have been previously assumed or rejected by the Debtors pursuant to a Final Order; (d) are the subject of a motion to assume that is pending on the Effective Date; (e) have an ordered or requested effective date of rejection that is after the Effective Date; (f) are to be assumed by the Debtors or assumed by the Debtors and assigned to another third party, as applicable through the Purchase Agreement in connection with the Sale; or (g) is an Insurance Policy (which shall be treated in accordance with Article V.E of the Plan).

Notwithstanding anything to the contrary in the Plan, the Debtors and the Post-Effective Date Debtors, as applicable, reserve the right to alter, amend, modify, or supplement, as applicable, the Assumed Executory Contracts and Unexpired Leases List or the Rejected Executory Contracts and Unexpired Leases List (i) to add or remove any Executory Contract or Unexpired Lease to or from the Assumed Executory Contracts and Unexpired Leases List and the Rejected Executory Contracts and Unexpired Leases List at any time prior to the Effective Date, and (ii) to add any Executory Contract or Unexpired Lease to the Assumed Executory Contracts and Unexpired Leases List or the Rejected Executory Contract and Unexpired Leases List not otherwise identified on the Assumed Executory Contracts and Unexpired Leases List or the Rejected Executory Contracts and Unexpired Leases List at any time prior to the Effective Date, the modifications thereto shall constitute assumption or rejection of such Executory Contract or Unexpired Lease as of the date of such modification, notwithstanding anything contained in Article V.A of the Plan. The Debtors shall provide notice of any amendments to the Assumed Executory Contracts and Unexpired Leases List or the Rejected Executory Contracts and Unexpired Leases List to the counterparties to the Executory Contracts or Unexpired Leases affected thereby.

Except as otherwise provided in the Plan or agreed to by the Debtors and the applicable counterparty, each assumed Executory Contract or Unexpired Lease shall include all modifications, amendments, supplements, restatements, or other agreements related thereto, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests. Modifications, amendments, supplements, and restatements of Executory Contracts and Unexpired Leases executed during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease or the validity, priority, or amount of any Claims that may arise in connection therewith.

Except as set forth in Article IV.D of the Plan, to the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

2. Indemnification Obligations.

Consistent with applicable law, all Indemnification Obligations shall continue on terms no less favorable to such officers, directors, individual managers, members, partners, supervisors, agents, or employees than the Indemnification Obligations in place on the execution date of the Restructuring Support Agreement; *provided* that the Debtors shall not indemnify such officers, directors, individual managers, members, partners, supervisors, agents, or employees of the Debtors for any claims or Causes of Action for which indemnification is barred under applicable law, the Debtors' organization documents, or applicable agreements governing the Indemnification Obligations; *provided*, *further*, that such Indemnification

Obligations will only continue as to former officers, directors, individual managers, members, partners, supervisors, agents, or employees to the extent such former officers, directors, individual managers, members, partners, supervisors, agents, or employees are or were, at the time of such service, affiliated with any Consenting Sponsor or designated to such role by a Consenting Sponsor. All Indemnification Obligations shall continue as obligations of the Post-Effective Date Debtors. Any Claim based on the Debtors' obligations thereunder shall be an Allowed Claim. For the avoidance of doubt, this section shall not apply to any obligations as to any sponsor or other equity owner of any of the Debtors in its capacity as such, but this section shall only apply to any representatives or appointees of such sponsor or other equity owner if they are the Debtors' current or former officers, directors, individual managers, members, partners, supervisors, agents, or employees, in each case in their capacities as such.

In the event of a Wind Down, the Plan Administrator and all professionals retained by the Plan Administrator, each in their capacities as such, shall be deemed exculpated and indemnified, except for breach of fiduciary duty, willful misconduct, or gross negligence, in all respects by the Wind Down Debtors; *provided* that all indemnification provisions in the agreements not listed on the Schedule of Assumed Executory Contracts and Unexpired Leases will not be assumed and such provisions will not constitute Indemnification Obligations of the Wind Down Debtors. For the avoidance of doubt, nothing in the Plan shall expand any of the Debtors' Indemnification Obligations in place as of the Petition Date.

3. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

Counterparties to Executory Contracts or Unexpired Leases deemed rejected shall be served with a notice of rejection of their Executory Contracts and Unexpired Leases via service of the Confirmation Order and the Plan Supplement. Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be Filed with the Bankruptcy Court within the earliest to occur of (i) thirty (30) days after the date of service of notice on the affected claimant of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, which notice shall set forth the date by which such Proofs of Claim must be filed, or (ii) thirty (30) days after service of notice on the affected claimant of any rejection that occurs after the Effective Date.

Any Claims arising from the rejection of an Executory Contract or Unexpired Lease with respect to which a Proof of Claims is not Filed with the Claims and Noticing Agent within such time will be automatically Disallowed and forever barred from assertion and shall not be enforceable against the Debtors, the Post-Effective Date Debtors, the Estates, or their property without the need for any objection by the Debtors or the Post-Effective Date Debtors, as applicable, or further **notice to, action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged and shall be subject to the permanent injunction set forth in Article IX.F of the Plan, notwithstanding anything in a Proof of Claim to the contrary.**

All Claims arising from the rejection of any Executory Contract or Unexpired Lease shall be treated as a General Unsecured Claim as set forth in Article III.B of the Plan and may be objected to in accordance with the provisions of Article VIII of the Plan and the applicable provisions of the Bankruptcy Code and Bankruptcy Rules.

4. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

The Post-Effective Date Debtors shall pay all Cure Claims, if any, on the Effective Date. Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract or Unexpired Lease, any objection by a counterparty to a proposed assumption, including pursuant to the Plan, or related Cure amount must be Filed, served, and actually received by counsel to the Debtors and the U.S. Trustee no later than fourteen (14) days after the Effective Date or any other deadline that may be set by the Bankruptcy

Court. Any such request that is not timely Filed shall be Disallowed and forever barred, estopped, and enjoined from assertion and shall not be enforceable against any Post-Effective Date Debtor without the need for any objection by the Post-Effective Date Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court. Any Cure shall be deemed fully satisfied, released, and discharged upon payment by the Debtors or the Post-Effective Date Debtors, as applicable, of the Cure; *provided* that nothing in the Plan shall prevent the Post-Effective Date Debtors from paying any Cure despite the failure of the relevant counterparty to File such request for payment of such Cure. The Post-Effective Date Debtors may also settle any Cure without any further notice to or action, order, or approval of the Bankruptcy Court. Any such objection will be scheduled to be heard by the Bankruptcy Court at the Debtors' or the Post-Effective Date Debtors', as applicable, first scheduled omnibus hearing, or such other setting as requested by the Debtors or the Post-Effective Date Debtors, as applicable, with respect to which such objection is timely Filed. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption of any Executory Contract or Unexpired Lease will be deemed to have consented to such assumption.

If there is any dispute regarding any Cure, the ability of the Post-Effective Date Debtors, or any assignee to provide "adequate assurance of future performance" within the meaning of section 365 of the Bankruptcy Code, or any other matter pertaining to assumption, then payment of Cure shall occur as soon as reasonably practicable after entry of a Final Order resolving such dispute, approving such assumption (and, if applicable, assignment), or as may be agreed upon by the Debtors or the Post-Effective Date Debtors, as applicable, and the counterparty to the Executory Contract or Unexpired Lease.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise and full payment of any applicable Cure pursuant to Article V.D of the Plan shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. **Any Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to the Confirmation Order, and for which any Cure has been fully paid pursuant to Article V.D of the Plan, shall be deemed Disallowed and expunged as of the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court**.

5. Insurance Policies.

Notwithstanding anything to the contrary in the Definitive Documents, any bar date order or notice or claim objection, any other document related to any of the foregoing or any other order of the Bankruptcy Court (including, without limitation, any other provision that purports to be preemptory or supervening, grants an injunction, discharge or release, purports to limit or impact a setoff or recoupment right, confers Bankruptcy Court jurisdiction, or requires a party to opt out of any releases):

(a) on the Effective Date, the Post-Effective Date Debtors, shall be deemed to have assumed all Insurance Policies that (i) are listed on the Assumed Executory Contracts and Unexpired Leases List prior to the Confirmation Hearing, (ii) are D&O Liability Insurance Policies, and (iii) identify one or more of the Debtors as first named insured or counterparty thereto pursuant to sections 105 and 365 of the Bankruptcy Code;

(b) on and after the Effective Date, the Post-Effective Date Debtors shall remain liable in full for all of their and the Debtors' obligations under the Insurance Policies, regardless of whether any such obligations arise or become due before, on, or after the Effective Date, without the need or requirement for Insurers to file or serve any objection to a notice of proposed Cure amount (or lack of such notice) or file

or serve a request, motion, or application for payment of such obligations, or Proof of Claim, Cure amount, or Administrative Claim;

(c) nothing (i) alters, modifies, or otherwise amends the terms and conditions of (or the coverage provided by) any Insurance Policy; or (ii) alters or modifies the duty, if any, of the Insurers to pay claims covered by such Insurance Policies and their right to seek payment or reimbursement from the Debtors (or after the Effective Date, the Post-Effective Date Debtors) or draw on any collateral or security therefor; and

(d) the automatic stay of Bankruptcy Code section 362(a) and the injunctions set forth in Article IX of the Plan, if and to the extent applicable, shall be deemed lifted without further order of the Bankruptcy Court, solely to permit: (I) claimants with valid workers' compensation claims or direct action claims against Insurers under applicable non-bankruptcy law to proceed with their claims; (II) Insurers to administer, handle, defend, settle, and/or pay, in the ordinary course of business and without further order of this Bankruptcy Court, (A) workers' compensation claims, (B) claims where a claimant asserts a direct claim against an Insurer under applicable non-bankruptcy law, or an order has been entered by the Bankruptcy Court granting a claimant relief from the automatic stay or the injunctions set forth in Article IX of the Plan to proceed with its claim, and (C) all costs in relation to each of the foregoing; (III) Insurers to draw against any or all of the collateral or security provided by or on behalf of the Debtors (or the Post-Effective Date Debtors, as applicable) at any time and to hold the proceeds thereof as security for the obligations of the Debtors (and the Post-Effective Date Debtors, as applicable) and/or apply such proceeds to the obligations of the Debtors (and the Post-Effective Date Debtors, as applicable) under the Insurance Policies, in such order as the applicable Insurer may determine; and (IV) Insurers to cancel any Insurance Policy, and take other actions relating to the Insurance Policies (including effectuating a setoff or recoupment) to the extent permissible under applicable non-bankruptcy law, and in accordance with the terms of the Insurance Policies.

6. Preexisting Obligations to the Debtors Under Executory Contracts and Unexpired Leases.

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the Post-Effective Date Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Debtors and the Post-Effective Date Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations with respect to goods previously purchased by the Debtors pursuant to rejected Executory Contracts or Unexpired Leases.

7. Collective Bargaining Agreement.

The Collective Bargaining Agreement and any agreements, documents, or instruments relating thereto, are treated as and deemed to be Executory Contracts under the Plan.

If the Recapitalization Transaction occurs, on the Effective Date, the Post-Effective Date Debtors, as applicable, shall be deemed to have assumed the Collective Bargaining Agreement and any agreements, documents, and instruments related thereto. All Proofs of Claim Filed for amounts due under the Collective Bargaining Agreement shall be considered satisfied by the agreement and obligation to assume and Cure in the ordinary course as provided in the Plan. On the Effective Date, any Proofs of Claim Filed with respect to the Collective Bargaining Agreement shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court. The occurrence of the Effective Date shall not be deemed to result in an accelerated payment event or a "good reason" or other constructive termination event for purposes of any Debtor compensation or benefit plans, but such exception shall not apply in respect of any employment agreements.

If a Sale occurs, to the extent the Collective Bargaining Agreement has not already been assumed and assigned to the Purchaser, terminated, or otherwise expired, the Collective Bargaining Agreement shall terminate in accordance with its terms as of or after the Effective Date. To the extent any such termination constitutes rejection of the Collective Bargaining Agreement, such rejection shall be made in accordance with sections 1113 and 1114 of the Bankruptcy Code.

8. Modifications, Amendments, Supplements, Restatements, or Other Agreements.

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

9. Reservation of Rights.

Nothing contained in the Plan shall constitute an admission by the Debtors that any contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Debtors or the Post-Effective Date Debtors have any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Post-Effective Date Debtors, as applicable, shall have forty-five (45) days following entry of a Final Order resolving such dispute to alter the treatment of such contract or lease under the Plan.

10. Nonoccurrence of Effective Date.

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

11. Contracts and Leases Entered Into After the Petition Date.

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the applicable Debtors or the Post-Effective Date Debtors liable thereunder in the ordinary course of their business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

IX. RISK FACTORS.

BEFORE TAKING ANY ACTION WITH RESPECT TO THE PLAN, HOLDERS OF CLAIMS AGAINST THE DEBTORS WHO ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN SHOULD READ AND CONSIDER CAREFULLY THE RISK FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT, THE PLAN, AND THE DOCUMENTS DELIVERED TOGETHER HEREWITH, REFERRED TO, OR INCORPORATED BY REFERENCE INTO THIS DISCLOSURE STATEMENT, INCLUDING OTHER DOCUMENTS FILED WITH THE

BANKRUPTCY COURT IN THE CHAPTER 11 CASES. THE RISK FACTORS SHOULD NOT BE REGARDED AS CONSTITUTING THE ONLY RISKS PRESENT IN CONNECTION WITH THE DEBTORS' BUSINESS OR THE RESTRUCTURING AND CONSUMMATION OF THE PLAN. EACH OF THE RISK FACTORS DISCUSSED IN THIS DISCLOSURE STATEMENT MAY APPLY EQUALLY TO THE DEBTORS AND THE POST-EFFECTIVE DATE DEBTORS, AS APPLICABLE AND AS CONTEXT REQUIRES.

A. Bankruptcy Law Considerations.

The occurrence or non-occurrence of any or all of the following contingencies, and any others, could affect distributions available to Holders of Allowed Claims under the Plan but will not necessarily affect the validity of the vote of the Impaired Classes to accept or reject the Plan or necessarily require a re-solicitation of the votes of Holders of Claims in such Impaired Classes.

1. The Debtors Will Consider All Available Restructuring Alternatives if the Restructuring Transactions are Not Implemented, and Such Alternatives May Result in Lower Recoveries for Holders of Claims Against and Intercompany Interests and Equity Interests in the Debtors.

If the Restructuring Transactions are not implemented, the Debtors will consider all available restructuring alternatives, including filing an alternative chapter 11 plan, converting to a chapter 7 plan, and any other transaction that would maximize the value of the Debtors' estates. The terms of any alternative restructuring proposal may be less favorable to Holders of Claims against and Equity Interests or Intercompany Interests in the Debtors than the terms of the Plan as described in this Disclosure Statement.

Any material delay in the confirmation of the Plan, the Chapter 11 Cases, or the threat of rejection of the Plan by the Bankruptcy Court, would add substantial expense and uncertainty to the process.

The uncertainty surrounding a prolonged restructuring would have other adverse effects on the Debtors. For example, it would adversely affect:

- the Debtors' ability to raise additional capital;
- the Debtors' liquidity;
- how the Debtors' business is viewed by regulators, investors, lenders, and credit ratings agencies;
- the Debtors' enterprise value; and
- the Debtors' business relationship with customers and vendors.

2. Parties in Interest May Object to the Plan's Classification of Claims, Intercompany Interests, and Equity Interests.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of the Claims, Intercompany Interests, and Equity Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created Classes of Claims, Intercompany Interests, and Equity Interests each encompassing Claims, Intercompany Interests, or Equity Interests, as applicable, that are substantially

similar to the other Claims, Intercompany Interests, or Equity Interests, as applicable, in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

3. The Restructuring Support Agreement May Be Terminated.

As more fully set forth in the Restructuring Support Agreement, the Restructuring Support Agreement may be terminated upon the occurrence of certain events, including, among others, the Debtors' failure to meet specified milestones relating to the filing, confirmation, and consummation of the Plan, and breaches by the Debtors and/or the Consenting Stakeholders of their respective obligations under the documents. In the event that the Restructuring Support Agreement is terminated, the Debtors may seek a non-consensual restructuring alternative, including a potential liquidation of their assets.

4. The Conditions Precedent to the Effective Date of the Plan May Not Occur.

As more fully set forth in Article X of the Plan, Effective Date of the Plan is subject to a number of conditions precedent. If such conditions precedent are not waived or not met, the Effective Date of the Plan will not take place. In the event that the Effective Date does not occur, the Debtors may seek Confirmation of a new plan. If the Debtors do not secure sufficient working capital to continue their operations or if the new plan is not confirmed, however, the Debtors may be forced to liquidate their assets.

5. The Debtors May Fail to Satisfy Vote Requirements.

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, Confirmation of the Plan. In the event that sufficient votes are not received, the Debtors may need to seek to confirm an alternative chapter 11 plan or transaction, subject to the terms of the Restructuring Support Agreement. There can be no assurance that the terms of any such alternative chapter 11 plan or other transaction would be similar or as favorable to the Holders of Equity Interests, Intercompany Interests, and Allowed Claims as those proposed in the Plan and the Debtors do not believe that any such transaction exists or is likely to exist that would be more beneficial to the Estates than the Plan.

6. The Debtors May Not Be Able to Secure Confirmation of the Plan.

Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation of a chapter 11 plan, and requires, among other things, a finding by the Bankruptcy Court that: (a) such plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes; (b) confirmation of such plan is not likely to be followed by a liquidation or a need for further financial reorganization unless such liquidation or reorganization is contemplated by the plan; and (c) the value of distributions to non-accepting holders of claims or equity interests within a particular class under such plan will not be less than the value of distributions such holders would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code.

There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting Holder of an Allowed Claim might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determines that this Disclosure Statement, the balloting procedures, and voting results are appropriate, the Bankruptcy Court could still decline to confirm the Plan if it finds that any of the statutory requirements for Confirmation are not met. If a chapter 11 plan of reorganization is not confirmed by the Bankruptcy Court, it is unclear whether the Debtors will be able to reorganize their business and what, if anything, Holders of Equity Interests, Intercompany Interests, and Allowed Claims against them would ultimately receive.

The Debtors, subject to the terms and conditions of the Plan and the Restructuring Support Agreement, reserve the right to modify the terms and conditions of the Plan as necessary for Confirmation. Any such modifications could result in less favorable treatment of any non-accepting class of Claims, Intercompany Interests, or Equity Interests, as well as any class junior to such non-accepting class, than the treatment currently provided in the Plan. Such a less favorable treatment could include a distribution of property with a lesser value than currently provided in the Plan or no distribution whatsoever under the Plan.

7. The Debtors May Not Be Successful in the Non-Participating Holder Litigation or the Related Adversary Proceeding.

In the event that the Non-Participating Holders are successful, in whole or in part, in the Non-Participating Holder Litigation or the related Adversary Proceeding, recoveries under the Plan may need to be reallocated. Such a ruling may impact the recoveries of several classes, including but not limited to classes 3B, 3C, and 4. The Bankruptcy Court may determine that resolicitation of the Plan is necessary, which may delay the timeline of the Chapter 11 Cases, increase costs, and result in a failure to obtain the votes requisite for Confirmation. Such a ruling may also modify the amount of Secured Claims under the Reception Purchaser Credit Agreement and the STG Distribution Credit Agreement, including the Intercompany Notes Claims. Further, such a ruling may result in a failure to meet the Litigation Condition under the Restructuring Support Agreement. Such result may lead to termination of the Restructuring Support Agreement which, in turn, may require additional engagement with stakeholders to renegotiate Plan terms.

8. The Debtors May Not Be Able to Secure Nonconsensual Confirmation Over Certain Impaired Non-Accepting Classes.

In the event that any impaired class of claims or interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm a plan at the proponents' request if at least one impaired class (as defined under section 1124 of the Bankruptcy Code) has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and, as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired class(es). The Debtors believe that the Plan satisfies these requirements, and the Debtors may request such nonconsensual Confirmation in accordance with subsection 1129(b) of the Bankruptcy Code. Nevertheless, there can be no assurance that the Bankruptcy Court will reach this conclusion. In addition, the pursuit of nonconsensual Confirmation or Consummation of the Plan may result in, among other things, increased expenses relating to professional compensation.

9. Even if the Restructuring Transactions are Successful, the Debtors Will Face Continued Risk Upon Confirmation.

Even if the Plan is consummated, the Debtors will continue to face a number of risks, including certain risks that are beyond their control, such as further deterioration or other changes in economic conditions, changes in the industry, potential revaluing of their assets due to chapter 11 proceedings, changes in demand for the Debtors' services, and increasing expenses. See Article IX.C of this Disclosure Statement, entitled "Risks Related to the Debtors' and the Post-Effective Date Debtors' Business." Some of these concerns and effects typically become more acute when a case under the Bankruptcy Code continues for a protracted period without indication of how or when the case may be completed. As a result of these risks and others, there is no guarantee that a chapter 11 plan of reorganization reflecting the Plan will achieve the Debtors' stated goals.

In addition, at the outset of the Chapter 11 Cases, the Bankruptcy Code provides the Debtors with the exclusive right to propose the Plan and prohibits creditors and others from proposing a plan. The Debtors will have retained the exclusive right to propose the Plan upon filing their Petitions. If the Bankruptcy Court terminates that right, however, or the exclusivity period expires, there could be a material adverse effect on the Debtors' ability to achieve confirmation of the Plan in order to achieve the Debtors' stated goals.

Furthermore, even if the Debtors' debts are reduced and/or discharged through the Plan, the Debtors may need to raise additional funds through public or private debt or equity financing or other various means to fund the Debtors' business after the completion of the proceedings related to the Chapter 11 Cases. Adequate funds may not be available when needed or may not be available on favorable terms.

10. The Chapter 11 Cases May Be Converted to Cases under Chapter 7 of the Bankruptcy Code.

If the Bankruptcy Court finds that it would be in the best interest of creditors and/or the debtor in a chapter 11 case, the Bankruptcy Court may convert a chapter 11 bankruptcy case to a case under chapter 7 of the Bankruptcy Code. In such event, a chapter 7 trustee would be appointed or elected to liquidate the debtor's assets for distribution in accordance with the priorities established by the Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in significantly smaller distributions being made to creditors than those provided for in a chapter 11 plan because of (a) the likelihood that the assets would have to be sold or otherwise disposed of in a disorderly fashion over a short period of time, rather than reorganizing or selling the business as a going concern at a later time in a controlled manner, (b) additional administrative expenses involved in the appointment of a chapter 7 trustee, and (c) additional expenses and Claims, some of which would be entitled to priority, that would be generated during the liquidation, including Claims resulting from the rejection of Unexpired Leases and other Executory Contracts in connection with cessation of operations.

11. The Debtors May Object to the Amount or Classification of a Claim.

Except as otherwise provided in the Plan, the Debtors reserve the right to object to the amount or classification of any Claim under the Plan, subject to the terms of the Restructuring Support Agreement. The estimates set forth in this Disclosure Statement cannot be relied upon by any Holder of a Claim where such Claim is subject to an objection. Any Holder of a Claim that is subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

12. Risk of Non-Occurrence of the Effective Date.

Although the Debtors believe that the Effective Date may occur quickly after the Confirmation Date, there can be no assurance as to such timing or as to whether the Effective Date will, in fact, occur.

13. Contingencies Could Affect Votes of Impaired Classes to Accept or Reject the Plan.

The distributions available to Holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether the Bankruptcy Court orders certain Allowed Claims to be subordinated to other Allowed Claims. The occurrence of any and all such contingencies, which could affect distributions available to Holders of Allowed Claims under the Plan, will not affect the validity of the vote taken by the Impaired Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

The estimated Claims and creditor recoveries set forth in this Disclosure Statement are based on various assumptions, and the actual Allowed amounts of Claims may significantly differ from the estimates.

Should one or more of the underlying assumptions ultimately prove to be incorrect, the actual Allowed amounts of Claims may vary from the estimated Claims contained in this Disclosure Statement. Moreover, the Debtors cannot determine with any certainty at this time, the number or amount of Claims that will ultimately be Allowed. Such differences may materially and adversely affect, among other things, the percentage recoveries to Holders of Allowed Claims under the Plan.

14. Release, Injunction, and Exculpation Provisions May Not Be Approved.

Article IX of the Plan provides for certain releases, injunctions, and exculpations, including a release of liens and third-party releases that may otherwise be asserted against the Debtors, Post-Effective Date Debtors, or Released Parties, as applicable. The releases, injunctions, and exculpations provided in the Plan are subject to objection by parties in interest and may not be approved. If the releases are not approved, certain Released Parties may withdraw their support for the Plan.

The releases provided to the Released Parties and the exculpation provided to the Exculpated Parties are necessary to the success of the Debtors' reorganization because the Released Parties and Exculpated Parties have made significant contributions to the Debtors' reorganizational efforts and have agreed to make further contributions, but only if they receive the full benefit of the Plan's release and exculpation provisions. The Plan's release and exculpation provisions are an inextricable component of the Restructuring Support Agreement and Plan and the significant deleveraging and financial benefits that they embody.

B. Risks Related to Recoveries Under the Plan.

1. Certain Significant Holders of Reorganized Equity May Have Substantial Influence Over the Post-Effective Date Debtors Following the Effective Date.

Assuming that the Effective Date occurs, holders of Claims who receive distributions representing a substantial percentage of the outstanding Reorganized Equity may be in a position to influence matters requiring approval by the holders of Reorganized Equity, including, among other things, the election of directors and the approval of a change of control of the Post-Effective Date Debtors. The holders may have interests that differ from those of the other holders of Reorganized Equity and may vote in a manner adverse to the interests of other holders of Reorganized Equity. This concentration of ownership may facilitate or may delay, prevent, or deter a change of control of the Post-Effective Date Debtors and consequently impact the value of the Reorganized Equity. In addition, a holder of a significant amount of Reorganized Equity may sell all or a large portion of its Reorganized Equity within a short period of time, which sale may adversely affect the trading price of the Reorganized Equity. A holder of a significant amount of Reorganized Equity may, on its own account, pursue acquisition opportunities that may be complementary to the Post-Effective Date Debtors' business, and as a result, such acquisition opportunities may be unavailable to the Post-Effective Date Debtors. Such actions by holders of a significant amount of Reorganized Equity may have a material adverse impact on the Post-Effective Date Debtors' business, financial condition, and operating results.

2. Estimated Valuations of the Takeback Term Loan Facility, the Exit RCF Facility, and Reorganized Equity, and Estimated Recoveries to Holders of Allowed Claims, Intercompany Interests, and Equity Interests Are Not Intended to Represent Potential Market Values.

The Debtors' estimated recoveries to Holders of Allowed Claims, Intercompany Interests, and Equity Interests are not intended to represent the market value of the Debtors' Securities. The estimated recoveries are based on numerous assumptions (the realization of many of which will be beyond the control of the Debtors), including: (a) the successful reorganization of the Debtors; (b) an assumed date for the

occurrence of the Effective Date; (c) the Debtors' ability to maintain adequate liquidity to fund operations; (d) the assumption that capital and equity markets remain consistent with current conditions; and (e) the Debtors' ability to maintain critical existing customer relationships, including customer relationships with key customers.

3. The Post-Effective Date Debtors May Not Be Able to Generate or Receive Sufficient Cash to Service Their Debt and May Be Forced to Take Other Actions to Satisfy their Obligations, Which May Not Be Successful.

The Post-Effective Date Debtors' ability to make scheduled payments on their debt obligations depends on their financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business, and other factors beyond the Post-Effective Date Debtors' control. The Post-Effective Date Debtors may not be able to maintain a level of cash flow sufficient to permit them to pay the principal, premium, if any, and interest on their debt, including the Takeback Term Loan Facility.

If cash flows and capital resources are insufficient to fund the Post-Effective Date Debtors' debt obligations, they could face substantial liquidity problems and might be forced to reduce or delay investments and capital expenditures, or to dispose of assets or operations, seek additional capital or restructure or refinance debt, including the Takeback Term Loan Facility. These alternative measures may not be successful, may not be completed on economically attractive terms, or may not be adequate to satisfy their debt obligations when due.

Further, if the Post-Effective Date Debtors suffer or appear to suffer from a lack of available liquidity, the evaluation of their creditworthiness by counterparties and rating agencies and the willingness of third parties to do business with them could be adversely affected.

4. The Reorganized Equity is Subject to Dilution.

The ownership percentage represented by the Reorganized Equity distributed on the Effective Date under the Plan will be subject to dilution by the Reorganized Equity issued in connection with the conversion of any other options, warrants, convertible securities, exercisable securities, or other securities that may be issued post-emergence, including pursuant to the Management Incentive Plan.

5. The Terms of the Takeback Term Loan Facility Documents Are Subject to Change Based on Negotiation and the Approval of the Bankruptcy Court.

The terms of the Takeback Term Loan Facility Documents have not been finalized and are subject to negotiations between the Debtors and the Consenting Stakeholders. Holders of Claims that are not the Consenting Stakeholders will not participate in these negotiations, and the results of such negotiations may affect the rights of the holders of the Reorganized Equity following the Effective Date. As a result, the final terms of the Takeback Term Loan Facility Documents may be less favorable to Holders of Claims, Intercompany Interests, and Equity Interests than as described herein and in the Plan.

6. A Decline in the Post-Effective Date Debtors' Credit Ratings Could Negatively Affect the Debtors' Ability to Refinance Their Debt.

The Debtors' or the Post-Effective Date Debtors' credit ratings could be lowered, suspended, or withdrawn entirely, at any time, by the rating agencies, if, in each rating agency's judgment, circumstances warrant, including as a result of exposure to the credit risk and the business and financial condition of the Debtors or the Post-Effective Date Debtors, as applicable. Downgrades in the Post-Effective Date Debtors'

long-term debt ratings may make it more difficult to refinance their debt and increase the cost of any debt that they may incur in the future.

7. Certain Tax Implications of the Plan May Increase the Tax Liability of the Post-Effective Date Debtors.

Holders of Allowed Claims should carefully review Article XIII of this Disclosure Statement, entitled "CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN," to determine how the tax implications of the Plan and the Chapter 11 Cases may adversely affect the Post-Effective Date Debtors and Holders of certain Claims.

8. The Closing Conditions of the Sale May Not be Satisfied.

It is possible that the Debtors may not satisfy the closing conditions of the Sale if the Debtors determine to pursue the Sale. A failure to satisfy any of the closing conditions of the Sale related thereto could prevent the Sale and the Plan from being consummated, which could lead to the Chapter 11 Cases being converted to cases under chapter 7.

C. Risks Related to the Debtors' and the Post-Effective Date Debtors' Business.

1. The Post-Effective Date Debtors May Not Be Able to Generate Sufficient Cash to Service All of Their Indebtedness.

The Post-Effective Date Debtors' ability to make scheduled payments on, or refinance their debt obligations, depends on the Post-Effective Date Debtors' financial condition and operating performance, which are subject to prevailing economic, industry, and competitive conditions and to certain financial, business, legislative, regulatory, and other factors beyond the Post-Effective Date Debtors' control. The Post-Effective Date Debtors may be unable to maintain a level of cash flow from operating activities sufficient to permit the Post-Effective Date Debtors to pay the principal, premium, if any, and interest on their indebtedness, including, without limitation, potential borrowings under the Takeback Term Loan Facility and upon emergence.

2. The Debtors Will Be Subject to the Risks and Uncertainties Associated with the Chapter 11 Cases.

For the duration of the Chapter 11 Cases, the Debtors' ability to operate, develop, and execute a business plan, and continue as a going concern, will be subject to the risks and uncertainties associated with bankruptcy. These risks include the following: (a) ability to develop, confirm, and consummate the Restructuring Transactions specified in the Plan; (b) ability to obtain Bankruptcy Court approval with respect to motions Filed in the Chapter 11 Cases from time to time; (c) ability to maintain relationships with suppliers, vendors, service providers, customers, employees, and other third parties; (d) ability to maintain contracts that are critical to the Debtors' operations; (e) ability of third parties to seek and obtain Bankruptcy Court approval to terminate contracts and other agreements with the Debtors; (f) ability of third parties to seek and obtain Bankruptcy Court approval to terminate or shorten the exclusivity period for the Debtors to propose and confirm a chapter 11 plan, to appoint a chapter 11 trustee, or to convert the Chapter 11 Cases to chapter 7 proceedings; and (g) the actions and decisions of the Debtors' creditors and other third parties who have interests in the Chapter 11 Cases that may be inconsistent with the Debtors' plans.

These risks and uncertainties could affect the Debtors' business and operations in various ways. For example, negative events associated with the Chapter 11 Cases could adversely affect the Debtors' relationships with suppliers, service providers, customers, employees, and other third parties, which in turn

could adversely affect the Debtors' operations and financial condition. Also, the Debtors will need the prior approval of the Bankruptcy Court for transactions outside the ordinary course of business, which may limit the Debtors' ability to respond timely to certain events or take advantage of certain opportunities. Because of the risks and uncertainties associated with the Chapter 11 Cases, the Debtors cannot accurately predict or quantify the ultimate impact of events that occur during the Chapter 11 Cases that may be inconsistent with the Debtors' plans.

3. Operating in Bankruptcy for a Long Period of Time May Harm the Debtors' Business.

The Debtors' future results will be dependent upon the successful confirmation and implementation of a plan of reorganization. A long period of operations under Bankruptcy Court protection could have a material adverse effect on the Debtors' business, financial condition, results of operations, and liquidity. So long as the proceedings related to the Chapter 11 Cases continue, senior management will be required to spend a significant amount of time and effort dealing with the reorganization instead of focusing exclusively on business operations. A prolonged period of operating under Bankruptcy Court protection also may make it more difficult to retain management and other key personnel necessary to the success and growth of the Debtors' business. In addition, the longer the proceedings related to the Chapter 11 Cases continue, the more likely it is that customers and suppliers will lose confidence in the Debtors' ability to reorganize their business successfully and will seek to establish alternative commercial relationships.

So long as the proceedings related to the Chapter 11 Cases continue, the Debtors will be required to incur substantial costs for professional fees and other expenses associated with the administration of the Chapter 11 Cases. Furthermore, the Debtors cannot predict the ultimate amount of all settlement terms for the liabilities that will be subject to a plan of reorganization. Even after a plan of reorganization is approved and implemented, the Post-Effective Date Debtors' operating results may be adversely affected by the possible reluctance of prospective lenders and other counterparties to do business with a company that recently emerged from bankruptcy protection.

4. Financial Results May Be Volatile and May Not Reflect Historical Trends.

The Financial Projections attached hereto as **Exhibit E** are based on assumptions that are an integral part of the projections, including Confirmation and Consummation of the Plan in accordance with its terms, the anticipated future performance of the Debtors, industry performance, general business and economic conditions, and other matters, many of which are beyond the control of the Debtors and some or all of which may not materialize.

In addition, unanticipated events and circumstances occurring after the date hereof may affect the actual financial results of the Debtors' operations. These variations may be material and may adversely affect the value of the Reorganized Equity and the ability of the Debtors to make payments with respect to their indebtedness. Because the actual results achieved may vary from projected results, perhaps significantly, the Financial Projections should not be relied upon as a guarantee or other assurance of the actual results that will occur.

Further, during the Chapter 11 Cases, the Debtors expect that their financial results will continue to be volatile as restructuring activities and expenses, contract terminations and rejections, and claims assessments significantly impact the Debtors' consolidated financial statements. As a result, the Debtors' historical financial performance likely will not be indicative of their financial performance after the Petition Date. In addition, if the Debtors emerge from the Chapter 11 Cases, the amounts reported in subsequent consolidated financial statements may materially change relative to historical consolidated financial statements, including as a result of revisions to the Debtors' operating plans pursuant to a plan of reorganization. The Debtors also may be required to adopt fresh start accounting, in which case their assets

and liabilities will be recorded at fair value as of the fresh start reporting date, which may differ materially from the recorded values of assets and liabilities on the Debtors' consolidated balance sheets. The Debtors' financial results after the application of fresh start accounting also may be different from historical trends.

Finally, the business plan was developed by the Debtors with the assistance of their advisors. There can be no assurances that the Debtors' business plan will not change, perhaps materially, as a result of decisions that the board of directors may make after fully evaluating the strategic direction of the Debtors and their business plan. Any deviations from the Debtors' existing business plan would necessarily cause a deviation.

5. The Debtors' Business is Subject to Various Laws and Regulations That Can Adversely Affect the Cost, Manner, or Feasibility of Doing Business.

The Debtors' operations are subject to various federal, state, and local laws and regulations, including occupational health and safety laws, employment laws, and evolving environmental standards. The Debtors may be required to make large expenditures to comply with such regulations. Failure to comply with these laws and regulations may result in the suspension or termination of operations and subject the Debtors to administrative, civil and criminal penalties, which could have a material adverse effect on the business, financial condition, results of operations and cash flows of the Post-Effective Date Debtors.

6. The Post-Effective Date Debtors May Be Adversely Affected by Potential Litigation, Including Litigation Arising Out of the Chapter 11 Cases.

In the future, the Post-Effective Date Debtors may become parties to litigation. In general, litigation can be expensive and time consuming to bring or defend against. Such litigation could result in settlements or damages that could significantly affect the Post-Effective Date Debtors' financial results. It is also possible that certain parties will commence litigation with respect to the treatment of their Claims under the Plan. It is not possible to predict the potential litigation that the Post-Effective Date Debtors may become party to, nor the final resolution of such litigation. The impact of any such litigation on the Post-Effective Date Debtors' business and financial stability, however, could be material.

7. The Loss of Key Personnel Could Adversely Affect the Debtors' Operations.

The Debtors' operations are dependent on a relatively small group of key management personnel. The Debtors' recent liquidity issues and the Chapter 11 Cases have created distractions and uncertainty for key management personnel and employees. As a result, the Debtors may experience increased levels of employee attrition. Because competition for experienced personnel can be significant, the Debtors may be unable to find acceptable replacements with comparable skills and experience, and the loss of such key management personnel could adversely affect the Debtors' ability to operate their business. In addition, a loss of key personnel or material erosion of employee morale could have a material adverse effect on the Debtors' ability to meet expectations, thereby adversely affecting the Debtors' business and the results of operations.

8. The Debtors May Not Be Able to Accurately Report Their Financial Results.

The Debtors have established internal controls over financial reporting. However, internal controls over financial reporting may not prevent or detect misstatements or omissions in the Debtors' financial statements because of their inherent limitations, including the possibility of human error, and the circumvention or overriding of controls or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If the Debtors fail to maintain the adequacy of their internal controls, the Debtors may be unable to provide

financial information in a timely and reliable manner within the time periods required under the terms of the agreements governing the Debtors' indebtedness. Any such difficulties or failure could materially adversely affect the Debtors' business, results of operations, and financial condition. Further, the Debtors may discover other internal control deficiencies in the future and/or fail to adequately correct previously identified control deficiencies, which could materially adversely affect the Debtors' business, results of operations, and financial condition.

9. Acquisitions of Companies, Products, or Technologies, or Internal Restructuring and Cost Savings Initiatives May Disrupt the Debtors' Ongoing Business.

The Debtors have acquired and may continue to acquire companies, products, equipment, and technologies that complement their strategic direction. Acquisitions involve significant risks and uncertainties, including:

- inability to successfully integrate the acquired technology and operations into the Debtors' business and maintain uniform standards, controls, policies, and procedures;
- inability to realize synergies expected to result from an acquisition;
- challenges retaining the key employees, customers, and other business partners of the acquired operation; and
- the internal control environment of an acquired entity may not be consistent with the Debtors' standards and may require significant time and resources to improve.

Acquisitions and divestitures are inherently risky. The Debtors' transactions may not be successful and may, in some cases, harm operating results or their financial condition. In addition, if the Debtors use debt to fund acquisitions or for other purposes, their interest expense and leverage may significantly increase. If the Debtors issue equity securities as consideration in an acquisition, current shareholders' percentage ownership and earnings per share may be diluted.

In addition, from time to time, the Debtors may undertake internal restructurings and other initiatives intended to reduce expenses. These initiatives may not lead to the benefits the Debtors expect, may be disruptive to the Debtors' personnel and operations, and may require substantial management time and attention. Moreover, the Debtors could encounter delays in executing their plans, which could entail further disruption and associated costs. If these disruptions result in a decline in productivity of the Debtors' personnel, negative impacts on operations, or if they experience unanticipated expenses associated with these initiatives, the Debtors' business and operating results may be harmed.

10. Cyberattacks or the Improper Disclosure or Control of Personal Information Could Result in Liability and Harm the Debtors' Reputation, Which Could Adversely Affect Its Business.

The Debtors are dependent on networks and systems to process, transmit, and store electronic information and to communicate among the Debtors' locations throughout North America, and they may be required to store sensitive or confidential client data in connection with the services they provide. As a result, the Debtors are subject to contractual terms and numerous U.S. and foreign laws and regulations designed to protect this information. Furthermore, data privacy is subject to frequently changing rules and regulations, which sometimes conflict among the various jurisdictions and countries in which the Debtors provide services. Although the Debtors have implemented appropriate policies and procedures to reduce the possibility of physical, logical, and personnel security breaches, no such measures can completely

eliminate the risk of cybersecurity attacks, especially in light of advances in criminal capabilities (including cyber-attacks or cyber intrusions over the internet, malware, computer viruses and the like), discovery of new vulnerabilities, or attempts to exploit existing vulnerabilities in interconnected third party systems that are beyond the Debtors' control systems.

Unauthorized disclosure, either actual perceived, of sensitive or confidential client or customer data, whether through systems failure, system intrusion, employee negligence, fraud, or otherwise could damage the Debtors' reputation and cause the Debtors to lose clients. Similarly, unauthorized access to or through the Debtors' information systems or those the Debtors develop for clients, whether by the Debtors' employees or third parties, could result in negative publicity, legal liability, and damage to the Debtors' reputation, business, financial condition, results of operations, and cash flows.

While the Debtors have not experienced a significant compromise, significant data loss, or material financial losses related to cyber security attacks that has had an adverse effect on the Debtors' operations to date, there is no assurance that there may not be a material adverse effect in the future. Although the Debtors maintain cyber liability insurance, such insurance may not adequately or timely compensate the Debtors for all losses they may incur as any of the Debtors' client contracts do not contain limitations of liability for such losses.

11. Freight Rates are Impacted by Global Policy and Macroeconomic Conditions, Including Tariff Policies, and May Change Materially.

Freight rates are fluid, can be volatile, and are subject to material impact from changes in global supply and demand for goods and other macroeconomic conditions. Current shifts in tariff and other policy have caused significant volatility in import and export volume which, in turn, has caused volatility in freight rates. Such volatility may continue, is outside of the Debtors' control, and could materially impact the Debtors' business, financial condition, results of operations, and cash flows.

12. The Wind Down Amount, If Any, May Change Materially.

On or prior to the Effective Date and if the Debtors elect to pursue the Wind Down, the Debtors shall establish the Wind Down Debtor Account by depositing Cash on hand in the amount of the Wind Down Amount into the Wind Down Debtor Account. The Wind Down Debtor Account shall be used by the Post-Effective Date Debtors to (a) fund the estimated fees, costs, and expenses necessary to fully administer and wind down the Debtors' Estates, including the fees, costs, and expenses of the Post-Effective Date Debtors to wind down the Debtors' Estates, and (b) pay in full in Cash all Claims required to be paid under the Bankruptcy Code and Plan in order for the Effective Date to occur or otherwise assumed or required to be paid under the terms of the Plan, in each case to the extent not liquidated and paid in full in Cash on the Effective Date; *provided* that all costs and expenses associated with such wind down and the storage of records and documents shall constitute expenses of the Wind Down Debtors and shall be paid from the Wind Down Debtor Account. Creditors should be aware that such numbers may change, potentially materially, and any changes to the actual expenses and revenues will ultimately impact the amount of Sale proceeds available to be paid to creditors under the Plan.

D. Risks Related to the Offer and Issuance of Securities Under the Plan.

1. The Debtors Do Not Intend to Register the Offer or Sale of Reorganized Equity and Certain Holders of Reorganized Equity May Be Restricted in Their Ability to Transfer or Sell Their Securities.

The Reorganized Equity will not be registered under the Securities Act or any Blue-Sky Laws. As summarized in Article XII of this Disclosure Statement, entitled "CERTAIN SECURITIES LAW

MATTERS," certain of the Reorganized Equity may not be re-offered or resold except pursuant to an exemption from the registration requirements of the Securities Act and applicable Blue-Sky Laws. The Debtors do not intend currently to register the Reorganized Equity under the Securities Act. As a result, the Reorganized Equity may be transferred or resold only in transactions exempt from the securities registration requirements of federal and applicable state Laws.

The Debtors currently expect that all of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) issued after the Petition Date in exchange for the Claims described above should satisfy the requirements of section 1145(a) of the Bankruptcy Code. Accordingly, the Debtors believe that such Reorganized Equity (i) will not be "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (ii) will be freely tradeable and transferable without registration under the Securities Act in the United States by the recipients thereof that are not, and have not been within 90 days of such transfer, an "affiliate" of the Debtors as defined in Rule 144(a)(1) under the Securities Act, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 1145(b) of the Bankruptcy Code, and compliance with applicable securities laws and any rules and regulations of the SEC or Blue-Sky Laws, if any, applicable at the time of any future transfer of such securities or instruments.

Certain Reorganized Equity, including any Reorganized Equity underlying the Management Incentive Plan, may be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration, will be considered "restricted securities," and may not be sold, exchanged, assigned, or otherwise transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom, pursuant to applicable Blue-Sky Laws, and any other applicable securities laws. Holders of such restricted securities may not be entitled to have their restricted securities registered and are not permitted to resell them except in accordance with an available exemption from registration under the Securities Act. Generally, Rule 144 of the Securities Act provides a limited safe harbor for the public resale of restricted securities received by a Person if a specified holding period if current information regarding the issuer is publicly available and, under certain circumstances, volume limitations, manner of sale requirements and certain other conditions are met. These conditions vary depending on whether the issuer is a reporting issuer and whether the holder of the restricted securities is an "affiliate" of the issuer. Rule 144 defines an "affiliate" as "a person that directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer." A non-affiliate who has not been an affiliate of the issuer during the preceding three months may resell restricted securities of an issuer that does not file reports with the SEC pursuant to Rule 144 after a one-year holding period. An affiliate may resell restricted securities of an issuer that does not file reports with the SEC under Rule 144 after such holding period, as well as other securities without a holding period, but only if certain current public information regarding the issuer is available at the time of the sale and only if the affiliate also complies with the volume, manner of sale and notice requirements of Rule 144. The Debtors do not intend to make publicly available the requisite information regarding the Debtors, and, as a result, even after the holding period, Rule 144 may not be available for resales of such Reorganized Equity Interests by affiliates of the issuer. Restricted securities (as well as other securities held by affiliates) may be resold without holding periods under other exemptions from registration, including Rule 144A under the Securities Act and Regulation S under the Securities Act, but only in compliance with the conditions of such exemptions from registration.

In addition, in connection with resales of any Reorganized Equity offered, issued, and distributed pursuant to Regulation S under the Securities Act: (i) the offer or sale, if made prior to the expiration of the one-year distribution compliance period, may not be made to a U.S. person or for the account or benefit of a U.S. person (other than a distributor); and (ii) the offer or sale, if made prior to the expiration of the applicable one-year or six-month distribution compliance period, is made pursuant to the following

conditions: (a) the purchaser (other than a distributor) certifies that it is not a U.S. person and is not acquiring the securities for the account or benefit of any U.S. person or is a U.S. person who purchased securities in a transaction that did not require registration under the Securities Act; and (b) the purchaser agrees to resell such securities only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration and agrees not to engage in hedging transactions with regard to such securities unless in compliance with the Securities Act.

The Debtors make no representation regarding the right of any Holder of Reorganized Equity to freely resell such securities. *See* Article XII of this Disclosure Statement, entitled "CERTAIN SECURITIES LAW MATTERS."

2. A Liquid Trading Market for the Reorganized Equity May Not Develop.

The Reorganized Equity will be a new issuance of securities and is expected to include "restricted securities" under the Securities Act, and there is no established trading market for such securities. An active trading market for those securities may never develop or, if developed, may not be sustained. The Debtors do not expect to list the Reorganized Equity on any securities exchange as of the Effective Date and will not meet the eligibility requirements of the DTC. The Debtors make no assurance that a liquid trading market for any of the Reorganized Equity will develop. The liquidity of any market for Reorganized Equity will depend upon, among other things, the number of holders of Reorganized Equity, the Debtors' financial performance, and the market for similar securities, none of which can be determined or predicted. Accordingly, there can be no assurance that an active trading market for the Reorganized Equity will develop, nor can any assurance be given as to the liquidity or prices at which such securities might be traded. In the event an active trading market does not develop, the ability to transfer or sell Reorganized Equity may be substantially limited. The lack of an active market may also impair your ability to sell your Reorganized Equity at the time you wish to sell them or at a price you consider reasonable. The lack of an active market may also reduce the market price of your Reorganized Equity. Accordingly, you may be required to bear the financial risk of your ownership of the Reorganized Equity indefinitely. Further, transfers of the Reorganized Equity held by certain holders will be subject to transfer restrictions under applicable securities laws and/or the New Governance Documents.

In addition, the Post-Effective Date Debtors do not intend to be voluntarily subject to the reporting requirements of the Securities Act, and Holders of the Reorganized Equity will not be entitled to any information except as expressly required by the New Governance Documents. As a result, the information which the Debtors are required to provide in order to issue the Reorganized Equity may be less than the Debtors would be required to provide if the Reorganized Equity were registered. Among other things, the Debtors may not be required to provide: (a) separate financial information for any subsidiary; (b) selected historical consolidated financial data of STG Logistics; (c) selected quarterly financial data of STG Logistics; (d) certain information about the Debtors' disclosure controls and procedures and their internal controls over financial reporting; and (e) certain information regarding the Debtors' executive compensation policies and practices and historical compensation information for their executive officers. This lack of information could impair your ability to evaluate your ownership and impair the marketability of the Reorganized Equity.

3. Certain of the Reorganized Equity will be Subject to Resale Restrictions and May Not Be Resold or Otherwise Transferred Unless They Are Registered Under the Securities Act or an Exemption from Registration Applies.

Upon the Effective Date, to the extent permitted and available, the Reorganized Equity may be issued in reliance upon section 1145(a) of the Bankruptcy Code to exempt from registration under the Securities Act and Blue-Sky Laws the offer, issuance, and distribution of Reorganized Equity. Holders of

Reorganized Equity who are deemed to be "underwriters" under section 1145(b) of the Bankruptcy Code will also be subject to restrictions under the Securities Act on their ability to resell those securities.

Holders of such restricted securities may not be entitled to have their "restricted securities" registered under the Securities Act and will be required to agree not to resell them except in accordance with an available exemption from registration under the Securities Act or applicable Securities Laws.

However, certain Reorganized Equity issued pursuant to the Plan, including pursuant to the Management Incentive Plan, are expected to be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, will be deemed "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and may not be sold, exchanged, assigned, or otherwise transferred unless they are registered, or an available exemption from registration applies, under the Securities Act, any state securities laws, or the laws of any other jurisdiction.

In addition, holders of Reorganized Equity issued pursuant to Section 1145(a) of the Bankruptcy Code who are deemed to be "underwriters" under Section 1145(b) of the Bankruptcy Code will also be subject to resale restrictions. Further, any Reorganized Equity issued pursuant to section 1145(a) of the Bankruptcy Code may be subject to additional restriction on resale pursuant to federal, state or local securities laws and regulations at the time of any future transfer of such Reorganized Equity, as applicable. See Article XII of this Disclosure Statement for a further discussion of the transfer restrictions applicable to the securities.

X. SOLICITATION AND VOTING PROCEDURES.

This Disclosure Statement, which is accompanied by a Ballot to be used for voting on the Plan, is being distributed to the Holders of Claims in those Classes that are entitled to vote to accept or reject the Plan.

A. Holders of Claims Entitled to Vote on the Plan.

Holders of Claims in Classes 3A, 3B, 3C, 4, 6, and 7B (the "Voting Classes") are entitled to vote to accept or reject the Plan. The Holders of Claims in the Voting Classes are Impaired under the Plan and may, in certain circumstances, receive a distribution under the Plan. Accordingly, Holders of Claims in the Voting Classes have the right to vote to accept or reject the Plan. The Debtors are ***not*** soliciting votes from Holders of Claims, Intercompany Interests, or Equity Interests in Classes 1, 2, 5, 7A, 8, 9, 10, or 11.

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY.

PLEASE REFER TO THE DISCLOSURE
STATEMENT ORDER AND SOLICITATION PROCEDURES FOR
A MORE COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

B. Voting on the Plan.

The Voting Deadline is **May 15, 2026, at 5:00 p.m. (prevailing Eastern Time)**. In order to be counted as votes to accept or reject the Plan, all Ballots must be properly executed, completed, and delivered as directed, so that your ballot or the master ballot containing your vote is actually received by the Claims and Noticing Agent on or before the Voting Deadline. Ballots or master ballots returned by facsimile will not be counted.

C. Ballots Not Counted.

No ballot will be counted toward Confirmation if, among other things: (i) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder of such Claim; (ii) any Ballot cast by any Entity that does not hold a Claim in a Voting Class; (iii) any Ballot cast for a Claim scheduled as unliquidated, contingent, or disputed for which no Proof of Claim was timely filed by the Voting Record Date (unless the applicable bar date has not yet passed, in which case such Claim shall be entitled to vote in the amount of $1.00); (iv) any unsigned Ballot; (v) any Ballot not marked to accept or reject the Plan or marked both to accept and reject the Plan; (vi) any Ballot sent to any of the Debtors, the Debtors' agents or representatives, or the Debtors' advisors (other than the Claims and Noticing Agent); and (vii) any Ballot submitted by any Entity not entitled to vote pursuant to the procedures described in the Disclosure Statement Order and the Solicitation Procedures attached thereto.

D. Votes Required for Acceptance by a Class.

Under the Bankruptcy Code, acceptance of a plan of reorganization by a class of claims or interests is determined by calculating the amount and, if a class of claims, the number, of claims and interests voting to accept, as a percentage of the allowed claims or interests, as applicable, that have voted. Acceptance by a class of claims requires an affirmative vote of more than one-half in number of total allowed claims that have voted and an affirmative vote of at least two-thirds in dollar amount of the total allowed claims that have voted. Acceptance by a class of interests requires an affirmative vote of at least two-thirds in amount of the total allowed interests that have voted.

E. Certain Factors to Be Considered Prior to Voting.

There are a variety of factors that all Holders of Claims entitled to vote on the Plan should consider prior to voting to accept or reject the Plan. These factors may impact recoveries under the Plan and include, among other things:

- unless otherwise specifically indicated, the financial information contained in this Disclosure Statement has not been audited and is based on an analysis of data available at the time of the preparation of the Plan and the Disclosure Statement;
- although the Debtors believe that the Plan complies with all applicable provisions of the Bankruptcy Code, the Debtors can neither assure such compliance nor that the Bankruptcy Court will confirm the Plan;
- the Debtors may request Confirmation without the acceptance of the Plan by all Impaired Classes in accordance with section 1129(b) of the Bankruptcy Code; and
- any delays of either Confirmation or Consummation could result in, among other things, increased Administrative Claims and Professional Fee Claims.

While these factors could affect distributions available to Holders of Allowed Claims and Allowed Equity Interests and Intercompany Interests under the Plan, the occurrence or impact of such factors may not necessarily affect the validity of the vote of the Voting Classes or necessarily require a re-solicitation of the votes of Holders of Claims in the Voting Classes pursuant to section 1127 of the Bankruptcy Code.

For a further discussion of risk factors, please refer to "Risk Factors" described in Article IX of this Disclosure Statement.

F. Solicitation Procedures.

1. Claims and Noticing Agent.

The Debtors have retained Epiq Corporate Restructuring, LLC to act as, among other things, the Claims and Noticing Agent in connection with the solicitation of votes to accept or reject the Plan.

2. Solicitation Package.

The following materials constitute the solicitation package distributed to Holders of Claims in the Voting Classes (collectively, the "Solicitation Package"): (a) the Solicitation Procedures; (b) the applicable forms of Ballots, together with detailed voting instructions and instructions on how to submit the Ballots; (c) the Cover Letter, which describes the contents of the Solicitation Package and urges Holders of Claims in the Voting Classes to vote to accept the Plan; (d) the Confirmation Hearing Notice; (e) this Disclosure Statement (and the exhibits hereto, including the Plan); (f) the Disclosure Statement Order (without exhibits, except for the Solicitation Procedures); (g) a pre-addressed, postage pre-paid reply envelope (if applicable); and (h) any additional documents that the Court has ordered to be made available to Holders of Claims in the Voting Classes.

3. Distribution of the Solicitation Package and Plan Supplement.

The Debtors are causing the Claims and Noticing Agent to distribute the Solicitation Package to Holders of Claims in the Voting Classes no later than three business days following entry of the Disclosure Statement Order, which is 28 days before the Voting Deadline (*i.e.*, 5:00 p.m. (prevailing Eastern Time) on May 15, 2026).

The Solicitation Package (except the Ballot) may also be obtained from the Claims and Noticing Agent by: (a) calling the Debtors' restructuring hotline at (888) 827-0433 (domestic, toll free) or +1 (971) 402–2181 (international), (b) emailing STGLogistics@epiqglobal.com, and/or (c) writing to the Claims and Noticing Agent at STG Logistics, Inc. Claims Processing Center, c/o Epiq Corporate Restructuring, LLC, 10300 SW Allen Blvd., Beaverton, OR 97005. You may also obtain copies of any pleadings Filed with the Bankruptcy Court for free by visiting the Debtors' restructuring website, https://dm.epiq11.com/STGLogistics (free of charge), or for a fee via PACER at https://www.pacer.gov/.

The Debtors shall file the initial Plan Supplement, to the extent reasonably practicable, with the Bankruptcy Court by May 8, 2026. If the Plan Supplement is updated or otherwise modified, such modified or updated documents will be made available on the Debtors' restructuring website.

XI. CONFIRMATION OF THE PLAN.

A. The Confirmation Hearing.

Under section 1128(a) of the Bankruptcy Code, the Bankruptcy Court, after notice, may hold a hearing to confirm a plan of reorganization. The Confirmation Hearing may, however, be continued or adjourned from time to time without further notice to parties in interest other than an adjournment announced in open court or a notice of adjournment Filed with the Bankruptcy Court and served in accordance with the Bankruptcy Rules. Subject to section 1127 of the Bankruptcy Code and the Restructuring Support Agreement, the Plan may be modified, if necessary, prior to, during, or as a result of the Confirmation Hearing, without further notice to parties in interest.

Additionally, section 1128(b) of the Bankruptcy Code provides that a party in interest may object to Confirmation. An objection to Confirmation of the Plan must be Filed with the Bankruptcy Court and

served on the Debtors and certain other parties in interest in accordance with the applicable order of the Bankruptcy Court so that it is actually received on or before the deadline to file such objections as set forth therein.

B. Requirements for Confirmation of the Plan.

Among the requirements for Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code are: (1) the Plan is accepted by all Impaired Classes of Claims, Intercompany Interests, or Equity Interests, or if rejected by an Impaired Class, the Plan "does not discriminate unfairly" and is "fair and equitable" as to the rejecting Impaired Class; (2) the Plan is feasible; and (3) the Plan is in the "best interests" of Holders of Claims, Intercompany Interests, or Equity Interests.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies all of the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that: (1) the Plan satisfies, or will satisfy, all of the necessary statutory requirements of chapter 11 for plan confirmation; (2) the Debtors have complied, or will have complied, with all of the necessary requirements of chapter 11 for plan confirmation; and (3) the Plan has been proposed in good faith.

C. Feasibility.

Section 1129(a)(11) of the Bankruptcy Code requires that confirmation of a plan of reorganization is not likely to be followed by the liquidation, or the need for further financial reorganization of the debtor, or any successor to the debtor (unless such liquidation or reorganization is proposed in such plan of reorganization).

To determine whether the Plan meets this feasibility requirement, the Debtors, with the assistance of their advisors, have analyzed their ability to meet their respective obligations under the Plan. As part of this analysis, the Debtors have prepared their projected consolidated balance sheet, income statement, and statement of cash flows (the "Financial Projections"). Creditors and other interested parties should review Article IX of this Disclosure Statement, entitled "Risk Factors.," for a discussion of certain factors that may affect the future financial performance of the Post-Effective Date Debtors.

Based upon the Financial Projections, the Debtors believe that they will be a viable operation following the Chapter 11 Cases and that the Plan will meet the feasibility requirements of the Bankruptcy Code.

D. Acceptance by Impaired Classes.

The Bankruptcy Code requires, as a condition to confirmation, except as described in the following section, that each class of claims or equity interests impaired under a plan, accept the plan. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such a class is not required.[30]

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in a number of allowed claims in that class, counting only those claims that have *actually* voted to accept or to reject the

[30] A class of claims is "impaired" within the meaning of section 1124 of the Bankruptcy Code unless the plan (a) leaves unaltered the legal, equitable and contractual rights to which the claim or equity interest entitles the holder of such claim or equity interest or (b) cures any default, reinstates the original terms of such obligation, compensates the holder for certain damages or losses, as applicable, and does not otherwise alter the legal, equitable, or contractual rights to which such claim or equity interest entitles the holder of such claim or equity interest.

plan. Thus, a class of Claims will have voted to accept the Plan only if two-thirds in amount and a majority in number of the Allowed Claims in such class that vote on the Plan actually cast their ballots in favor of acceptance.

Section 1126(d) of the Bankruptcy Code defines acceptance of a plan by a class of impaired equity interests as acceptance by holders of at least two-thirds in amount of allowed interests in that class, counting only those interests that have *actually* voted to accept or to reject the plan. Thus, a Class of Equity Interests or Intercompany Interests will have voted to accept the Plan only if two-thirds in amount of the Allowed Equity Interests or Intercompany Interests in such class that vote on the Plan actually cast their ballots in favor of acceptance.

Pursuant to Article III.E of the Plan, if a Class that contains Claims, Intercompany Interests, or Equity Interests is eligible to vote and no Holders of Claims, Intercompany Interests, or Equity Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims, Intercompany Interests, or Equity Interests in such Class shall be deemed to have accepted the Plan.

E. Confirmation Without Acceptance by All Impaired Classes.

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if all impaired classes have not accepted it; *provided* that the plan has been accepted by at least one impaired class. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class's rejection or deemed rejection of the plan, the plan will be confirmed, at the plan proponent's request, in a procedure commonly known as a "cramdown" so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of claims or equity interests that is impaired under, and has not accepted, the plan.

If any Impaired Class rejects the Plan, the Debtors reserve the right to seek to confirm the Plan utilizing the "cramdown" provision of section 1129(b) of the Bankruptcy Code. To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Debtors may request Confirmation of the Plan, as it may be modified from time to time, under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to alter, amend, modify, revoke, or withdraw the Plan or any Plan Supplement document, including the right to amend or modify the Plan or any Plan Supplement document to satisfy the requirements of section 1129(b) of the Bankruptcy Code.

1. No Unfair Discrimination.

The "unfair discrimination" test applies to classes of claims or interests that are of equal priority and are receiving different treatment under a plan. The test does not require that the treatment be the same or equivalent, but that treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims or interests of equal rank (*e.g.*, classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly. A plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

2. Fair and Equitable Test.

The "fair and equitable" test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100 percent of the amount of the allowed claims in the class. As to the dissenting class, the test sets different standards depending upon the type of claims or equity interests in the class.

The Debtors submit that if the Debtors "cramdown" the Plan pursuant to section 1129(b) of the Bankruptcy Code, the Plan is structured so that it does not "discriminate unfairly" and satisfies the "fair and equitable" requirement. With respect to the unfair discrimination requirement, all Classes under the Plan are provided treatment that is substantially equivalent to the treatment that is provided to other Classes that have equal rank. With respect to the fair and equitable requirement, no Class under the Plan will receive more than 100 percent of the amount of Allowed Claims, Intercompany Interests, or Equity Interests in that Class. The Debtors believe that the Plan and the treatment of all Classes of Claims, Intercompany Interests, or Equity Interests under the Plan satisfy the foregoing requirements for nonconsensual Confirmation of the Plan.

F. Valuation.

As described above, the Debtors continue to engage with multiple bidders with respect to a potential Sale. Because the Debtors do not want to prejudice the competitive sale process by disclosing expected recoveries, this Disclosure Statement does not include a valuation analysis. *See* 11 U.S.C. § 1125(b) ("The court may approve a disclosure statement without a valuation of the debtor or an appraisal of the debtor's assets."); *In re EXP OldCo Winddown, Inc.*, No. 24-10831 (KBO), (Bankr. D. Del. Nov. 1, 2024), (ECF No. 969) (order approving disclosure statement without a valuation analysis); *In re Sunpower Corporation*, No. 24-11649 (CTG), (Bankr. D. Del. Sep. 30, 2024) (ECF No. 872) (same); *In re Cyxtera Technologies, Inc.*, No. 23-14853 (JKS) (Bankr. D.N.J. Sept. 26, 2023) (ECF No. 563) (same); *In re SiO2 Medical Products, Inc.*, No. 23-10366 (JTD) (Bankr. D. Del. June 9, 2023) (ECF No. 378) (same). Nevertheless, the Bidding Procedures Order set a Minimum Bid Requirement (as defined in the Bidding Procedures Order) that effectively set a minimum bid for the Debtors in the range of $404 million.[31] Sale participants are actively engaged regarding bids exceeding the Minimum Bid Requirement. Unless a Toggle Trigger Event occurs, the Plan will implement the Recapitalization Transaction, and the Debtors intend to file a valuation with respect to the Recapitalization Transaction five business days in advance of the Confirmation Objection Deadline.

G. Liquidation Analysis.

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each impaired class, that each Holder of a Claim, Equity Interest, or Intercompany Interest in such impaired class either (a) has accepted the plan or (b) will receive or retain under the plan property of a value that is not less than the amount that the non-accepting Holder would receive or retain if the debtors liquidated under chapter 7.

Attached hereto as **Exhibit D** and incorporated herein by reference is a liquidation analysis (the "Liquidation Analysis") prepared by the Debtors' financial and restructuring advisors, AlixPartners and K&E. As reflected in the Liquidation Analysis, the Debtors believe that liquidation of the Debtors' business under chapter 7 of the Bankruptcy Code would result in substantial diminution in the value to be realized by Holders of Claims, Intercompany Interests, or Equity Interests as compared to distributions contemplated under the Plan. Consequently, the Debtors and their management believe that Confirmation of the Plan will provide a substantially greater return to Holders of Claims, Intercompany Interests, or Equity Interests than would a liquidation under chapter 7 of the Bankruptcy Code.

[31] For illustrative purposes only, if a Sale Transaction (as defined in the Bidding Procedures Order) were to have closed on April 2, 2026, the Minimum Bid Requirement would have been $404,057,300.37.

XII. CERTAIN SECURITIES LAW MATTERS.

A. Reorganized Equity.

As discussed herein, the Plan provides for the offer, sale, issuance, and distribution of Reorganized Equity to certain Holders of prepetition Claims against the Debtors. The Debtors believe that the Reorganized Equity will be "securities," as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code and any applicable state securities laws.

The Debtors further believe that the issuance of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) after the Petition Date pursuant to the restructuring transactions under the Plan is, and subsequent transfers of such Reorganized Equity by the holders thereof that are not "underwriters" (which definition includes "Controlling Persons") will be, exempt from federal and state securities registration requirements under section 1145 of the Bankruptcy Code, Securities Act, Blue-Sky Laws, and any applicable similar U.S. federal, state, or local securities laws as described in more detail below, except in certain limited circumstances.

In addition, any Reorganized Equity underlying the Management Incentive Plan are expected to be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, will be deemed "restricted securities" as defined in Rule 144(a)(4) under the Securities Act, and may not be resold, exchanged, assigned, or otherwise transferred unless they are registered, or an exemption from registration applies, under the Securities Act, any state securities laws, or the laws of any other jurisdiction. Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder provide that the offering, issuance, and distribution of securities by an issuer in transactions not involving any public offering are exempt from registration under the Securities Act. Regulation S under the Securities Act provides an exemption from registration under the Securities Act for the offering, issuance, and distribution of securities in certain transactions outside of the United States to certain persons not considered "U.S. persons" as defined in Regulation S under the Securities Act.

The discussion of the issuance and transferability of the Reorganized Equity in this Disclosure Statement relates solely to matters arising under U.S. federal securities laws and state securities laws. The rights of holders of Reorganized Equity including the right to transfer such interests, will also be subject to any restrictions in the New Governance Documents, to the extent applicable. Recipients of the Reorganized Equity are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act, Blue-Sky Laws, and any other applicable state or local securities laws.

B. Exemption from Registration Requirements; Issuance of Reorganized Equity under the Plan.

All of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) are expected to be issued on the Effective Date without registration under the Securities Act, Blue-Sky Laws, or any similar U.S. federal, state, or local law, in reliance on section 1145(a) of the Bankruptcy Code, unless not permitted and available.

Section 1145 of the Bankruptcy Code provides, among other things, that Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration for the offer, sale, issuance, or distribution of a security do not apply to the offer, sale, issuance, or distribution of stock, options, warrants or other securities of a debtor, or an affiliate participating in a joint plan with a debtor, or a successor to a debtor under the Plan, if (1) the offer or sale occurs under a plan of reorganization of the debtor, (2) the recipients of the securities hold a claim against, an interest in, or claim for administrative expense against, the debtor or an affiliate thereof participating in the plan of reorganization, and (3) the securities are offered,

sold, issued, or distributed (i) in exchange for a claim against, an interest in, or a claim for an administrative expense in the case concerning, a debtor or an affiliate thereof participating in the plan of reorganization, or (ii) principally in such exchange and partly for cash or property. The Debtors currently expect that all of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) issued after the Petition Date in exchange for the Claims described above should satisfy the requirements of section 1145(a) of the Bankruptcy Code.

Any Reorganized Equity underlying the Management Incentive Plan are expected to be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any similar U.S. federal, state, or local law.

Accordingly, no registration statement will be filed under the Securities Act or any state securities laws with respect to the initial offer, issuance, and distribution of Reorganized Equity. Recipients of the Reorganized Equity are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act, Blue-Sky Laws, and any applicable federal, state, or local securities laws. As discussed below, the exemptions provided for in section 1145(a) do not apply to an entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code.

C. Resales of Reorganized Equity; Definition of "Underwriter" Under Section 1145(b) of the Bankruptcy Code.

1. Resales of Reorganized Equity Issued Pursuant to Section 1145 of the Bankruptcy Code.

Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) to the extent offered, issued, and distributed pursuant to section 1145 of the Bankruptcy Code, (i) will not be "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (ii) will be transferable without registration under the Securities Act in the United States by the recipients thereof that are not, and have not been within 90 days of such transfer, an "affiliate" of the Debtors as defined in Rule 144(a)(1) under the Securities Act, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 1145(b) of the Bankruptcy Code, and in compliance with applicable securities laws and any rules and regulations of the SEC or Blue-Sky Laws, if any, applicable at the time of any future transfer of such securities or instruments.

Section 1145(b)(1) of the Bankruptcy Code defines an "underwriter" as one who, except with respect to "ordinary trading transactions" of an entity that is not an "issuer": (1) purchases a claim against, interest in, or claim for an administrative expense in the case concerning, the debtor, if such purchase is with a view to distribution of any security received or to be received in exchange for such claim or interest; (2) offers to sell securities offered or sold under a plan for the holders of such securities; (3) offers to buy securities offered or sold under a plan from the holders of such securities, if such offer to buy is (a) with a view to distribution of such securities and (b) under an agreement made in connection with the plan, with the consummation of the plan, or with the offer or sale of securities under the plan; or (4) is an issuer of the securities within the meaning of section 2(a)(11) of the Securities Act. In addition, a Person who receives a fee in exchange for purchasing an issuer's securities could also be considered an underwriter within the meaning of section 2(a)(11) of the Securities Act.

The definition of an "issuer" for purposes of whether a Person is an underwriter under section 1145(b)(1)(D) of the Bankruptcy Code, by reference to section 2(a)(11) of the Securities Act, includes as "statutory underwriters" all "affiliates," which are all Persons who, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with, an issuer

of securities. The reference to "issuer," as used in the definition of "underwriter" contained in section 2(a)(11) of the Securities Act, is intended to cover "Controlling Persons" of the issuer of the securities. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. Accordingly, an officer or director of a reorganized debtor or its successor under a plan of reorganization may be deemed to be a "Controlling Person" of the debtor or successor, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor's or its successor's voting securities. In addition, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns 10% or more of a class of securities of a reorganized debtor may be presumed to be a "Controlling Person" and, therefore, an underwriter.

While an affiliate of a reorganized debtor may be offered and issued securities pursuant to section 1145 of the Bankruptcy Code in accordance with certain SEC guidance, certain resales of the Reorganized Equity issued in exchange for Allowed Claims pursuant to the Plan held by Persons deemed to be "underwriters" (which definition includes "Controlling Persons") are not exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Under certain circumstances, holders of such Reorganized Equity who are deemed to be "underwriters" may be entitled to resell their Reorganized Equity pursuant to the limited safe harbor resale provisions of Rule 144 of the Securities Act. Generally, Rule 144 of the Securities Act would permit the public sale of control securities received by such Person if the requirements for sales of such control securities under Rule 144 have been met, including that current information regarding the issuer is publicly available and volume limitations, manner of sale requirements and certain other conditions are met. Whether any particular Person would be deemed to be an "underwriter" (including whether the Person is a "Controlling Person") with respect to the Reorganized Equity would depend upon various facts and circumstances applicable to that Person. Accordingly, the Debtors express no view as to whether any Person would be deemed an "underwriter" with respect to such Reorganized Equity and, in turn, whether any Person may freely trade such Reorganized Equity. However, the Debtors do not intend to make publicly available the requisite information regarding the Debtors, and, as a result, Rule 144 will not be available for resales of such Reorganized Equity by Persons deemed to be underwriters or otherwise.

IN VIEW OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A RECIPIENT OF SECURITIES MAY BE AN UNDERWRITER OR AN AFFILIATE OF THE POST-EFFECTIVE DATE DEBTORS, THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRADE IN SECURITIES TO BE DISTRIBUTED PURSUANT TO THE PLAN. ACCORDINGLY, THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF REORGANIZED EQUITY CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

2. Resales of Any Reorganized Equity Issued Pursuant to Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or Other Available Exemptions from Registration.

To the extent the exemption set forth Section 1145(a) of the Bankruptcy Code is unavailable, the Reorganized Equity will be offered, issued, and distributed in reliance of Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any similar U.S. federal, state, or local laws. Any Reorganized Equity underlying the Management Incentive Plan will be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the

Securities Act, Blue-Sky Laws, and any other applicable securities laws, will be deemed "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and may not be sold, exchanged, assigned, or otherwise transferred except if registered pursuant to an effective registration statement under the Securities Act or an available exemption from registration applies, under the Securities Act, and pursuant to applicable Blue-Sky Laws, or any other applicable U.S. federal, state, or local securities laws.

Generally, Rule 144 of the Securities Act provides a limited safe harbor for the public resale of restricted securities if certain conditions are met. These conditions vary depending on whether the issuer is a reporting issuer and whether the holder of the restricted securities is an "affiliate" of the issuer. Rule 144 defines an affiliate as "a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer." A non-affiliate who has not been an affiliate of the issuer during the preceding three months may resell restricted securities of an issuer that does not file reports with the SEC pursuant to Rule 144 after a one-year holding period. An affiliate may resell restricted securities of an issuer that does not file reports with the SEC under Rule 144 after such holding period, as well as other securities without a holding period, but only if certain current public information regarding the issuer is available at the time of the sale and only if the affiliate also complies with the volume, manner of sale and notice requirements of Rule 144. The Debtors do not intend to make publicly available the requisite information regarding the Debtors, and, as a result, even after the holding period, Rule 144 may not be available for resales of such Reorganized Equity by affiliates of the Debtors. Restricted securities (as well as other securities held by affiliates) may be resold without holding periods under other exemptions from registration, including Rule 144A under the Securities Act and Regulation S under the Securities Act, but only in compliance with the conditions of such exemptions from registration.

In addition, in connection with resales of any Reorganized Equity offered, issued and distributed pursuant to Regulation S under the Securities Act: (i) the offer or sale, if made prior to the expiration of the one-year distribution compliance period (six months for a reporting issuer), may not be made to a U.S. person or for the account or benefit of a U.S. person (other than a distributor); and (ii) the offer or sale, if made prior to the expiration of the applicable one-year, or six-month, distribution compliance period, as appliable, is made pursuant to the following conditions: (a) the purchaser (other than a distributor) certifies that it is not a U.S. person and is not acquiring the securities for the account or benefit of any U.S. person or is a U.S. person who purchased securities in a transaction that did not require registration under the Securities Act; and (b) the purchaser agrees to resell such securities only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration; and agrees not to engage in hedging transactions with regard to such securities unless in compliance with the Securities Act.

Reorganized Equity is deemed "restricted securities" as defined in Rule 144(a)(3) under he Securities Act will bear a restrictive legend. Each certificate or book-entry representing, or issued in exchange for, or upon the transfer, sale, or assignment of, any such Reorganized Equity deemed "restricted securities" shall be stamped or otherwise imprinted with a legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON [DATE OF ISSUANCE], HAVE NOT BEEN REGISTERED UNDER THE UNITES STATE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE RESOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION."

The Debtors will reserve the right to require certification, legal opinions, or other evidence of compliance with Rule 144 as a condition to the removal of such legend or to any resale of such Reorganized Equity. The Debtors will also reserve the right to stop the transfer of any such Reorganized Equity if such

transfer is not registered in compliance with Rule 144 or in compliance with another applicable exemption from registration from applicable securities laws.

Notwithstanding anything to the contrary in this Disclosure Statement, no Entity shall be entitled to require a legal opinion regarding the validity of any transaction contemplated by the Plan or this Disclosure Statement, including, for the avoidance of doubt, whether the Reorganized Equity are exempt from the registration requirements of Section 5 of the Securities Act.

In addition to the foregoing restrictions, the Reorganized Equity will also be subject to any applicable transfer restrictions contained in the New Governance Documents.

PERSONS WHO RECEIVE SECURITIES UNDER THE PLAN ARE URGED TO CONSULT THEIR OWN LEGAL ADVISOR WITH RESPECT TO THE RESTRICTIONS APPLICABLE UNDER THE FEDERAL OR STATE SECURITIES LAWS AND THE CIRCUMSTANCES UNDER WHICH SECURITIES MAY BE SOLD IN RELIANCE ON SUCH LAWS. THE FOREGOING SUMMARY DISCUSSION IS GENERAL IN NATURE AND HAS BEEN INCLUDED IN THIS DISCLOSURE STATEMENT SOLELY FOR INFORMATIONAL PURPOSES. THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING, AND DO NOT PROVIDE, ANY OPINIONS OR ADVICE WITH RESPECT TO THE SECURITIES OR THE BANKRUPTCY MATTERS DESCRIBED IN THIS DISCLOSURE STATEMENT. IN LIGHT OF THE UNCERTAINTY CONCERNING THE AVAILABILITY OF EXEMPTIONS FROM THE RELEVANT PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS, WE ENCOURAGE EACH RECIPIENT OF SECURITIES AND ANY PARTY IN INTEREST TO CONSIDER CAREFULLY AND CONSULT WITH ITS OWN LEGAL ADVISORS WITH RESPECT TO ALL SUCH MATTERS. BECAUSE OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A SECURITY IS EXEMPT FROM THE REGISTRATION REQUIREMENTS UNDER THE FEDERAL OR STATE SECURITIES LAWS OR WHETHER A PARTICULAR RECIPIENT OF REORGANIZED EQUITY MAY BE AN UNDERWRITER, WE MAKE NO REPRESENTATION CONCERNING THE ABILITY OF A PERSON TO DISPOSE OF THE SECURITIES ISSUED UNDER THE PLAN.

XIII. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN.

A. Introduction.

The following discussion is a summary of certain U.S. federal income tax consequences of the consummation of the Plan to the Debtors, the Post-Effective Date Debtors, and to certain Holders (which, solely for purposes of this discussion, means the beneficial owners for U.S. federal income tax purposes) of Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed Convenience Claims, and Allowed Auto Liability Claims. This discussion does not address any consideration that is received on account of a person's capacity other than as a Holder of Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed Convenience Claims, and Allowed Auto Liability Claims. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "IRC"), the U.S. Treasury Regulations promulgated thereunder (the "Treasury Regulations"), judicial decisions and authorities, published administrative rules, positions and pronouncements of the U.S. Internal Revenue Service (the "IRS"), and other applicable authorities, all as in effect on the date of this Disclosure Statement and all of which are subject to change or differing interpretations, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those summarized herein. The U.S. federal income tax consequences of the contemplated

transactions are complex and subject to significant uncertainties. No opinion of counsel has been obtained, and the Debtors do not intend to seek a ruling or determination from the IRS as to any of the tax consequences of the Plan discussed below. The discussion below is not binding upon the IRS or the courts and no assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to the Debtors or to Holders of Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed Convenience Claims, and Allowed Auto Liability Claims in light of their individual circumstances. This discussion does not address tax issues with respect to such Holders of Claims subject to special treatment under the U.S. federal income tax laws (including, for example, banks, broker-dealers, mutual funds, governmental authorities or agencies, pass-through entities, beneficial owners of pass-through entities, subchapter S corporations, dealers and traders in securities, insurance companies, financial institutions, tax-exempt organizations, controlled foreign corporations, passive foreign investment companies, small business investment companies, foreign taxpayers, Persons who are related to the Debtors within the meaning of the IRC, Persons liable for alternative minimum tax, U.S. Holders of Claims whose functional currency is not the U.S. dollar, Holders of Claims who prepare "applicable financial statements" (as defined in section 451 of the IRC), Persons using a mark-to-market method of accounting, Holders of Claims who are themselves in bankruptcy, regulated investment companies, real estate investment trusts, retirement plans, individual retirement and other tax-deferred accounts, and those holding, or who will hold, any property described herein as part of a hedge, straddle, conversion, or other integrated transaction). Moreover, this summary does not address any aspect of U.S. non-income (including state or gift), state, local, or non-U.S. taxation, or considerations under any applicable tax treaty or any tax arising under section 1411 of the IRC (the "Medicare" tax on certain investment income). Furthermore, this summary assumes that a Holder of an Allowed Claim holds only Claims in a single class and holds such Claims and Reorganized Equity, as applicable, as "capital assets" within the meaning of section 1221 of the IRC (generally, property held for investment). This summary also assumes that the various debt and other arrangements to which the Debtors and the Post-Effective Date Debtors are or will be a party will be respected for U.S. federal income tax purposes in accordance with their form, and that the Claims constitute interests in the Debtors "solely as a creditor" for purposes of section 897 of the IRC. This discussion also assumes that none of the Allowed Claims is treated as a "short-term" debt instrument or a "contingent payment debt instrument" for U.S. federal income tax purposes and that each of the Allowed Claims are denominated in U.S. dollars. This summary does not discuss differences in tax consequences to Holders of Claims that act or receive consideration in a capacity other than as a Holder of a Claim, and the tax consequences for such Holders may differ materially from that described below. This summary does not address the U.S. federal income tax consequences to Holders of Claims (a) whose Claims are Unimpaired or otherwise entitled to payment in full in Cash under the Plan, (b) that are deemed to reject the Plan, or (c) that are otherwise not entitled to vote to accept or reject the Plan.

For purposes of this discussion, a "U.S. Holder" is a Holder of an Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed Convenience Claims, and Allowed Auto Liability Claims that for U.S. federal income tax purposes is: (1) an individual who is a citizen or resident of the United States; (2) a corporation (or other entity classified as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (4) a trust (a) if a court within the United States is able to exercise primary jurisdiction over the trust's administration and one or more "United States persons" (within the meaning of section 7701(a)(30) of the IRC) has authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury Regulations to be treated as a "United States person" (within the meaning of section 7701(a)(30)

of the IRC). For purposes of this discussion, a "Non-U.S. Holder" is any Holder of an Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed Convenience Claims, and Allowed Auto Liability Claims that is not a U.S. Holder other than any partnership (or other entity classified as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity classified as a partnership or other pass-through entity for U.S. federal income tax purposes) is a Holder of an Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed Convenience Claims, and Allowed Auto Liability Claims, the tax treatment of a partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner), the activities of the partner (or other beneficial owner) and the partnership (or other pass-through entity), and certain determinations made at the partner (or other beneficial owner) level. Partners (or other beneficial owners) of partnerships (or other pass-through entities) that are Holders of Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed Convenience Claims, and Allowed Auto Liability Claims are urged to consult their respective tax advisors regarding the U.S. federal income tax consequences of the Plan.

THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE PLAN, AS WELL AS THE CONSEQUENCES TO THEM OF THE PLAN ARISING UNDER ANY OTHER U.S. FEDERAL TAX LAWS OR THE LAWS OF ANY STATE, LOCAL, OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE TREATY.

B. Certain U.S. Federal Income Tax Consequences of the Plan to the Debtors and the Post-Effective Date Debtors.

1. Characterization of the Restructuring Transactions.

The Debtors expect that the Restructuring Transactions will be structured in one of three ways: (a) a recapitalization of the existing Debtors (referred to as a "Recapitalization Transaction"), (b) a taxable sale of the assets and/or Reorganized Equity of the Debtors thereof to an indirect subsidiary of Post-Effective Date STG (referred to as a "Taxable Transaction"), or (c) a sale of all, substantially all, or any portion of the Debtors' assets or the Reorganized Equity through one or more sales to a Purchaser in accordance with the Bidding Procedures and the Bidding Procedures Order (referred to as a "Sale"). The Debtors have not yet determined whether the Restructuring Transactions will be consummated as a Recapitalization Transaction, a Taxable Transaction, or a Sale. Such decision will depend on, among other things, the results of the Bidding Procedures, finalizing certain modeling, and analytical determinations. This discussion assumes that the Restructuring Transactions will not be structured in a manner intended to constitute a tax-free reorganization pursuant to sections 368(a)(1)(G) and 354 of the IRC. In light of these various considerations, a decision about whether to consummate the Restructuring Transactions as a Recapitalization Transaction, Taxable Transaction, or a Sale is unlikely to occur until a short time before the Restructuring Transactions are ultimately consummated and, accordingly, Holders of Claims should assume that all the options are possible.

The Debtors generally do not expect to recognize any gain or loss as a result of consummating a Recapitalization Transaction (except as described below with respect to COD Income). In a Taxable

Transaction or Sale, the Debtors will generally realize gain or loss in an amount equal to the difference between the value of the consideration received by the Debtors (including, for this purpose, assumption of liabilities) and the Debtors' tax basis in such assets sold. Any such gain, if any, generally will be reduced by the amount of tax attributes available for use by the Debtors, and any remaining gain will be recognized by the Debtors and result in a cash tax obligation. In all events, the Debtors will be subject to the rules discussed below with respect to cancellation of indebtedness income ("COD Income") and, other than a Restructuring Transaction that involves a Taxable Transaction or a Sale, the limitations on net operating losses ("NOLs"), deferred deductions under section 163(j) of the IRC ("163(j) Deductions"), and other tax attributes.

If the Restructuring Transactions are structured as a Recapitalization Transaction, the Debtors expect to (i) structure the transaction such that any Reorganized Equity that is to be received by the Holders of Allowed FLFO RCF Claims (if not a Committed RCF Holder), Allowed FLFO Term Loan Claims, and Allowed FLSO Term Loan Claims will first be issued and contributed by Post-Effective Date STG to the applicable Debtor and, thereafter, such Reorganized Equity will be transferred by the applicable Debtor to such Holders in exchange for their Allowed FLFO RCF Claims (if not a Committed RCF Holder), Allowed FLFO Term Loan Claims and Allowed FLSO Term Loan Claims pursuant to the Plan, and (ii) treat such transactions as occurring in the same order described in the immediately preceding clause (i) (*i.e.*, issuance followed by contribution followed by exchange) for U.S. federal income tax purposes. The Debtors believe, and intend to take the position that, this treatment applies for U.S. federal income tax purposes, and the remainder of the discussion assumes such treatment. The Debtors also expect Post-Effective Date STG will be classified as a corporation for U.S. federal income tax purposes. The tax consequences to the Debtors, the Post-Effective Date Debtors, and Holders of Allowed FLFO RCF Claims (if not a Committed RCF Holder), Allowed FLFO Term Loan Claims and Allowed FLSO Term Loan Claims described herein could be materially different in the event this characterization is not respected for U.S. federal income tax purposes.

2. Cancellation of Debt and Reduction of Tax Attributes.

In general, absent an exception, a taxpayer will realize and recognize COD Income upon satisfaction (or deemed satisfaction) of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied over (b) the sum of (i) the issue price of the Takeback Term Loans, Takeback Equipment Financing Debt (if applicable), or Exit RCF Facility (if applicable), and (ii) the fair market value of the Reorganized Equity and/or Cash and any other consideration, in each case, given in satisfaction, or as part of the discharge, of such indebtedness at the time of the exchange or discharge.

Under section 108 of the IRC, however, a taxpayer will not be required to include any amount of COD Income in gross income if the taxpayer is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a taxpayer-debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income pursuant to section 108 of the IRC. Such reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined. In general, tax attributes will be reduced in the following order: (a) NOLs and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets (but not below the amount of liabilities to which the Post-Effective Date Debtors remain subject immediately after the discharge); (f) passive activity loss and credit carryovers; and (g) foreign tax credits carryovers. Alternatively, a debtor with COD Income may elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the IRC, in which case the limitation described in clause (e) does not apply to the reduction in basis of depreciable property and, following such reduction, any remaining COD Income that is excluded from gross income reduces any remaining tax attributes in the order specified in the prior

sentence. 163(j) Deductions are not subject to reduction under these rules. Any excess COD Income over the amount of available tax attributes will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact. Where the taxpayer joins in the filing of a consolidated U.S. federal income tax return, applicable Treasury Regulations require, in certain circumstances, that certain tax attributes of other members of the group also be reduced.

The aggregate tax basis of the Debtors in their assets is not required to be reduced below the amount of indebtedness (determined on an entity-by-entity basis) that the relevant entity will be subject to immediately after the cancellation of debt giving rise to COD Income (the "Asset Tax Basis Floor"). Generally, all of an entity's obligations that are treated as debt under general U.S. federal income tax principles (including intercompany debt treated as debt for U.S. federal income tax purposes) are taken into account in determining an entity's Asset Tax Basis Floor.

As noted above, in connection with the Restructuring Transactions, the Debtors expect to realize COD Income, with an attendant reduction in tax attributes (but in the case of tax basis where no election is made to reduce the basis of depreciable assets as described above, only to the extent such tax basis exceeds the amount of the Debtors' liabilities, as determined for these purposes, immediately after the Effective Date). The exact amount of any COD Income that will be realized by the Debtors will not be determinable until the consummation of the Plan because the amount of COD Income will depend, in part, on the issue price of the Takeback Term Loans, the Takeback Equipment Financing Debt (if applicable), the Exit RCF Facility (if applicable), and the fair market value of the Reorganized Equity and any other consideration, none of which can be determined until after the Plan is consummated. As a result, the total amount of attribute reduction as a result of the Plan cannot be determined until after the Effective Date. Depending on the amount of COD Income, if the Restructuring Transactions are structured as a Recapitalization Transaction, some of the Post-Effective Date Debtors' tax basis in their assets may be reduced by COD Income that is not absorbed by the NOLs and other tax attributes.

As a general matter, in a Restructuring Transaction that involves a Sale or Taxable Transaction, the attribute reduction rules discussed above will not be relevant, the Purchaser or Post-Effective Date Debtors (as applicable) (a) will take a fair market value basis in the assets of the Debtors without any reduction in the basis of the assets from excluded COD Income recognized by the Debtors and (b) will not otherwise inherit any of the Debtors' existing tax attributes.

3. Limitation on NOLs, 163(j) Deductions, and Other Tax Attributes.

After giving effect to the reduction in tax attributes pursuant to excluded COD Income described above, in the event of a Recapitalization Transaction, the Post-Effective Date Debtors' ability to use any remaining tax attributes post-emergence will be subject to certain limitations under sections 382 and 383 of the IRC.

a. General Section 382 and 383 Annual Limitation.

Under sections 382 and 383 of the IRC, if the Debtors undergo an "ownership change," the amount of any remaining NOL carryforwards, tax credit carryforwards, 163(j) Deductions, and possibly certain other attributes (potentially including losses and deductions that have accrued economically but are unrecognized as of the date of the ownership change and cost recovery deductions) of the Debtors allocable to periods prior to the Effective Date (collectively, "Pre-Change Losses") that may be utilized to offset future taxable income generally are subject to certain limitations. Any such limitations apply in addition to, and not in lieu of, the attribute reduction that results from the exclusion of COD Income arising in connection with the transactions as discussed above. In general, an "ownership change" occurs if the percentage of the value of the loss corporation's stock owned by one or more direct or indirect "5-percent shareholders" increases by more than fifty percentage points over the lowest percentage of value owned by

the 5-percent shareholders at any time during the applicable testing period. The testing period generally is the shorter of (a) the three-year period preceding the testing date and (b) the period of time since the most recent ownership change of the corporation.

For this purpose, if a corporation (or consolidated group) has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of "built-in" income and deductions), then generally built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original net unrealized built-in loss) will be treated as Pre-Change Losses and similarly will be subject to the annual limitation. In general, a corporation's (or consolidated group's) net unrealized built-in loss will be deemed to be zero unless it is greater than the lesser of (a) $10,000,000 or (b) 15 percent of the fair market value of its assets (with certain adjustments) before the ownership change.

The rules of section 382 of the IRC are complicated, but as a general matter, the Debtors anticipate that the issuance of Reorganized Equity pursuant to the Recapitalization Transaction will result in an "ownership change" of the Debtors for these purposes, and that the Post-Effective Date Debtors' use of the Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the IRC applies. As noted above, as a general matter, in a Restructuring Transaction that involves a Sale or Taxable Transaction, the rules under section 382 of the IRC discussed above and below will be inapplicable to the Post-Effective Date Debtors.

In general, the amount of the annual limitation to which a corporation that undergoes an "ownership change" would be subject is equal to the product of (i) the fair market value of the stock of the corporation immediately before the "ownership change" (with certain adjustments), and (ii) the "long-term tax-exempt rate" (which is the highest of the adjusted U.S. federal long-term rates in effect for any month in the three-calendar-month period ending with the calendar month in which the ownership change occurs, currently 3.58 percent for March 2026). The limitation under section 382 of the IRC may be increased to the extent that the Post-Effective Date Debtors recognize certain built-in gains in their assets during the five-year period following the ownership change (the "Recognition Period") or are treated as recognizing built-in gains pursuant to the safe harbors provided in IRS Notice 2003-65.[32] If a loss corporation has a net unrealized built-in loss immediately prior to the ownership change, certain losses recognized during the Recognition Period also would be subject to the annual limitation and thus may reduce the amount of post-change losses and deductions that could be used by the loss corporation during the Recognition Period. Section 383 of the IRC applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year.

Notwithstanding the rules described above, unless the special 382(l)(5) Exception (described below) applies, if the corporation or consolidated group does not continue its historic business or use a significant portion of its historic assets in a new business for at least two years after the ownership change, the annual limitation resulting from the ownership change is reduced to zero, thereby precluding any utilization of the corporation's Pre-Change Losses (other than any increases due to recognized built-in

[32] Treasury Regulations have been proposed that would significantly change the application of the rules relating to built-in gains and losses for purposes of computing the limitation under section 382 of the IRC. However, proposed Treasury Regulations have also been released that would "grandfather" companies that undergo an "ownership change" pursuant to an order entered in a bankruptcy case that was commenced prior to, or within 30 days of, the publication of the finalized new rules in this area. Additionally, a variety of public comments have been made by government officials indicating that the proposed Treasury Regulations will not be finalized in their current form and, instead, will be "re-proposed" in modified form. Accordingly, the Debtors do not expect the proposed Treasury Regulations to apply to them or to the Post-Effective Date Debtors with respect to any "ownership change" that occurs pursuant to the Plan.

gains). As discussed below, however, special rules may apply in the case of a corporation that experiences an ownership change as the result of a bankruptcy proceeding.

a. Special Bankruptcy Exceptions.

Special rules may apply in the case of a corporation that experiences an "ownership change" as a result of a bankruptcy proceeding. An exception to the foregoing annual limitation rules generally applies when so-called "qualified creditors" of a debtor corporation in chapter 11 receive, in respect of their Claims, at least 50 percent of the vote and value of the stock of the debtor corporation (or a controlling corporation if also in chapter 11) as reorganized pursuant to a confirmed chapter 11 plan (the "382(l)(5) Exception"). If the requirements of the 382(l)(5) Exception are satisfied, a debtor's Pre-Change Losses would not be limited on an annual basis, but, instead, NOL carryforwards would be reduced by the amount of any interest deductions claimed by the debtor during the three taxable years preceding the effective date of the plan of reorganization and during the part of the taxable year prior to and including the effective date of the plan of reorganization in respect of all debt converted into stock pursuant to the reorganization. If the 382(l)(5) Exception applies and the Post-Effective Date Debtors undergo another "ownership change" within two years after the Effective Date, then the Post-Effective Date Debtors' Pre-Change Losses thereafter would be effectively eliminated in their entirety.

Where the 382(l)(5) Exception is not applicable to a corporation in bankruptcy (either because the debtor corporation does not qualify for it or the debtor corporation otherwise elects not to utilize the 382(l)(5) Exception), another exception will generally apply (the "382(l)(6) Exception"). Under the 382(l)(6) Exception, the annual limitation will be calculated by reference to the lesser of (i) the value of the debtor corporation's new stock (with certain adjustments) immediately after the ownership change or (ii) the value of such debtor corporation's assets (determined without regard to liabilities) immediately before the ownership change. This differs from the ordinary rule that requires the fair market value of a debtor corporation that undergoes an "ownership change" to be determined before the events giving rise to the change. The 382(l)(6) Exception also differs from the 382(l)(5) Exception in that, under it, a debtor corporation is not required to reduce its NOL carryforwards by the amount of interest deductions in the manner described above, and a debtor corporation may undergo a change of ownership within two years without automatically triggering the elimination of its Pre-Change Losses. The resulting limitation would be determined under the regular rules for ownership changes.

The Debtors have not determined whether the 382(l)(5) Exception will be available or, if it is available, whether the Post-Effective Date Debtors will elect out of its application so that the 382(l)(6) Exception applies. Regardless of whether the Post-Effective Date Debtors take advantage of the 382(l)(6) Exception or the 382(l)(5) Exception, the Post-Effective Date Debtors' use of their Pre-Change Losses after the Effective Date may be adversely affected if a subsequent "ownership change" within the meaning of section 382 of the IRC were to occur after the Effective Date.

C. Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders of Allowed Claims Entitled to Vote.

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan. U.S. Holders of Allowed Claims are urged to consult their tax advisors regarding the tax consequences of the Restructuring Transactions.

1. Consequences of the Restructuring Transactions to U.S. Holders of Allowed FLFO Term Loan Claims and Allowed FLFO RCF Claims (if not a Committed RCF Holder).

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed FLFO Term Loan Claim and Allowed FLFO RCF Claims (if not a Committed RCF Holder) will receive its *pro rata* share of, (a) in the event of the Recapitalization Transaction or Taxable Transaction, a certain percentage of the Reorganized Equity issued pursuant to the Plan on the Effective Date, subject to dilution on account of the Management Incentive Plan, and (b) in the event of the Sale, the Net Distributable Cash.

In general, as discussed in more detail below, for U.S. federal income tax purposes, the Recapitalization Transaction is expected to be a fully taxable to holders of Allowed FLFO Term Loan Claims and Allowed FLFO RCF Claims (if not a Committed RCF Holder) because the Reorganized Equity is expected to be issued by an entity other than the issuer of Allowed FLFO Term Loan Claims and Allowed FLFO RCF Claims for U.S. federal income tax purposes and, therefore, the holders of such Claims are not exchanging a "security" for stock of the same issuer.

Accordingly, other than with respect to any amounts received that are attributable to accrued but untaxed interest, a U.S. Holder of an Allowed FLFO Term Loan Claims and/or Allowed FLFO RCF Claims (if not a Committed RCF Holder) will be treated as receiving its distribution under the Plan in a taxable exchange under section 1001 of the IRC. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the U.S. Holder should recognize gain or loss in an amount equal to the difference, if any, between (a) (x) the sum of the fair market value of the Reorganized Equity received or (y) Cash and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a "capital asset" in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest that is untaxed and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations. The holding period for the non-Cash consideration received in the exchange should begin on the day following the date the U.S. Holder receives such non-Cash consideration. A U.S. Holder should obtain a tax basis in the Reorganized Equity equal to the fair market value of such property.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but untaxed interest or market discount, which differs from the treatment described above, is discussed below.

2. Consequences of the Restructuring Transactions to U.S. Holders of Allowed FLFO RCF Claims that are Committed RCF Holder.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of Allowed FLFO RCF Claims that is a Committed RCF Holder will receive its *pro rata* share of, (a) in the event of the Recapitalization Transaction or Taxable Transaction, the Committed RCF Treatment, and (b) in the event of the Sale, repayment or cash collateralization, as applicable, of such U.S. Holder's Allowed FLFO RCF Claims from the RCF Cash Account.

The U.S. federal income tax consequences to a U.S. Holder of Allowed FLFO RCF Claims that is a Committed RCF Holder in a Recapitalization Transaction will depend, in part, on whether for U.S. federal income tax purposes (a) the exchange of the Allowed FLFO RCF Claims for new debt issued pursuant to the Exit RCF Facility will constitute a "significant modification" in relation to the existing debt instrument, (b) the Allowed FLFO RCF Claims surrendered by such U.S. Holder constitutes a "security" of a Debtor, and (c) the Exit RCF Facility received by such U.S. Holder constitutes a "security" issued by the same entity against which the Claim is asserted (or, an entity that is a "party to a reorganization" with such entity).

Neither the IRC nor the Treasury Regulations promulgated thereunder define the term "security," and the term "security" has not been clearly defined by judicial decisions. The determination of whether a debt instrument constitutes a "security" for U.S. federal tax purposes is complex, and is determined based on all relevant facts and circumstances. Most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a "security" for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that a debt instrument is not a "security," whereas a term of ten years or more is evidence that a debt instrument is a "security." There are numerous other factors that could be taken into account in determining whether a debt instrument is a "security," including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, the convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued.

Due to the inherently factual nature of the determination of whether a debt instrument has been subject to a "significant modification" or whether a debt instrument is a "security" for U.S. federal income tax purposes, the U.S. Holders of Allowed FLFO RCF Claims are urged to consult their tax advisors regarding the status of the Allowed FLFO RCF Claims and the Exit RCF Facility for U.S. federal income tax purposes.

Under applicable Treasury Regulations, the modification of the terms of a debt instrument (including pursuant to an exchange of a new debt instrument for the existing debt instrument) generally is a "significant modification" if, based on all of the facts and circumstances and taking into account all modifications of the debt instrument, the legal rights or obligations that are altered and the degree to which they are altered is "economically significant." A change in the yield of a debt instrument is a significant modification if the yield of the modified instrument (as computed under the applicable Treasury Regulations) varies from the annual yield of the unmodified instrument (determined as of the date of the modification) by more than the greater of (i) 0.25% or (ii) 5% of the annual yield of the unmodified instrument. Additionally, a change in the timing of payments of a debt instrument can be a significant modification if there is a deferral of principal or interest payments outside of the safe harbor period as described in the applicable Treasury Regulations.

If (a) the Restructuring Transactions are structured as a Recapitalization Transaction and (b) the exchange of the Allowed FLFO RCF Claims for a new debt instrument pursuant to the Exit RCF Facility does not constitute a "significant modification" on the existing debt instrument, then a U.S. Holder of such a Claim is not expected to recognize gain or loss on the exchange, except for any cash or other consideration received pursuant to the Plan.

If (a) the Restructuring Transactions are structured as a Recapitalization Transaction, (b) the exchange of the Allowed FLFO RCF Claims for a new debt instrument pursuant to the Exit RCF Facility does not constitute a "significant modification," (c) the Allowed FLFO RCF Claims (as applicable) constitute "securities" for U.S. federal income tax purposes, (d) the Exit RCF Facility constitutes a "security" for U.S. federal income tax purposes, and (e) the issuer of the Exit RCF Facility is the same

entity as the Debtor against which the Allowed FLFO RCF Claims are asserted (or an entity that is a "party to a reorganization" with such Debtor), then a U.S. Holder of such a Claim is expected to be treated as receiving its distribution under the Plan in a transaction treated as a "recapitalization" for U.S. federal income tax purposes, with the receipt of any cash or other consideration treated as "boot" in such recapitalization. A U.S. Holder of such Claim should not recognize loss, but should recognize gain to the extent of the lesser of (a) the sum of the cash and fair market value of any other consideration received, and (b) (i) the sum of (1) the cash and fair market value of any other consideration received and (2) the issue price of the Exit RCF Facility received (determined as discussed below under "*—U.S. Federal Income Tax Consequences to U.S. Holders of Ownership and Disposition of the Exit RCF Facility—Original Issue Discount*"), minus (ii) the U.S. Holder's adjusted tax basis in its Allowed FLFO RCF Claims. In general, a U.S. Holder would obtain an initial tax basis in its share of the Exit RCF Facility received in the exchange equal to its adjusted tax basis in its existing Claim surrendered (excluding any amounts attributable to accrued but untaxed interest on the applicable existing Claim), increased by the amount of any gain recognized pursuant to such exchange and decreased by the cash and fair market value of any other consideration received. A U.S. Holder's holding period for its interest in the Exit RCF Facility received should include the holding period for the Claim exchanged therefor.

If (a) the Restructuring Transactions are structured as a Taxable Transaction or Sale, (b) the Allowed FLFO RCF Claims do not constitute "securities" for U.S. federal income tax purposes, (c) the Exit RCF Facility does not constitute a "security" for U.S. federal income tax purposes, or (d) the issuer of the Exit RCF Facility is not the same entity as the Debtor against which the Allowed FLFO RCF Claims are asserted (or an entity that is a "party to a reorganization" with such Debtor), then, other than with respect to any amounts received that are attributable to accrued but untaxed interest, each U.S. Holder of an Allowed FLFO RCF Claims will be treated as receiving its distribution under the Plan in a taxable exchange under section 1001 of the IRC. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the U.S. Holder should recognize gain or loss in an amount equal to the difference, if any, between (a) the sum of (i) the issue price of the Exit RCF Facility and (ii) the cash and fair market value of any other consideration received and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued but untaxed interest and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations. The holding period for the non-cash consideration received in the exchange should begin on the day following the date the U.S. Holder receives such non-cash consideration. A U.S. Holder should obtain a tax basis in the Exit RCF Facility equal to its issue price.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but untaxed interest or market discount, which differs from the treatment described above, is discussed below.

3. Consequences of the Restructuring Transactions to U.S. Holders of Allowed FLSO Term Loan Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed FLSO Term Loan Claim will receive its *pro rata* share of, (a) in the event of the Recapitalization Transaction or Taxable Transaction, a certain percentage of the Reorganized Equity issued pursuant to the Plan on the Effective Date, subject to dilution

on account of the Management Incentive Plan, and (b) in the event of the Sale, the Net Distributable Cash, subject to payment in full in Cash of the FLFO Term Loan Claims and subject to the terms of the STG Distribution Credit Agreement.

In a Recapitalization Transaction or Taxable Transaction, the entity issuing the Reorganized Equity under the Plan will not be the same entity as the Debtor against which the Allowed FLSO Term Loan Claims are asserted (or an entity that is a "party to a reorganization" with such Debtor for U.S. federal income tax purposes). Accordingly, in all scenarios of the Restructuring Transactions, the exchange of such Claims should generally be treated as a taxable exchange pursuant to section 1001 of the IRC. A U.S. Holder of Allowed FLSO Term Loan Claim generally should recognize gain or loss equal to (a) the fair market value of the Reorganized Equity or Cash received less (b) the U.S. Holder's adjusted tax basis in its Allowed FLSO Term Loan Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Allowed FLSO Term Loan Claim in such U.S. Holder's hands, whether such Claim constitutes a capital asset in the hands of the U.S. Holder, whether such Claim was purchased at a discount, and whether and to what extent the U.S. Holder has previously claimed a bad debt deduction with respect to such Claim. If recognized gain or loss is capital gain or loss, it would generally constitute long-term capital gain or loss if the U.S. Holder has held such Claim for longer than one year. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations. A U.S. Holder should obtain a tax basis in the Reorganized Equity equal to the fair market value of the Reorganized Equity as of the date such Reorganized Equity is distributed to such U.S. Holder. The holding period for any such Reorganized Equity should begin on the day following the receipt of such Reorganized Equity.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but untaxed interest or market discount, which differs from the treatment described above, is discussed below.

4. Consequences of the Restructuring Transactions to U.S. Holders of Allowed Reception Purchaser First Lien Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed Reception Purchaser First Lien Claim will receive its *pro rata* share of, (a) in the event of the Recapitalization Transaction or Taxable Transaction, certain amount of Reorganized Equity issued pursuant to the Plan on the Effective Date, subject to the Allocation Condition, and (b) in the event of the Sale, the Net Distributable Cash, solely attributable to such Holder's collateral underlying such Allowed Reception Purchaser First Lien Claim and subject to the Allocation Condition.

In a Recapitalization Transaction or Taxable Transaction, the entity issuing the Reorganized Equity under the Plan will not be the same entity as the Debtor against which the Allowed Reception Purchaser First Lien Claim are asserted (or an entity that is a "party to a reorganization" with such Debtor for U.S. federal income tax purposes). Accordingly, in all scenarios of the Restructuring Transactions, the exchange of such Claims should generally be treated as a taxable exchange pursuant to section 1001 of the IRC. A U.S. Holder of Allowed Reception Purchaser First Lien Claim generally should recognize gain or loss equal to (a) the fair market value of the Reorganized Equity or Cash (if applicable) and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it

generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. The holding period for the non-Cash consideration received in the exchange should begin on the day following the date the U.S. Holder receives such non-Cash consideration. A U.S. Holder should obtain a tax basis in the Reorganized Equity equal to its fair market value.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but unpaid interest or market discount, which differs from the treatment described above, is discussed below.

5. Consequences of the Restructuring Transactions to U.S. Holders of Allowed Convenience Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed Convenience Claim will receive its *pro rata* share of the Convenience Claims Cash Pool.

The exchange of such Claims should generally be treated as a taxable exchange pursuant to section 1001 of the IRC. A U.S. Holder of Allowed Convenience Claims generally should recognize gain or loss equal to the difference between (a) the amount of Cash received (subject to the discussion of "Accrued Interest" below) and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. To the extent that a portion of the consideration received in exchange for its Claim is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income. See the discussions of "Accrued Interest" and "Market Discount" below.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but unpaid interest or market discount, which differs from the treatment described above, is discussed below.

6. Consequences of the Restructuring Transactions to U.S. Holders of Allowed Auto Liability Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed Auto Liability Claim will receive its *pro rata* share of, (a) if the Recapitalization Transaction or Taxable Transaction occurs, subject to the Second Out Condition, treatment rendering its Allowed Auto Liability Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code; or (ii) in the event of the Sale, Net Distributable Cash, subject to payment in full in Cash of the FLTO Term Loan Claims. The Recapitalization Transaction or Taxable Transaction is not expected to have any U.S. federal income tax consequences to a U.S. Holder of an Allowed Auto Liability Claim. In the event of the Sale, the U.S. federal income tax consequences to a U.S. Holder of an Allowed Auto Liability Claim of the receipt of Cash will depend, in part, on the nature of the original automative liability claim. Accordingly, U.S. Holders of Allowed Auto Liability Claims are urged to consult their tax advisors regarding the tax consequences of the Sale based on their particular facts.

7. Accrued Interest.

To the extent that the fair market value of the consideration received by a U.S. Holder on an exchange of its Allowed Claim under the Plan is attributable to accrued but unpaid interest on such Allowed

Claim, the receipt of such amount generally should be taxable to the U.S. Holder as ordinary interest income (to the extent such amount was not previously included in the gross income of such U.S. Holder). Conversely, a U.S. Holder of an Allowed Claim may be able to deduct a loss to the extent that any accrued interest on such debt instruments was previously included in the U.S. Holder's gross income but was not paid in full by the Debtors. Such loss may be ordinary, but the tax law is unclear on this point.

If the fair market value of the consideration received by a U.S. Holder of an Allowed Claim under the Plan is not sufficient to fully satisfy all principal and interest on its Allowed Claim, the extent to which such consideration will be attributable to accrued interest is unclear. Under the Plan, the aggregate consideration distributed to U.S. Holders will be allocated first to the principal amount of the Allowed Claim, with any excess allocated to accrued but unpaid interest, if any, on such U.S. Holder's Allowed Claims. Certain legislative history indicates that an allocation of consideration between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, and certain case law generally indicates that a final payment on a distressed debt instrument that is insufficient to repay outstanding principal and interest will be allocated first to principal, rather than interest. Certain Treasury Regulations, however, allocates payments first to any accrued but unpaid interest. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Plan.

U.S. Holders of Allowed Claims are urged to consult their own tax advisors regarding the proper allocation of the consideration received by them under the Plan.

8. Market Discount.

Under the "market discount" provisions of the IRC, some or all of any gain realized by a U.S. Holder of an Allowed Claim who exchanges such Allowed Claim for an amount on the Effective Date may be treated as ordinary income (instead of capital gain), to the extent of the amount of "market discount" on such exchanged Allowed Claim. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if the U.S. Holder's adjusted tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with original issue discount, its adjusted issue price, by at least a *de minimis* amount (equal to ¼ of 1 percent of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the remaining number of complete years to maturity).

Any gain recognized by a U.S. Holder on the disposition of an Allowed Claim (determined as described above) which was acquired with market discount should be treated as ordinary income to the extent of the amount of market discount that accrued thereon while such Allowed Claim was treated as held by such U.S. Holder (unless such U.S. Holder elected to include such amount of market discount in income as it accrued). To the extent that a U.S. Holder exchanges any Allowed Claim that was acquired with market discount in a tax-free transaction for other property, any market discount that accrued on such Allowed Claim (*i.e.*, up to the time of the exchange), but was not recognized by such U.S. Holder, is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption, or other disposition of such property is treated as ordinary income to the extent of such accrued, but not recognized, market discount.

U.S. Holders of Allowed Claims are urged to consult their own tax advisors concerning the application of the market discount rules to their Allowed Claim.

9. Consequences to U.S. Holders of the Ownership and Disposition of Reorganized Equity.

a. Dividends on Reorganized Equity.

Any distributions made on account of the Reorganized Equity will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Post-Effective Date STG as determined under U.S. federal income tax principles. "Qualified dividend income" received by an individual U.S. Holder is subject to preferential tax rates. To the extent that a U.S. Holder receives distributions that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the U.S. Holder's basis in its shares of the Reorganized Equity. Any such distributions in excess of the U.S. Holder's basis in its shares of the Reorganized Equity (determined on a share-by-share basis) generally will be treated as capital gain.

Subject to applicable limitations, distributions treated as dividends paid to U.S. Holders that are corporations generally will be eligible for the dividends-received deduction so long as Post-Effective Date STG has sufficient earnings and profits and certain holding period requirements are satisfied. The length of time that a U.S. Holder has held its stock is reduced for any period during which such U.S. Holder's risk of loss with respect to the stock is diminished by reason of the existence of certain options, contracts to sell, short sales, or similar transactions. In addition, to the extent that a corporation incurs indebtedness that is directly attributable to an investment in the stock on which the dividend is paid, all or a portion of the dividends-received deduction may be disallowed.

b. Sale, Redemption, or Repurchase of Reorganized Equity.

Unless a non-recognition provision applies, U.S. Holders generally will recognize capital gain or loss upon the sale, redemption, or other taxable disposition of the Reorganized Equity. Such capital gain generally will be long-term capital gain if at the time of the sale, exchange, retirement, or other taxable disposition, the U.S. Holder has held the Reorganized Equity for more than one year. Long-term capital gains of an individual taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations as described below. Under the recapture rules of section 108(e)(7) of the IRC, a U.S. Holder may be required to treat gain recognized on the taxable disposition of the Reorganized Equity as ordinary income if such U.S. Holder took a bad debt deduction with respect to its Claims or recognized an ordinary loss on the exchange of its Claims for Reorganized Equity.

10. Consequences to U.S. Holders of Ownership and Disposition of the Exit RCF Facility.

The following discussion assumes that the "contingent payment debt instrument" rules do not apply to the Exit RCF Facility and the exchange of the Allowed FLFO RCF Claims for the Exit RCF Facility will constitute a "significant modification." U.S. Holders should consult their own tax advisors regarding the application of these rules.

a. Payments of Qualified Stated Interest.

Payments or accruals of "qualified stated interest" (as defined below) on the Exit RCF Facility will be includible in the U.S. Holder's gross income as ordinary interest income and taxable at the time that such payments are accrued or are received in accordance with such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. The term "qualified stated interest" generally means stated interest that is unconditionally payable in Cash or property (other than debt instruments of the issuer) at least annually during the entire term of the Exit RCF Facility, at a single fixed rate of interest, or, subject to certain conditions, based on one or more interest indices.

b. Issue Price.

As a general matter, and subject to the "investment unit" rules discussed below, in determining the "issue price" of the Exit RCF Facility, (a) if the Exit RCF Facility is "publicly traded," then the trading value of the Exit RCF Facility determines its issue price; (b) if the Exit RCF Facility is not "publicly traded," but the Allowed FLFO RCF Claims exchanged for the Exit RCF Facility is "publicly traded," the trading value of the Allowed FLFO RCF Claims exchanged for the Exit RCF Facility determines its issue price (unless such trading values represent mere indicative quotes and a position is established that demonstrates that such indicative quote materially misrepresented the fair market value of such property); and (c) if neither the Exit RCF Facility nor the Allowed FLFO RCF Claims exchanged for the Exit RCF Facility is "publicly traded," the issue price of the Exit RCF Facility would be its stated redemption price at maturity.

The Debtors have not yet determined how they will apply the investment unit rules to the circumstances presented here. If the investment unit rules will apply in this circumstance, an issuer's allocation of the issue price of an investment unit generally is binding on all U.S. Holders of the investment unit unless a U.S. Holder explicitly discloses a different allocation on a timely filed income tax return for the taxable year that includes the acquisition date of the investment unit.

c. Original Issue Discount (OID).

A debt instrument may be treated as issued with OID for U.S. federal income tax purposes if its issue price is less than its stated redemption price at maturity by more than a de minimis amount. A debt instrument's stated redemption price at maturity includes all principal and interest payable over the term of the debt instrument, other than "qualified stated interest."

For purposes of determining whether there is OID, the de minimis amount is generally equal to ¼ of 1 percent of the stated redemption price at maturity of the applicable debt instrument multiplied by the number of complete years to maturity from the original issue date, or if the debt instrument provides for payments other than payments of qualified stated interest before maturity, multiplied by the weighted average maturity of the debt instrument (as determined under applicable Treasury Regulations). If the Exit RCF Facility is treated as issued with OID, a U.S. Holder generally (i) will be required to include the OID in gross income as ordinary interest income as it accrues on a constant yield to maturity basis over the term of the Exit RCF Facility, in advance of the receipt of the cash attributable to such OID and regardless of the U.S. Holder's method of accounting for U.S. federal income tax purposes, but (ii) will not be required to recognize additional income upon the receipt of any cash payment on the Exit RCF Facility that is attributable to previously accrued OID that has been included in its income. If the amount of OID on the Exit RCF Facility is de minimis, rather than being characterized as interest, any payment attributable to the de minimis OID generally will be treated as gain from the sale of the Exit RCF Facility, and a pro rata amount of such de minimis OID must be included in income as principal payments are received on the Exit RCF Facility.

d. Acquisition Premium or Amortizable Bond Premium on Exit RCF Facility.

If a U.S. Holder's initial tax basis in the Exit RCF Facility is greater than the issue price of such debt but less than the stated principal amount of such debt, such Exit RCF Facility will have an "acquisition premium." Under the acquisition premium rules, the amount of OID that must be included in gross income with respect to the applicable Exit RCF Facility for any taxable year will be reduced by the portion of the acquisition premium properly allocable to that year. Alternatively, if a U.S. Holder's initial tax basis in the Exit RCF Facility exceeds its stated principal amount, the U.S. Holder will be considered to have acquired the Exit RCF Facility with "amortizable bond premium" and will not be required to include any OID in income. A U.S. Holder may generally elect to amortize the bond premium over the remaining term of the

Exit RCF Facility on a constant yield method as an offset to stated interest when includible in income under such Holder's regular accounting method. If a U.S. Holder elects to amortize bond premium, such Holder must reduce its tax basis in the Exit RCF Facility by the amount of the premium used to offset stated interest. If a U.S. Holder does not elect to amortize the bond premium, that premium will decrease the gain or increase the loss otherwise recognized on disposition of the Exit RCF Facility. If a U.S. Holder's initial tax basis in the Exit RCF Facility is less than the issue price of such debt, see the "market discount" discussion and "*Consequences to U.S. Holders of Ownership and Disposition of the Exit RCF Facility - Original Issue Discount (OID)*" above.

e. Sale, Taxable Exchange or other Taxable Disposition.

Upon the disposition of the Exit RCF Facility by sale, exchange, retirement, redemption or other taxable disposition, a U.S. Holder will generally recognize gain or loss equal to the difference, if any, between (a) the amount realized on the disposition (other than amounts attributable to accrued but unpaid interest, which will be taxed as ordinary interest income to the extent not previously so taxed) and (b) the U.S. Holder's adjusted tax basis in the Exit RCF Facility, as applicable. The calculation of a U.S. Holder's adjusted tax basis in the Exit RCF Facility is discussed above. A U.S. Holder's adjusted tax basis will generally be increased by any accrued OID previously included in such U.S. Holder's gross income. A U.S. Holder's gain or loss will generally constitute capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the Exit RCF Facility for longer than one year. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations.

D. Certain U.S. Federal Income Tax Consequences of the Plan to Non-U.S. Holders of Allowed Claims Entitled to Vote.

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan and includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders of Allowed Claims entitled to vote. This discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal, state, local, non-U.S., and non-income tax consequences of the consummation of the Plan to such Non-U.S. Holder and the ownership and disposition of the consideration received under the Plan.

1. Consequences to Non-U.S. Holders of the Restructuring Transactions.

Whether a Non-U.S. Holder realizes gain or loss on the exchange of any Allowed Claims and the amount of such gain or loss is generally determined in the same manner as set forth above in connection with U.S. Holders holding the same class of Claims. Any gain realized by a Non-U.S. Holder of Allowed Claims entitled to vote on the exchange of its Claim (other than any gain attributable to accrued but untaxed interest, which will be taxable in the same manner as described below in "*Accrued Interest*") generally will not be subject to U.S. federal income taxation unless (a) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the Restructuring Transactions occur and certain other conditions are met or (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and, if an applicable income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital

losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain realized on the exchange if such gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States in the same manner as a U.S. Holder. In order to claim an exemption from withholding tax, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or suitable substitute or successor form or such other form as the IRS may prescribe). In addition, if such a Non-U.S. Holder is classified as a corporation for U.S. federal income tax purposes, it may be subject to a branch profits tax equal to 30 percent (or such lower rate provided by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. Accrued Interest.

Subject to the discussion of FATCA below, payments to a Non-U.S. Holder that are attributable to accrued but untaxed interest with respect to Allowed Claims generally will not be subject to U.S. federal income or withholding tax, *provided* that the Non-U.S. Holder provides to the withholding agent, prior to receipt of such payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person, unless:

(a) the Non-U.S. Holder actually or constructively owns 10 percent or more of the total combined voting power of all classes of Debtor's stock entitled to vote;

(b) the Non-U.S. Holder is a "controlled foreign corporation" that is a "related person" with respect to Debtor (each, within the meaning of the IRC);

(c) the non-U.S. Holder is a bank receiving interest described in section 881(c)(3)(A) of the IRC; or

(d) such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (x) generally will not be subject to withholding tax, but (y) will be subject to U.S. federal income tax on a net basis generally in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued interest at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

A Non-U.S. Holder that does not qualify for the exemption from withholding tax with respect to accrued but untaxed interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30 percent rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on any payments that are attributable to accrued but untaxed interest. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business. As described above in more detail under the heading "*Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders of Allowed Claims Entitled to Vote - Accrued Interest*," the aggregate consideration to be distributed to holders of Allowed Claims in each Class will be allocated first to the principal amount of such Allowed Claims, with any excess allocated to accrued but unpaid interest on such Allowed Claims, if any.

3. Consequences to Non-U.S. Holders of the Ownership and Disposition of Reorganized Equity.

a. Dividends.

Any distributions made with respect to Reorganized Equity (other than certain distributions of stock of Post-Effective Date STG) will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Post-Effective Date STG, as determined under U.S. federal income tax principles (and thereafter first as a tax-free return of capital which reduces basis and then, generally, capital gain). Except as described below, dividends paid with respect to Reorganized Equity held by a Non-U.S. Holder that are not income effectively connected with a trade or business in the U.S. ("ECI") (or, if an applicable income tax treaty applies, are not attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) will be subject to U.S. federal withholding tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under an applicable income tax treaty by filing IRS Form W-8BEN or W-8BEN-E, as applicable (or suitable substitute or successor form or such other form as the IRS may prescribe), upon which the Non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower applicable income tax treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to Reorganized Equity held by a Non-U.S. Holder that are ECI (and, if an applicable income tax treaty applies, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder, and a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty).

If Post-Effective Date Debtor is considered a "U.S. real property holding corporation" (a "USRPHC"), distributions to a Non-U.S. Holder will generally be subject to withholding by Post-Effective Date Debtor at a rate of 15 percent to the extent they are not treated as dividends. In general, a corporation would be a USRPHC with respect to a non-U.S. Holder if the fair market value of the corporation's U.S. real property interests (as defined in the IRC and applicable Treasury Regulations) equals or exceeds 50 percent of the aggregate of (a) the fair market value of its worldwide real property interests and (b) its other assets used or held for use in a trade or business (applying certain look-through rules to evaluate the assets of subsidiaries) at any time within the shorter of (a) the five-year period ending on the effective time of the applicable disposition or (b) the non-U.S. Holder's holding period for its interests in the corporation. In the event the Reorganized Equity is regularly traded on an established market, withholding would not be required if the Non-U.S. Holder does not directly or indirectly own (and has not directly or indirectly owned) more than 5 percent of the aggregate fair market value of the class of equity interests that includes the Reorganized Equity during a specified testing period. Exceptions to such withholding may also be available to the extent a Non-U.S. Holder furnishes a certificate qualifying such Non-U.S. Holder for a reduction or exemption of withholding pursuant to applicable Treasury Regulations. The Debtors have not determined if they are, or whether the Post-Effective Date Debtors will be, USRPHCs.

b. Sale, Redemption, or Repurchase of Reorganized Equity.

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a cash redemption) of the Reorganized Equity of Post-Effective Date STG unless:

(i) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met;

(ii) such gain is ECI (and, if an applicable income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); or

(iii) the issuer of such Reorganized Equity is or has been during a specified testing period a "USRPHC."

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of Reorganized Equity. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain in the same manner as a U.S. Holder, and a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty).

If the third exception applies, a non-U.S. Holder of Reorganized Equity generally will be subject to U.S. federal income tax on any gain recognized on the disposition of all or a portion of its Reorganized Equity under the Foreign Investment in Real Property Tax Act and the Treasury Regulations thereunder ("FIRPTA"). Taxable gain from a non-U.S. Holder's disposition of an interest in a USRPHC (generally equal to the difference between the amount realized and the non-U.S. Holder's adjusted tax basis in such interest) would constitute ECI. A non-U.S. Holder would also be subject to withholding tax equal to 15 percent of the amount realized on the disposition and generally required to file a U.S. federal income tax return. The amount of any such withholding may be allowed as a credit against the non-U.S. Holder's U.S. federal income tax liability and may entitle the non-U.S. Holder to a refund if the non-U.S. Holder properly and timely files a tax return with the IRS. As discussed above, the Debtors have not determined if they are, or whether the Post-Effective Date Debtors will be, USRPHCs.

In general, FIRPTA will not apply upon a non-U.S. Holder's disposition of its Reorganized Equity if (x) the Reorganized Equity is treated as "regularly traded" on an established market and continue to be regularly traded on an established market and (y) the non-U.S. Holder did not directly or indirectly own more than 5 percent of the value of the Reorganized Equity during a specified testing period.

4. Consequences to Non-U.S. Holders of Payments of Interest and of Owning and Disposing of the Exit RCF Facility.

The following discussion assumes that the "contingent payment debt instrument" rules do not apply to the Exit RCF Facility. Non-U.S. Holders should consult their own tax advisors regarding the application of these rules.

a. Payments of Interest.

Subject to the discussion of backup withholding and FATCA, interest income (which, for purposes of this discussion of Non-U.S. Holders, includes OID, if any) of a Non-U.S. Holder that is not effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder will qualify for the so-called "portfolio interest exemption" and, therefore, will not be subject to U.S. federal income tax or withholding, provided that:

- the Non-U.S. Holder does not own, actually or constructively, 10 percent or more of the interest in the Post-Effective Date Debtors within the meaning of section 871(h)(3) of the IRC and Treasury Regulations thereunder;

- the Non-U.S. Holder is not a controlled foreign corporation related to Post-Effective Date Debtors, actually or constructively through the ownership rules under section 864(d)(4) of the IRC;

- the Non-U.S. Holder is not a bank that is receiving the interest on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and

- the beneficial owner gives Post-Effective Date Debtors an appropriate IRS Form W-8 (or suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed establishing its status as a non-U.S. person.

If not all of these conditions are met, interest on the Exit RCF Facility paid to a Non-U.S. Holder that is not effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder will generally be subject to U.S. federal income tax and withholding at a 30 percent rate, unless an applicable income tax treaty reduces or eliminates such withholding and the Non-U.S. Holder claims the benefit of that applicable income tax treaty by providing an appropriate IRS Form W-8 (or a suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business.

If interest on the Exit RCF Facility is effectively connected with a trade or business in the United States carried on by the Non-U.S. Holder, the Non-U.S. Holder will be required to pay U.S. federal income tax on that interest on a net income basis generally in the same manner as a U.S. Holder (and the 30 percent withholding tax described above will not apply), *provided* the appropriate statement is provided to Post-Effective Date Debtors unless an applicable income tax treaty provides otherwise. To claim an exemption from withholding, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or suitable substitute or successor form or such other form as the IRS may prescribe). If a Non-U.S. Holder is eligible for the benefits of any applicable income tax treaty between the United States and its country of residence, any interest income that is ECI will be subject to U.S. federal income tax in the manner specified by the applicable income tax treaty if the Non-U.S. Holder claims the benefit of the applicable income tax treaty by providing an appropriate IRS Form W-8 (or a suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed. In addition, a corporate Non-U.S. Holder may, under certain circumstances, be subject to an additional branch profits tax at a 30 percent rate, or, if applicable, a lower applicable income tax treaty rate, on its effectively connected earnings and profits attributable to such interest (subject to adjustments).

The certifications described above must be provided to the applicable withholding agent prior to the payment of interest and, as applicable, must be updated periodically. Non-U.S. Holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

b. Sale, Taxable Exchange, or Other Disposition of the Exit RCF Facility.

A Non-U.S. Holder will generally not be subject to U.S. federal income tax on any gain realized on a sale, exchange, retirement, redemption or other taxable disposition of the Exit RCF Facility (other than any amount representing accrued but unpaid interest on the loan) unless:

- the gain is ECI (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment that such Non-U.S. Holder maintains in the United States); or

- in the case of a Non-U.S. Holder who is a nonresident alien individual, such Non-U.S. Holder is present in the United States for 183 or more days in the taxable year of disposition and certain other requirements are met.

If a Non-U.S. Holder falls under the first of these exceptions, unless an applicable income tax treaty provides otherwise, the Non-U.S. Holder will generally be taxed on the net gain derived from the disposition of the Exit RCF Facility under the graduated U.S. federal income tax rates that are applicable to U.S. Holders and, if the Non-U.S. Holder is a foreign corporation, it may also be subject to the branch profits tax described above. If an individual Non-U.S. Holder falls under the second of these exceptions, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (unless a lower applicable treaty rate applies) on the amount by which the gain derived from the disposition exceeds such Non-U.S. Holder's capital losses allocable to sources within the United States for the taxable year of the disposition.

5. FATCA.

Under legislation commonly referred to as the Foreign Account Tax Compliance Act ("FATCA"), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or could be subject to withholding at a rate of 30 percent on the receipt of "withholdable payments." For this purpose, "withholdable payments" are generally U.S.-source payments of fixed or determinable, annual or periodical income, and, subject to the paragraph immediately below, also include gross proceeds from the sale of any property of a type which can produce U.S.-source interest or dividends. FATCA withholding could apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding.

Withholding with respect to the gross proceeds of a disposition of any stock, debt instrument, or other property that can produce U.S.-source dividends or interest has been eliminated under proposed Treasury Regulations, which can be relied on until final regulations become effective.

Each Non-U.S. Holder is urged to consult its own tax advisor regarding the possible impact of FATCA withholding rules on such Non-U.S. Holder.

E. Information Reporting and Back-Up Withholding.

The Debtors and applicable withholding agents will withhold all amounts required by law to be withheld from payments of interest and dividends (or other payments), whether in connection with distributions under the Plan or in connection with payments made on account of consideration received pursuant to the Plan, and will comply with all applicable information reporting requirements. The IRS may make the information returns reporting such interest and dividends and withholding available to the tax authorities in the country in which a Non-U.S. Holder is resident. In general, information reporting requirements may apply to distributions or payments made to a Holder of a Claim under the Plan. Additionally, under the backup withholding rules, a Holder may be subject to backup withholding (currently at a rate of 24 percent) with respect to distributions or payments made pursuant to the Plan unless that

Holder: (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates that fact; or (b) timely provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the Holder is not subject to backup withholding (generally in the form of a properly executed IRS Form W-9 for a U.S. Holder, and, for a Non-U.S. Holder, in the form of a properly executed applicable IRS Form W-8 (or otherwise establishes such Non-U.S. Holder's eligibility for an exemption)). Backup withholding is not an additional tax but is, instead, an advance payment that may be refunded to the extent it results in an overpayment of tax; *provided* that the required information is timely provided to the IRS.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders subject to the Plan are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.

XIV. RECOMMENDATION OF THE DEBTORS.

In the opinion of the Debtors, the Plan is preferable to all other available alternatives and provides for a larger distribution to the Debtors' creditors than would otherwise result in any other scenario. Accordingly, the Debtors recommend that Holders of Claims entitled to vote on the Plan vote to accept the Plan and support Confirmation of the Plan.

Dated: April 14, 2026

STG Logistics, Inc.
on behalf of itself and all other Debtors

By: *Tyler Holtgreven*

Name: Tyler Holtgreven
Title: Chief Financial Officer

Exhibit A

Plan of Reorganization

[Filed at Docket No. 617]

Exhibit B

Restructuring Support Agreement

THIS RESTRUCTURING SUPPORT AGREEMENT IS NOT, DOES NOT CONSTITUTE, AND SHALL NOT BE CONSTRUED TO CONSTITUTE, AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

THIS RESTRUCTURING SUPPORT AGREEMENT IS THE PRODUCT OF SETTLEMENT DISCUSSIONS AMONG THE PARTIES HERETO. ACCORDINGLY, THIS RESTRUCTURING SUPPORT AGREEMENT IS PROTECTED BY RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND ANY OTHER APPLICABLE STATUTES OR DOCTRINES PROTECTING THE USE OR DISCLOSURE OF CONFIDENTIAL SETTLEMENT DISCUSSIONS.

THIS RESTRUCTURING SUPPORT AGREEMENT DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, REPRESENTATIONS, WARRANTIES, AND OTHER PROVISIONS WITH RESPECT TO THE RESTRUCTURING TRANSACTIONS DESCRIBED HEREIN, WHICH RESTRUCTURING TRANSACTIONS WILL BE SUBJECT TO THE COMPLETION OF THE DEFINITIVE DOCUMENTS INCORPORATING THE TERMS SET FORTH HEREIN, AND THE CLOSING OF ANY RESTRUCTURING TRANSACTION SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS AND THE APPROVAL RIGHTS OF THE PARTIES SET FORTH HEREIN AND IN SUCH DEFINITIVE DOCUMENTS, IN EACH CASE, SUBJECT TO THE TERMS HEREOF.

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT (including all exhibits, annexes, and schedules hereto in accordance with Section 13.02, this "**Agreement**") is made and entered into as of January 12, 2026 (the "**Execution Date**"), by and among the following parties (each of the following described in sub-clauses (i) through (vii) of this preamble, in their respective capacities as described in such sub-clauses, collectively, the "**Parties**"):[1]

[1] Capitalized terms used but not defined in the preamble and recitals to this Agreement have the meanings ascribed to them in Section 1 of this Agreement.

i. Reception Holdings, L.P., a company incorporated under the Laws of Delaware ("**Holdings**"), and each of its Affiliates listed on **Exhibit A** to this Agreement that have executed and delivered a counterpart signature page to this Agreement to counsel to the Consenting Stakeholders (the Entities in this clause (i), collectively, the "**Company Parties**");

ii. the undersigned holders (or beneficial holders) of, or nominees, investment advisors, sub-advisors, or managers of discretionary accounts that hold, FLFO Term Loan Claims that have executed and delivered a counterpart signature page to this Agreement, a Joinder, or a Transfer Agreement, as applicable, to counsel to the Company Parties (the Entities in this clause (ii), collectively, the "**Consenting FLFO Term Lenders**");

iii. the undersigned holders (or beneficial holders) of, or nominees, investment advisors, sub-advisors, or managers of discretionary accounts that hold, FLFO RCF Claims that have executed and delivered a counterpart signature page to this Agreement, a Joinder, or a Transfer Agreement, as applicable, to counsel to the Company Parties (the Entities in this clause (iii), collectively, the "**Consenting FLFO RCF Lenders**");

iv. the undersigned holders (or beneficial holders) of, or nominees, investment advisors, sub-advisors, or managers of discretionary accounts that hold, FLSO Term Loan Claims that have executed and delivered a counterpart signature page to this Agreement, a Joinder, or a Transfer Agreement, as applicable, to counsel to the Company Parties (the Entities in this clause (iv), collectively, the "**Consenting FLSO Term Lenders**");

v. the undersigned holders (or beneficial holders) of, or nominees, investment advisors, sub-advisors, or managers of discretionary accounts that hold, FLTO Term Loan Claims that have executed and delivered a counterpart signature page to this Agreement, a Joinder, or a Transfer Agreement, as applicable, to counsel to the Company Parties (the Entities in this clause (v), collectively, the "**Consenting FLTO Term Lenders**," and together with the Consenting FLFO Term Lenders, the Consenting FLFO RCF Lenders, and the Consenting FLSO Term Lenders, the "**Consenting Lenders**");

vi. each of undersigned Consenting Lenders that has committed to providing a Backstop Commitment, as set forth on **Schedule 1** hereto (the Entities in this clause (vi), collectively and in their capacities as such, the "**Backstop Parties**"); and

vii. Wind Point Partners AAV II, L.P. and certain of its affiliates (collectively, "**Wind Point**"), and Reception Oaktree Aggregator, L.P. and certain of its affiliates (collectively, "**Duration/Oaktree**"), in each Entity's capacity as a Holder of Company Claims/Equity Interests that has executed and delivered a counterpart signature page to this Agreement to counsel to the Company Parties (such Entities in this clause (vii), collectively, the "**Consenting Sponsors**" and, together with the Consenting Lenders and the Backstop Parties, the "**Consenting Stakeholders**").

RECITALS

WHEREAS, the Company Parties and the Consenting Stakeholders have in good faith and at arms' length negotiated or been apprised of certain restructuring, recapitalization, and/or sale transactions with respect to the Company Parties' business and capital structure on the terms set forth in this Agreement and as specified in the term sheet attached as **Exhibit B** hereto (including all exhibits, annexes, and schedules attached thereto, the "**Restructuring Term Sheet**" and, such transactions as described in this Agreement, to the extent applicable, the "**Restructuring Transactions**");

WHEREAS, the Company Parties intend to implement and consummate the Restructuring Transactions pursuant to the terms and conditions set forth in this Agreement, including through the commencement by the Debtors of voluntary cases under chapter 11 of the Bankruptcy Code in the Bankruptcy Court (the cases commenced, the "**Chapter 11 Cases**");

WHEREAS, each Backstop Party has agreed, severally and not jointly, to backstop (or cause to be backstopped by an Affiliate or Affiliates) a portion of the DIP Facility on the terms set forth herein; and

WHEREAS, the Parties have agreed to take certain actions in support of the Restructuring Transactions on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, intending to be legally bound hereby, agrees as follows:

AGREEMENT

Section 1. ***Definitions and Interpretation***.

1.01. Definitions. The following terms shall have the following definitions:

"**2024 Refinancing Transactions**" has the meaning set forth in the Restructuring Term Sheet.

"**Ad Hoc Group**" means that certain ad hoc group of Consenting Lenders listed on **Schedule 1** hereto represented by the Ad Hoc Group Advisors.

"**Ad Hoc Group Advisors**" means (a) Gibson, Dunn & Crutcher LLP, as counsel to the Ad Hoc Group, (b) Porzio, Bromberg & Newman, P.C., as counsel to the Ad Hoc Group, (c) Evercore Group L.L.C., as financial advisor to the Ad Hoc Group, (d) the Operational Consultant, and (e) any other professionals or advisors retained by the Ad Hoc Group in connection with the Restructuring Transactions.

"**Ad Hoc Group Restructuring Expenses**" means the reasonable and documented fees, costs, and out of pocket expenses of the Ad Hoc Group Advisors (including, in each case, fees and expenses incurred before, on, or after the Petition Date, to the extent applicable), in accordance

with their respective engagement letters or fee letters, if any, with the Company Parties and/or any applicable order of the Bankruptcy Court.

"**Additional DIP Lenders**" has the meaning set forth in the Restructuring Term Sheet.

"**Additional Supporting Lenders**" means the Consenting Lenders that are not members of the Ad Hoc Group.

"**Administrative Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**Affiliate**" has the meaning set forth in section 101(2) of the Bankruptcy Code as if such entity was a debtor in a case under the Bankruptcy Code.

"**Agent**" means any administrative agent, collateral agent, or similar Entity under the Reception Purchaser Credit Agreement or the STG Distribution Credit Agreement and including, in each case, any assigns or successors thereto.

"**Agreement Effective Date**" means the date on which the conditions set forth in Section 2 of this Agreement have been satisfied or waived by the appropriate Party or Parties in accordance with this Agreement.

"**Agreement Effective Period**" means, with respect to a Party, the period from the Agreement Effective Date (or, in the case of any Consenting Stakeholder that becomes a Party hereto after the Agreement Effective Date, as of the date such Consenting Stakeholder becomes a Party hereto) to the Termination Date applicable to such Party.

"**Allocation Condition**" has the meaning set forth in the Restructuring Term Sheet.

"**Allowed**" means, with respect to any Claim, except as otherwise provided herein: (a) a Claim that is evidenced by a proof of Claim timely Filed by the applicable bar date (or for which Claim a proof of Claim is not required under the Plan, the Bankruptcy Code, or a Final Order); (b) a Claim that is listed in the Debtors' schedules of assets and liabilities as not contingent, not unliquidated, and not disputed and for which no proof of Claim has been timely Filed; or (c) a Claim allowed pursuant to the Plan, any stipulation approved by the Bankruptcy Court, any contract, instrument, indenture, or other agreement entered into or assumed in connection with the Plan, or a Final Order; *provided*, with respect to a Claim described in clauses (a) and (b) above, such Claim shall be considered Allowed only if and to the extent that no objection to the allowance thereof has been interposed within the applicable period of time fixed by the Plan, the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court or, if such an objection is so interposed, such Claim shall have been Allowed by a Final Order.

"**Alternative Restructuring Proposal**" means any solicited or unsolicited, oral or written expression of interest, plan, inquiry, proposal, offer, bid, term sheet, discussion, or agreement with respect to a sale, disposition, new-money investment, restructuring, reorganization, workout, extension, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, liquidation, receivership, assignment for the benefit of creditors, winding up, sale, share issuance, consent solicitation, exchange offer, tender offer, recapitalization, plan of arrangement, reorganization, or liquidation, share exchange, business combination, joint venture,

debt incurrence (including, without limitation, any refinancing, debtor-in-possession financing or exit financing), or similar transaction involving any one or more Company Parties (including, for the avoidance of doubt, a transaction premised on a sale of assets under section 363 of the Bankruptcy Code), or the debt, equity, or other interests in any one or more Company Parties or any Affiliates of the Company Parties other than the Restructuring Transactions; *provided*, *however*, that a Sale (or actions undertaken in connection therewith) solely as contemplated pursuant to, and in accordance with, the Restructuring Term Sheet and the Bidding Procedures Order, shall not constitute an Alternative Restructuring Proposal.

"**Backstop Commitment**" means, with the respect to each Backstop Party, the amount of the DIP Facility to be backstopped (or caused to be backstopped by an Affiliate or Affiliates) by such Backstop Party pursuant to the terms of the DIP Documents.

"**Backstop Parties**" has the meaning set forth in the recitals to this Agreement.

"**Bankruptcy Code**" means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as now in effect and hereafter amended.

"**Bankruptcy Court**" means the United States Bankruptcy Court for the District of New Jersey, or any other United States Bankruptcy Court with jurisdiction over the Chapter 11 Cases.

"**Bankruptcy Rules**" means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code, as applicable to the Chapter 11 Cases and the general, local, and chambers rules of the Bankruptcy Court.

"**Bidding Procedures**" means the bidding procedures governing the submission and evaluation of bids in connection with the Sale, attached as Exhibit 1 to the Bidding Procedures Order.

"**Bidding Procedures Motion**" has the meaning set forth in the Restructuring Term Sheet.

"**Bidding Procedures Order**" means an order of the Bankruptcy Court approving the Bidding Procedures Motion.

"**Business Day**" means any day other than a Saturday, Sunday, "legal holiday" (as defined in Bankruptcy Rule 9006(a)) or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state of New York. When a period of days under this Agreement ends on a day that is not a Business Day, then such period shall be extended to the specified hour of the following Business Day.

"**Cash**" means cash and cash equivalents, including bank deposits, checks, and other similar items in the legal tender of the United States of America.

"**Cash Collateral**" has the meaning set forth in section 363(a) of the Bankruptcy Code.

"**Cause of Action**" means any action, claim, cross-claim, third-party claim, cause of action, controversy, dispute, demand, right, Lien, indemnity, contribution, guaranty, suit, obligation,

liability, loss, debt, fee or expense, damage, interest, judgment, cost, account, defense, remedy, offset, power, privilege, proceeding, license, and franchise of any kind or character whatsoever, known, unknown, foreseen or unforeseen, existing or hereafter arising, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively (including any alter ego theories), whether arising before, on, or after the Petition Date, in contract or in tort, in Law or in equity, or pursuant to any other theory of Law (including under any state or federal securities laws). Causes of Action include: (a) any right of setoff, counterclaim, or recoupment and any claim for breach of contract or for breach of duties imposed by Law or in equity, (b) the right to object to Claims or Equity Interests, (c) any claim pursuant to section 362 or chapter 5 of the Bankruptcy Code, (d) any claim or defense including fraud, mistake, duress, usury, and any other defenses set forth in section 558 of the Bankruptcy Code, and (e) any state Law fraudulent transfer claim.

"**Chapter 11 Cases**" has the meaning set forth in the recitals to this Agreement.

"**Claim**" means any claim, as defined in section 101(5) of the Bankruptcy Code, against any of the Company Parties.

"**Company Claim/Equity Interest**" means any Claim against, or Equity Interest in, any of the Company Parties, including the FLFO Term Loan Claims, the FLFO RCF Claims, the FLSO Term Loan Claims, FLTO Term Loan Claims, and the Reception Purchaser Claims.

"**Company Parties**" has the meaning set forth in the preamble to this Agreement.

"**Confidentiality Agreement**" means an executed confidentiality agreement, including with respect to the issuance of a "cleansing letter" or other public disclosure of material non-public information agreement, in connection with any proposed Restructuring Transactions.

"**Confirmation**" means the Bankruptcy Court's entry of the Confirmation Order.

"**Confirmation Date**" means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases within the meaning of Bankruptcy Rules 5003 and 9021.

"**Confirmation Order**" means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which shall be in accordance with this Agreement and the Definitive Documents.

"**Consenting FLFO RCF Lenders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting FLFO Term Lenders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting FLSO Term Lenders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting FLTO Term Lenders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting Lenders**" has the meaning set forth in the preamble to this Agreement. For the avoidance of doubt, Consenting Lenders are composed of the Ad Hoc Group and the Additional Supporting Lenders.

"**Consenting Sponsor Advisors**" means (i) Ropes & Gray LLP, as counsel to Wind Point and (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as counsel to Duration/Oaktree, and (c) any other professionals or advisors retained by any Consenting Sponsor in connection with the Restructuring Transactions with the prior written consent of the Company Parties.

"**Consenting Sponsors**" has the meaning set forth in the preamble to this Agreement.

"**Consenting Stakeholders**" has the meaning set forth in the preamble to this Agreement.

"**Consummation**" means the occurrence of the Effective Date.

"**Credit Bid**" has the meaning set forth in the Restructuring Term Sheet.

"**Debtors**" means, collectively, the Company Parties that commence the Chapter 11 Cases.

"**Definitive Documents**" means all definitive documents, instruments, deeds, notifications, agreements, and filings related to the documentation, implementation, and consummation of the Restructuring Transactions, and all modifications thereof, including, without limitation: (a) the DIP Documents and any motions seeking entry of the DIP Orders; (b) the New Governance Documents, including all documents governing or implementing the Reorganized Equity; (c) the Takeback Term Loan Facility Documents; (d) the Exit RCF Facility Documents; (e) the MIP Documents and any and all agreements or documents governing any key employee incentive or retentive programs, including employment and/or other benefit or severance agreements; (f) the Plan; (g) the Confirmation Order; (h) the Disclosure Statement; (i) the Disclosure Statement Order and the other Solicitation Materials; (j) the First Day Pleadings and all orders sought pursuant thereto; (k) the Second Day Pleadings and all orders sought pursuant thereto; (l) the Takeback Equipment Financing Agreements; (m) any Sale Documents; (n) the Plan Supplement; (o) all filings and requests for regulatory or other approvals from any governmental entity or unit necessary to be obtained by the Company Parties to implement the Restructuring Transactions; and (p) all other pleadings, motions, orders, filings, documents, and agreements Filed by the Company Parties related to the Restructuring Transactions; and, in each case, any amendments, modifications, and supplements thereto; *provided* that, for the avoidance of doubt, in no event shall any retention application of any professional retained by the Debtors, or any supplement or modification thereto, be considered Definitive Documents.

"**DIP Budget**" means that certain "rolling" thirteen week budget prepared by the Company Parties in accordance with the DIP Documents.

"**DIP Claim**" means any Claim against any Debtor derived from, based upon, or arising under the DIP Facility, the DIP Credit Agreement (including accrued but unpaid interest and fees

arising under the DIP Credit Agreement), or the other DIP Documents, payable on the terms provided for in the DIP Documents.

"**DIP Credit Agreement**" means that certain debtor-in-possession credit and guaranty agreement attached as Exhibit B to the Restructuring Term Sheet (as amended, restated, supplemented, or otherwise modified from time to time).

"**DIP Documents**" means any documents governing the DIP Facilities, including, without limitation, the DIP Orders, the DIP Budget, the DIP Credit Agreement, and any amendments, modifications, and supplements thereto, and together with any related notes, certificates, agreements, security agreements, documents, fee letters, guarantees and instruments (including any amendments, restatements, supplements, or modifications of any of the foregoing) related to or executed in connection therewith.

"**DIP Facility**" means the superpriority senior secured debtor in possession credit facility to be provided to the Debtors on the terms and conditions set forth in the DIP Credit Agreement.

"**DIP Lenders**" means, collectively, the Additional DIP Lenders and the Backstop Parties.

"**DIP Loans**" means the loans provided under the DIP Facility.

"**DIP Orders**" means, collectively, the Interim DIP Order and the Final DIP Order.

"**Disclosure Statement**" means the disclosure statement in respect of the Plan, including all exhibits and schedules thereto, each as may be amended, supplemented, or modified from time to time.

"**Disclosure Statement Order**" means any order of the Bankruptcy Court approving the adequacy of the Disclosure Statement.

"**Effective Date**" means the date on which (a) no stay of the Confirmation Order is in effect, (b) all conditions precedent to the occurrence of the effectiveness of the Plan have been satisfied or waived in accordance with its terms, (c) the Plan has been substantially consummated, and (d) a notice of the effective date of the Plan is Filed on the docket of the Chapter 11 Cases.

"**Entity**" has the meaning set forth in section 101(15) of the Bankruptcy Code.

"**Equipment Financing**" means any lease by and between one or more of the Debtors and the respective lessors thereunder, whereby the applicable Debtor leases the right to exclusive possession of certain equipment for a definite term, at the end of which term such Debtor (a) is obligated to purchase the equipment outright or (b) may purchase the equipment for a nominal fee.

"**Equity Interests**" means, collectively, the shares (or any class thereof), common stock, preferred stock, limited liability company interests, equity security (as defined in section 101(16) of the Bankruptcy Code) partnership interests, membership interests, and any other equity, ownership, or profits interests of any Company Party (regardless of whether such interests are held directly or indirectly) and options, warrants, rights, stock appreciation rights, phantom units, incentives, commitments, calls, redemption rights, repurchase rights, or other Securities or

agreements to acquire or subscribe for, or which are convertible into, or exercisable or exchangeable for, the shares (or any class thereof) of, common stock, preferred stock, limited liability company interests, partnership interests, membership interests, or any other equity, ownership, or profits interests of any Company Party (in each case whether or not arising under or in connection with any employment agreement and regardless of whether such equity interests are held directly or indirectly).

"**Estate**" means, as to each Debtor, the estate created for the Debtor in its Chapter 11 Case pursuant to section 541 of the Bankruptcy Code upon the commencement of such Debtor's Chapter 11 Case.

"**Execution Date**" has the meaning set forth in the preamble to this Agreement.

"**Executory Contract**" means a contract to which one or more of the Debtors are a party and that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

"**Existing Governance Documents**" means, as applicable, the organizational and governance documents for the Company Parties and their respective direct and indirect subsidiaries, including without limitation, certificates of incorporation, certificates of formation or certificates of limited partnership (or equivalent organizational documents), bylaws, limited liability company agreements, shareholder agreements, (or equivalent governing documents).

"**Exit RCF Commitment**" has the meaning set forth in the Restructuring Term Sheet.

"**Exit RCF Facility**" has the meaning set forth in the Restructuring Term Sheet.

"**Exit RCF Facility Documents**" means the credit agreements governing the Exit RCF Facility and any other agreements, documents, and instruments delivered or entered into in connection therewith, including, without limitation, any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents, which may be the Takeback Term Loan Facility Documents.

"**File**" or "**Filed**" means file, filed, or filing with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

"**Final DIP Order**" means an order of the Bankruptcy Court authorizing the Debtors' entry into the DIP Facility and use of Cash Collateral on a final basis, which shall be consistent with this Agreement.

"**Final Order**" means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter that has not been reversed, vacated, stayed, modified, or amended and as to which the time to appeal, seek certiorari, or move for a new trial, reargument, or rehearing has expired and no appeal, petition for certiorari, or other proceeding for a new trial, reargument, or rehearing thereof has been timely sought, or, if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought, such order or judgment shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument, or rehearing shall have been denied, or resulted in no modification of such order, and the time to take any further appeal, petition for

certiorari, or move for a new trial, reargument, or rehearing shall have expired; *provided, however*, that no order or judgment shall fail to be a "Final Order" solely because of the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure or any analogous Bankruptcy Rule (or any analogous rules applicable in another court of competent jurisdiction) or sections 502(j) or 1144 of the Bankruptcy Code has been or may be filed with respect to such order or judgment.

"**First Day Pleadings**" means those certain pleadings Filed by the Debtors contemporaneously with the voluntary petitions on the Petition Date that the Company Parties, with the consent of the Required Consenting FLFO Term Lenders (such consent not to be unreasonably withheld, conditioned, or delayed), determine are necessary or desirable to File.

"**FLFO RCF**" means that certain revolving credit facility documented as "Revolving Loan Commitments" under, and as defined in, the STG Distribution Credit Agreement.

"**FLFO RCF Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**FLFO Term Loan Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**FLFO Term Loans**" has the meaning set forth in the Restructuring Term Sheet.

"**FLSO Term Loan Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**FLSO Term Loans**" has the meaning set forth in the Restructuring Term Sheet.

"**FLTO Term Loan Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**FLTO Term Loans**" has the meaning set forth in the Restructuring Term Sheet.

"**Funded Debt Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**General Unsecured Claim**" means any Claim that is not: (a) an Administrative Claim; (b) a Claim by a professional seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred through and including the Confirmation Date under sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code; (c) a Priority Tax Claim; (d) a DIP Claim; (e) an Other Secured Claim; (f) an Other Priority Claim; (g) a Funded Debt Claim; (h) an Intercompany Claim; (i) an Intercompany Notes Claim; or (j) paid in full prior to the Effective Date pursuant to an order of the Bankruptcy Court.

"**Governmental Unit**" means any governmental unit, as defined in section 101(27) of the Bankruptcy Code.

"**Holder**" means an Entity holding a Claim against, or an Equity Interest in, any Debtor, as applicable.

"**Intercompany Claim**" means any Claim against a Debtor held by another Debtor, excluding Intercompany Notes Claims.

"**Intercompany Credit Agreement**" means that certain Intercompany Credit Agreement, dated as of October 3, 2024, as amended, restated, amended and restated, supplemented, and/or otherwise modified from time to time, by and among Reception Purchaser, LLC, as the Borrower, Reception Mezzanine Holdings, LLC, as Holdings, the other persons party thereto that are designated as credit parties, Wilmington Savings Fund Society, FSB, as the Agent for the Lender, and STG Distribution, LLC, as the Lender.

"**Intercompany Interest**" means, other than an Equity Interest, any shares (or any class thereof), common stock, preferred stock, limited liability company interests, equity security (as defined in section 101(16) of the Bankruptcy Code), and any other equity, ownership, profits interests, puts, options, warrants, rights, or other Securities or agreements to acquire or subscribe for, or which are convertible into the shares (or any class thereof) of, common stock, preferred stock, limited liability company interests, or other equity, ownership, or profits interests in a Debtor held by another Debtor.

"**Intercompany Notes Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**Interim DIP Order**" means an order of the Bankruptcy Court authorizing the Debtors' entry into the DIP Facility and use of Cash Collateral on an interim basis, which shall be consistent with this Agreement.

"**Investigation**" means the Special Committee's independent investigation regarding any potential Estate claims or Causes of Action.

"**Joinder**" means an executed joinder to this Agreement substantially in the form attached hereto as **Exhibit D**. Any Person or Entity that executes a Joinder shall be a "Party" under this Agreement.

"**Law**" means any federal, state, local, or foreign law (including common law), statute, code, ordinance, rule, regulation, decree, injunction, order, ruling, assessment, writ, or other legal requirement or judgment, in each case, that is validly adopted, promulgated, issued, or entered by a governmental authority of competent jurisdiction (including the Bankruptcy Court).

"**Lien**" means a lien as defined in section 101(37) of the Bankruptcy Code.

"**Litigation Condition**" has the meaning set forth in the Restructuring Term Sheet.

"**Management Incentive Plan**" has the meaning set forth in the Restructuring Term Sheet.

"**Milestones**" means the milestones set forth in the Restructuring Term Sheet.

"**MIP Documents**" means all documents governing the Management Incentive Plan.

"**New Governance Documents**" has the meaning set forth in the Restructuring Term Sheet.

"**Non-Participating Holder Filings**" means motions, complaints, and other filings to be made with the Bankruptcy Court (or such other Court as the Company Parties and the Required

Consenting FLFO Term Lenders reasonably agree) (a) either (i) requesting the extension of the automatic stay to the Non-Participating Holder Litigation and each of the defendants party thereto or (ii) confirming the application of the automatic stay to the Non-Participating Holder Litigation and each of the defendants party thereto and (b) seeking such other relief related to the Non-Participating Holder Litigation as is reasonably acceptable to the Required Consenting FLFO Term Lenders.

"**Non-Participating Holder Litigation**" means that certain action pending in the Supreme Court of the State of New York for the County of New York: Commercial Division captioned Axos Financial, Inc. v. Reception Purchaser, LLC, No. 650108/2025.

"**Operational Consultant**" means an operational consultant with relevant expertise in the Company Parties' business selected by the Ad Hoc Group, which retention may not be terminated absent the consent of the Required Consenting FLFO Term Lenders.

"**Other Priority Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**Other Secured Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**Parties**" has the meaning set forth in the preamble to this Agreement.

"**Permitted Transfer**" means each transfer of any Company Claims/Equity Interests that meets the requirements set forth in Section 8.01 of this Agreement.

"**Permitted Transferee**" means each transferee of any Company Claims/Equity Interests who meets the requirements set forth in Section 8.01 of this Agreement.

"**Person**" means an individual, corporation, partnership, limited liability company, joint venture, trust, estate, unincorporated association, unincorporated association, governmental entity, or political subdivision thereof, or any other Entity.

"**Petition Date**" means the first date any of the Company Parties commences a Chapter 11 Case.

"**Plan**" means the joint plan of reorganization Filed by the Debtors under chapter 11 of the Bankruptcy Code that effectuates the Restructuring Transactions (including all exhibits and schedules thereto, and as may be altered, amended, modified, or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules, and the terms thereof, as the case may be), and the Plan Supplement (including all exhibits and schedules thereto), which is incorporated therein by reference.

"**Plan Supplement**" means the compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan, including, without limitation, the Restructuring Steps Plan and any schedules to assume or reject Executory Contracts and/or Unexpired Leases (in each case, as may be altered, amended, modified, or supplemented from time to time in accordance with the terms thereof, subject to the consent rights herein, and in accordance with the Bankruptcy Code and Bankruptcy Rules) to be Filed by the Debtors prior to Confirmation of the Plan, to the extent available.

"**Post-Effective Date Debtor**" means a Debtor, as reorganized pursuant to and under the Plan, on an after the Effective Date.

"**Priority Tax Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**Public Disclosure**" means any press release or other public-facing document that discloses to the general public the existence, terms, or amendment of this Agreement and/or the Restructuring Transactions.

"**Qualified Marketmaker**" means an Entity that (a) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers Company Claims/Equity Interests (or enter with customers into long and short positions in Company Claims/Equity Interests), in its capacity as a dealer or market maker in Company Claims/Equity Interests and (b) is, in fact, regularly in the business of making a market in claims against issuers or borrowers (including debt securities or other debt).

"**RCF Cash Account**" has the meaning set forth in the Restructuring Term Sheet.

"**Recapitalization Transaction**" has the meaning set forth in the Restructuring Term Sheet.

"**Reception Purchaser Claims**" means, collectively, the Reception Purchaser RCF Claims, the Reception Purchaser Term Loan Claims, the STG Distribution Guaranty Claims, and the Intercompany Notes Claims.

"**Reception Purchaser Credit Agreement**" means that certain Credit Agreement and any documents governing the Reception Purchaser Term Loan Facility and the Reception Purchaser RCF (including any related notes, certificates, agreements, security agreements, documents and instruments related to or executed in connection therewith), dated as of March 24, 2022 (as amended, restated, amended and restated, supplemented, and/or otherwise modified from time to time), by and among Reception Purchaser LLC, together with each other Person who becomes a borrower thereunder, as the Borrowers, the other persons party thereto that are designated as credit parties, Antares Capital LP, as administrative agent and collateral agent, and the other financial institutions party thereto as Lenders.

"**Reception Purchaser RCF**" has the meaning set forth in the Restructuring Term Sheet.

"**Reception Purchaser RCF Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**Reception Purchaser Term Loan Claim**" has the meaning set forth in the Restructuring Term Sheet.

"**Reception Purchaser Term Loan Facility**" means that certain term loan facility under the Reception Purchaser Credit Agreement.

"**Reinstated**," or "**Reinstatement**" shall mean with respect to a Claim, Equity Interest, or Intercompany Interest, that the Claim, Equity Interest, or Intercompany Interest shall be rendered Unimpaired.

"**Reorganized Equity**" means, in the event of the Recapitalization Transaction, the common equity issued by Reorganized STG on the Effective Date.

"**Reorganized STG**" means STG Logistics, Inc., or a new entity formed to hold the Post-Effective Date Debtors, as determined by the Debtors, to issue the Reorganized Equity, on or after the Effective Date.

"**Required Consenting FLFO RCF Lenders**" means, as of the relevant date, Consenting FLFO RCF Lenders holding at least 67.5% of the aggregate "Revolving Loan Commitments" (as defined in the STG Distribution Agreement) that are held by Consenting FLFO RCF Lenders.

"**Required Consenting FLFO Term Lenders**" means, as of the relevant date, Consenting FLFO Term Lenders holding at least 66.67% of the aggregate outstanding principal amount of FLFO Term Loans that are held by Consenting FLFO Term Lenders.

"**Required Consenting FLSO Term Lenders**" means, as of the relevant date, Consenting FLSO Term Lenders holding at least 50.01% of the aggregate outstanding principal amount of FLSO Term Loans that are held by Consenting FLSO Term Lenders.

"**Required Lenders**" has the meaning set forth in the DIP Credit Agreement.

"**Restructuring**" has the meaning set forth in the Restructuring Term Sheet.

"**Restructuring Expenses**" means (i) the Ad Hoc Group Restructuring Expenses and (ii) the reasonable and documented fees, costs, and out of pocket expenses of Davis Polk & Wardwell LLP, as counsel to certain Consenting Lenders and their affiliates, and any local counsel in any relevant jurisdiction (including, in each case, fees and expenses incurred before, on, or after the Petition Date, to the extent applicable), in accordance with their respective engagement letters or fee letters, if any, with the Company Parties and/or any applicable order of the Bankruptcy Court.

"**Restructuring Steps Plan**" has the meaning set forth in the Restructuring Term Sheet.

"**Restructuring Term Sheet**" has the meaning set forth in the recitals to this Agreement.

"**Restructuring Transactions**" has the meaning set forth in the recitals to this Agreement.

"**Rules**" means Rule 501(a)(1), (2), (3), (7), (8), (9), (12) and (13) under the Securities Act.

"**Sale**" means a sale or sales of all or substantially all of the Debtors' assets or equity interests, free and clear of all Liens, claims, rights, interests, pledges, obligations, restrictions, limitations, charges, encumbrances, and other interests, which may include a Credit Bid, in accordance with the Restructuring Term Sheet, the Bidding Procedures, and the Bidding Procedures Order.

"**Sale Documents**" means all agreements, instruments, pleadings, orders or other related documents utilized to implement the Sale Process and consummate a Sale, including, but not limited to, the Bidding Procedures, the Bidding Procedures Motion, the Bidding Procedures Order, the Sale Purchase Agreement (if any), and the Sale Order (if any), each of which shall contain terms and conditions that are materially consistent with this Agreement.

"**Sale Order**" means a Final Order, if any, approving a Sale, as contemplated by any applicable Sale Purchase Agreement, and subject to conditions set forth in the Restructuring Term Sheet.

"**Sale Process**" means the process to market and sell all or substantially all of the Debtors' assets or the Reorganized Equity to the highest or otherwise best bidder(s).

"**Sale Purchase Agreement**" means a purchase agreement, if any, with a third-party purchaser or pursuant to a Credit Bid.

"**Second Day Pleadings**" means any "second day" pleadings that the Debtors, with the consent of the Required Consenting FLFO Term Lenders (such consent not to be unreasonably withheld, conditioned, or delayed), determine necessary or desirable to File; *provided* retention applications shall not be considered "second day" pleadings.

"**Securities Act**" means the Securities Act of 1933, as amended, 15 U.S.C. §§ 77a–77aa, or any similar federal, state, or local law, as now in effect or hereafter amended, and the rules and regulations promulgated thereunder.

"**Security**" means any security, as defined in section 2(a)(1) of the Securities Act.

"**Solicitation Materials**" means, as applicable, any documents, forms, ballots, notices, and other materials provided in connection with the solicitation of votes on the Plan pursuant to sections 1125 and 1126 of the Bankruptcy Code.

"**Special Committee**" means collectively, the special committee of the board of supervisors of Reception Holdings, L.P. and the boards of managers of Reception Mezzanine Holdings, LLC and Reception Purchaser, LLC.

"**STG Distribution Credit Agreement**" means that certain Credit Agreement, entered into as of October 3, 2024 (as amended, restated, amended and restated, supplemented, and/or otherwise modified from time to time), by and among STG Distribution, LLC, as borrower, STG Distribution Holdings, LLC, as Newco Holdings, Reception Purchaser, LLC, as the Company, Reception Mezzanine Holdings, LLC, as Holdings, Wilmington Savings Fund Society, as administrative agent and collateral agent, and each of the lenders from time to time party thereto, as lenders.

"**STG Distribution Guaranty Claims**" means claims against "Loan Parties" under and as defined in the Reception Purchaser Credit Agreement arising under that certain Guaranty and Security Agreement, dated as of October 3, 2024 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time), made by the Grantors (as defined therein)

in favor of the Agent under the STG Distribution Credit Agreement for the benefit of the "Secured Parties" under and as defined under the STG Distribution Credit Agreement.

"**Takeback Equipment Financing Agreements**" means the takeback Equipment Financing between the Debtors or Post-Effective Date Debtors, as applicable, and Holders of Claims arising from the prepetition Equipment Financing.

"**Takeback Term Loan Facility**" means, in the event of the Recapitalization Transaction, the takeback term loan facility to be to be issued by the Post-Effective Date Debtors on the terms and conditions set forth in the Takeback Term Loan Facility Term Sheet.

"**Takeback Term Loan Facility Documents**" means the credit agreements governing the Takeback Term Loan Facility and any other agreements, documents, and instruments delivered or entered into in connection therewith, including, without limitation, any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents.

"**Takeback Term Loan Facility Term Sheet**" means that certain takeback financing term sheet attached as Exhibit C to the Restructuring Term Sheet.

"**Termination Date**" means the date on which termination of this Agreement as to a Party is effective in accordance with Sections 11.01, 11.02, 11.03, 11.04, 11.05, or 11.06 hereof.

"**Transfer**" means to sell, resell, reallocate, use, pledge, assign, transfer, hypothecate, participate, donate or otherwise encumber or dispose of, directly or indirectly (including through derivatives, options, swaps, pledges, forward sales or other transactions).

"**Transfer Agreement**" means an executed form of the transfer agreement providing, among other things, that a transferee is bound by the terms of this Agreement and substantially in the form attached hereto as **Exhibit C**.

"**Unexpired Lease"** means a lease to which one or more of the Debtors are a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

"**Unimpaired**" means, with respect to a class of Claims, Equity Interests, or Intercompany Interests, a class of Claims, Equity Interests, or Intercompany Interests, that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

"**United States Trustee**" means the Office of the United States Trustee for the district where the Chapter 11 Cases are pending.

1.02. Interpretation. Unless expressly provided herein, for purposes of this Agreement, the following rules of interpretation shall apply:

(a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender;

(b) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(c) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, amended and restated, supplemented, or otherwise modified or replaced from time to time; *provided* that any capitalized terms herein which are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the Execution Date;

(d) unless otherwise specified, all references herein to "Sections" are references to Sections of this Agreement;

(e) the words "herein," "hereof," "hereto," "hereinafter," and "hereinunder" refer to this Agreement in its entirety rather than to any particular portion of this Agreement unless the context otherwise requires;

(f) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(g) references to "stockholders", "shareholders," "directors," and/or "officers" shall also include "members" and/or "managers," as applicable, as such terms are defined under the applicable limited liability company Laws;

(h) the use of "include" or "including" is without limitation, whether stated or not; and

(i) the phrase "counsel to the Consenting Stakeholders" refers in this Agreement to each counsel specified in Section 13.10 other than counsel to the Company Parties.

Section 2. ***Effectiveness of this Agreement***. This Agreement shall become effective and binding upon each of the Parties at 12:00 a.m., prevailing Eastern Time, on the Agreement Effective Date, which is the date on which all of the following conditions have been satisfied or waived in accordance with this Agreement:

(a) each of the Company Parties shall have executed and delivered a counterpart signature page of this Agreement to counsel to each of the Consenting Stakeholders;

(b) the following shall have executed and delivered counterpart signature pages of this Agreement:

(i) holders of at least two-thirds of the aggregate outstanding principal amount of the FLFO Term Loans;

(ii) the Backstop Parties; and

(iii) each of the Consenting Sponsors.

(c) the Company Parties shall have promptly paid all properly incurred and invoiced Restructuring Expenses in accordance with the relevant engagement letters and/or fee arrangements, if any, for which the Company Parties have received invoices at least two (2) Business Days prior, in accordance with Section 13.23 herein; and

(d) counsel to the Company Parties shall have given notice to counsel to the Consenting Stakeholders in the manner set forth in Section 13.10 hereof (by email or otherwise) that the other conditions to the Agreement Effective Date set forth in this Section 2 have occurred.

Section 3. ***Definitive Documents.***

3.01. The Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date remain subject to negotiation and completion. Upon completion, the Definitive Documents and every other document, deed, agreement, filing, notification, letter or instrument related to the Restructuring Transactions shall contain terms, conditions, representations, warranties, and covenants consistent in all respects with the terms of this Agreement, as they may be modified, waived, amended, or supplemented in accordance with Section 12 of this Agreement. Further, the Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date, including (i) the DIP Documents and any motions seeking entry of the DIP Orders; (ii) the New Governance Documents, including all documents governing or implementing the Reorganized Equity; (iii) the Takeback Term Loan Facility Documents; (iv) the Exit RCF Facility Documents; (v) the MIP Documents and any and all key executive employment agreements or documents governing any key executive incentive or retentive programs, including employment and/or other benefit or severance agreements for key executives; (vi) the Plan; (vii) the Confirmation Order, and (viii) any Sale Documents, shall otherwise be in form and substance reasonably acceptable to each of:

(a) the Company Parties;

(b) the Required Consenting FLFO Term Lenders; *provided* that (i) the New Governance Documents, including all documents governing or implementing the Reorganized Equity, (ii) the Takeback Term Loan Facility Documents, (iii) the DIP Documents and any motion seeking entry of the DIP Orders, and (iv) the Confirmation Order must be acceptable to the Required Consenting FLFO Term Lenders; *provided further* that any provisions of any Definitive Documents relating to (x) a settlement of the Litigation Condition (solely in the event the Bankruptcy Court has not entered any judgment, ruling, finding, or other determination resolving the claims related to the 2024 Refinancing Transactions) or (y) indemnification in respect of the 2024 Refinancing Transactions, in either case, that materially, and, with respect to any such settlement, adversely affect a particular Consenting FLFO Term Lender or an affiliate thereof (in any capacity) in a manner in which the Consenting FLFO Term Lenders as a class are not similarly situated thereto shall also be reasonably acceptable to such particular Consenting FLFO Term Lender;

(c) the Required Consenting FLFO RCF Lenders, solely with respect to (i) the Exit RCF Facility Documents, (ii) the provisions of the DIP Orders, the Plan, the Sale Order, and any other Definitive Document directly addressing treatment of the FLFO RCF Claims, including with respect to the RCF Cash Account, and (iii) any other provisions of the Definitive Documents that

materially, directly, and adversely impact the rights, obligations, or interests of the Consenting FLFO RCF Lenders, in a manner inconsistent with this Agreement; and

(d) each Consenting Sponsor, solely with respect to any provisions of the Definitive Documents: (i) regarding the release, exculpation, injunction, indemnification, or directors' and officers' liability insurance provisions related to the Consenting Sponsors; (ii) that materially, directly, and adversely impact the rights, obligations, or interests of any such Consenting Sponsor, including the treatment of the Equity Interests held by such Consenting Sponsor, in a manner inconsistent with this Agreement; and (iv) regarding any Public Disclosure that specifically identifies such Consenting Sponsor.

Section 4. ***Commitments of the Consenting Stakeholders.***

4.01. General Commitments, Forbearances, and Waivers.

(a) During the Agreement Effective Period, each Consenting Stakeholder agrees, subject to the consent rights set forth herein, in respect of all of its Company Claims/Equity Interests, as applicable, to:

(i) support the Restructuring Transactions on the terms and subject to the conditions of this Agreement, vote, as applicable, all Claims/Equity Interests owned, held, or otherwise controlled by such Consenting Stakeholder, in accordance with the terms and subject to the conditions of this Agreement by exercising any powers or rights available to it (including in any board, shareholders', or creditors' meeting or in any process requiring voting or approval to which it is legally entitled to participate), in each case in favor of any matter requiring approval to the extent necessary to implement the Restructuring Transactions;

(ii) validly and timely deliver, and not withdraw, the consents, proxies, signature pages, tenders, ballots, or other means of voting or participation in the Restructuring Transactions (including directing its nominee or custodian, if applicable, on behalf of itself and the accounts, funds, or Affiliates for which it is acting as investment advisor, sub-advisor, or manager to validly and timely deliver and not withdraw) with respect to all of the Company Claims/Equity Interests owned by or held by such Consenting Stakeholder;

(iii) (a) consent and to be deemed to have consented to the incurrence of the DIP Facility on the terms set forth in this Agreement and the DIP Documents, (b) consent to the use of Cash Collateral pursuant to the DIP Orders, and (c) if reasonably necessary, give any notice, order, instruction, or direction to any applicable Agent necessary to give effect to the foregoing;

(iv) with respect to the Restructuring Transactions, use commercially reasonable efforts to seek additional support from and cooperate with other material stakeholders (if any), to the extent reasonably prudent and necessary to implement the Restructuring Transactions;

(v) use commercially reasonable efforts to assist the Company Parties in opposing any party or person from taking any actions contemplated in Section 4.02(b) of this Agreement, to the extent reasonably prudent and necessary to implement the Restructuring Transactions;

(vi) give any notice, order, instruction, or direction to any applicable Agent reasonably necessary to give effect to the Restructuring Transactions;

(vii) to the extent any legal, regulatory, or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions, use commercially reasonable efforts to negotiate in good faith appropriate additional or alternative provisions to address any such impediment;

(viii) cooperate with the Company Parties to obtain any and all required third-party governmental, regulatory, licensing, and/or other third-party approvals (including, without limitation, any necessary third-party consents) reasonably necessary to implement and/or consummate the Restructuring Transactions; and

(ix) negotiate in good faith and use commercially reasonable efforts to execute and implement the Definitive Documents and other necessary agreements that are consistent with this Agreement to which it is required to be a party.

(b) During the Agreement Effective Period, each Consenting Stakeholder agrees, in respect of all of its Company Claims/Equity Interests, that it shall not directly or indirectly:

(i) object to, delay, impede, or take any other action to interfere with acceptance, implementation, or consummation of the Restructuring Transactions (including, as applicable, through instructions, directions, notices, or orders to any applicable Agent);

(ii) seek, solicit, encourage, propose, file, support, consent to, or vote for, or enter into or participate in any discussions, agreements, understandings, or other arrangements with any Person regarding, or pursue or consummate, any Alternative Restructuring Proposal;

(iii) execute or file any motion, objection, pleading, agreement, joinder, instrument, order, form, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that is not materially consistent with this Agreement or the Plan;

(iv) initiate, direct any other Person or Entity to initiate, or have initiated on its behalf any litigation or proceeding of any kind with respect to the Chapter 11 Cases, this Agreement, or the other Restructuring Transactions contemplated herein against the Company Parties or the other Parties other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(v) object to any First Day Pleadings or Second Day Pleadings that are materially consistent with this Agreement and Filed by the Debtors in furtherance of the Restructuring Transactions, including any motion seeking approval of the DIP Facility on the terms set forth in this Agreement and the DIP Documents;

(vi) exercise, or direct any other Person to exercise, any right or remedy for the enforcement, collection, or recovery of any Company Claims/Equity Interests, including, without limitation, any right or remedy under the STG Distribution Credit Agreement arising from the occurrence of an "Event of Default" (as defined therein);

(vii) object to, delay, impede, or take any other action to interfere with the Company Parties' ownership and possession of their assets, wherever located, or interfere with the automatic stay arising under section 362 of the Bankruptcy Code;

(viii) announce publicly its intention not to support the Restructuring Transactions; or

(ix) take any action that is inconsistent in any material respect with the Restructuring Transactions.

4.02. Commitments with Respect to the Chapter 11 Cases.

(a) During the Agreement Effective Period, each Consenting Stakeholder that is entitled to vote to accept or reject the Plan pursuant to its terms agrees that it shall, subject to receipt by such Consenting Stakeholder, whether before or after the commencement of the Chapter 11 Cases, of the Solicitation Materials:

(i) vote each of its Company Claims/Equity Interests to accept the Plan by delivering its duly executed and completed ballot accepting the Plan on a timely basis following the commencement of the solicitation of the Plan and its actual receipt of the Solicitation Materials and the ballot;

(ii) to the extent that it is permitted to elect to opt out of the releases set forth in the Plan, elect not to opt out of or object to such releases set forth in the Plan by timely delivering its duly executed and completed ballot(s) indicating such election;

(iii) to the extent that it is permitted to elect to opt in to the releases in the Plan, agree to opt in to and not object to such releases set forth in the Plan by timely delivering its duly executed and completed ballot(s) indicating such election;

(iv) not change, withdraw, amend, or revoke (or, other than to correct an error that is inconsistent with clauses (i) through (iii) above, cause to be changed, withdrawn, amended, or revoked) any vote or election referred to in clauses (i) through (iii) above; *provided* that such votes or elections shall be immediately revoked and deemed void *ab initio* upon the occurrence of a Termination Date prior to the Effective Date; and

(v) support and take all commercially reasonable actions reasonably requested by the Company Parties to facilitate approval of the Disclosure Statement, solicitation of the Plan, and Confirmation and Consummation of the Plan.

(b) During the Agreement Effective Period, each Consenting Stakeholder, in respect of each of its Company Claims/Equity Interests, will support, and will not directly or indirectly object to, delay, impede, or take any other action to interfere with any motion or other pleading or document Filed by a Company Party in the Bankruptcy Court that is consistent with this Agreement.

4.03. Commitments with Respect to the DIP Facility. Each of the Backstop Parties hereto commits to backstop (or cause an Affiliate or Affiliates to backstop) an amount of the DIP Facility

no less than its Backstop Commitment as set forth on **Schedule 1** hereto on the terms and conditions as set forth in the DIP Documents. The DIP Lenders shall fund the DIP Loans in accordance with the terms set forth in the DIP Credit Agreement.

4.04. Commitments with Respect to the Exit RCF Facility. Each of the Consenting FLFO RCF Lenders hereto commits to providing, in the event the Recapitalization Transaction is consummated, its Exit RCF Commitment under the Exit RCF Facility on terms and conditions reasonably acceptable to the Required Consenting FLFO RCF Lenders and consistent with this Agreement (including the Restructuring Term Sheet), which terms shall not be worse for the Company Parties in any material respect than the FLFO RCF; *provided* that the term and applicable margin shall be consistent with the Takeback Term Loan Facility (it being understood, however, that all undrawn letter of credit fees and interest shall be solely payable in Cash).

Section 5. ***Additional Provisions Regarding the Consenting Stakeholders' Commitments***. Notwithstanding anything contained in this Agreement, nothing in this Agreement shall: (a) affect the ability of any Consenting Stakeholder to consult with any other Consenting Stakeholder, the Company Parties, or any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee); (b) impair or waive the rights of any Consenting Stakeholder to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions; (c) prevent any Consenting Stakeholder from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement; (d) limit the rights of a Consenting Stakeholder under the Chapter 11 Cases, including appearing as a party in interest in any matter to be adjudicated in order to be heard concerning any matter arising in the Chapter 11 Cases, other than as expressly set forth and agreed to in this Agreement or any Definitive Document, and so long as the exercise of any such right is not otherwise inconsistent with such Consenting Stakeholder's obligations hereunder; (e) require any Consenting Lender to (i) incur, assume, become liable in respect of, or suffer to exist any expenses, liabilities, or other obligations or (ii) other than as expressly set forth in this Agreement or in any Definitive Document, agree to or become bound by any commitments, undertakings, concessions, indemnities, or other arrangements that could result in expenses, liabilities, or other obligations to such Consenting Lender; (f) prevent any Consenting Lender from taking any customary perfection step or other action as is necessary to preserve or defend the validity, existence, and priority of its Company Claims/Equity Interests or any Lien securing any such Company Claims/Equity Interests; (g) constitute a termination or release of Lien on, or any security interest in, any of the assets of the Company Parties that secure obligations under the STG Distribution Credit Agreement or the Intercompany Credit Agreement; (h) prevent a Consenting Stakeholder from taking any action that is required to comply with applicable Law; (i) prevent a Consenting Lender from taking any action that is not inconsistent with this Agreement or the Restructuring Transactions; (j) limit the ability of a Consenting Stakeholder to purchase, sell, or enter into any transactions regarding the Company Claims/Equity Interests, subject to the terms hereof; or (k) constitute a waiver or amendment of any term or provision of any STG Distribution Credit Agreement, the Intercompany Credit Agreement or any of the "Loan Documents" thereunder. Notwithstanding anything to the contrary in the DIP Orders, the Consenting Stakeholders agree that the releases contained in the DIP Orders, including the Debtors Stipulations (as defined in the DIP Orders), are without prejudice to the right of the special committee of the board of supervisors of Reception Holdings, L.P. and the boards of managers of

Reception Mezzanine Holdings, LLC and Reception Purchaser, LLC to continue its independent investigation.

Section 6. ***Commitments of the Company Parties.***

6.01. Affirmative Commitments. Except as set forth in Section 7, during the Agreement Effective Period, the Company Parties agree to:

(a) support, act in good faith, and take all steps reasonably necessary and desirable to consummate the Restructuring Transactions or reasonably requested by the Consenting Stakeholders in accordance with, and subject to the terms of, this Agreement, including by (i) commencing solicitation on the Plan pursuant to the Disclosure Statement and related Solicitation Materials, (ii) promptly commencing the Chapter 11 Cases in accordance with the applicable Milestone, (iii) obtaining the Bankruptcy Court's approval of the Confirmation Order and the applicable Definitive Documents, and (iv) consummating the Restructuring Transactions pursuant to the Plan, in each case, in accordance with the applicable Milestones;

(b) to the extent any legal, regulatory, or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions contemplated herein, take all steps reasonably necessary and desirable to address any such impediment with the consent of the Required Consenting FLFO Term Lenders (such consent not to be unreasonably withheld, conditioned, or delayed) including, by timely filing a formal objection to any motion, application or other proceeding Filed with the Bankruptcy Court by any Person seeking the entry of an order (i) directing the appointment of an examiner with expanded powers or a trustee; (ii) converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code; (iii) dismissing the Chapter 11 Cases; (iv) approving an Alternative Restructuring Proposal; (v) for relief that (x) is inconsistent with this Agreement, or (y) would frustrate the Restructuring Transactions; (vi) modifying or terminating any Debtor's exclusive right to File and/or solicit acceptances of a plan of reorganization; or (vii) challenging (x) the amount, validity, allowance, character, enforceability, or priority of any Company Claims/Equity Interests of any of the Consenting Stakeholders, or (y) the validity, enforceability or perfection of any Lien or other encumbrance securing (or purporting to secure) any Company Claims/ Equity Interests of any of the Consenting Stakeholders;

(c) use commercially reasonable efforts to obtain any and all required regulatory and/or third-party approvals necessary or desirable (as determined by the Company Parties and the Required Consenting FLFO Term Lenders) to implement and/or consummate the Restructuring Transactions;

(d) negotiate in good faith and use commercially reasonable efforts to execute, deliver and perform their obligations under the Definitive Documents and any other agreements required to effectuate and consummate the Restructuring Transactions as contemplated by this Agreement;

(e) maintain their good standing under the Laws of the state or other jurisdiction in which they are incorporated or organized;

(f) use commercially reasonable efforts to seek additional support for the Restructuring Transactions from their other material stakeholders (if any) to the extent reasonably prudent;

(g) (i) provide respective counsel for the Ad Hoc Group and each of the Consenting Sponsors a reasonable opportunity to review draft copies of all Definitive Documents at least three (3) Business Days prior to the applicable document's execution and/or filing, as applicable, or, if three (3) Business Days' notice is not reasonable practicable, as soon as reasonably practicable thereafter, which Definitive Documents shall in any event remain subject to all consent rights set forth in Section 3.01 hereof, notwithstanding such advance notice and opportunity to comment, and, (ii) provide a reasonable opportunity (and in any event, no less than two (2) calendar days, or if two (2) calendar days is not reasonably practicable, as soon as reasonably practicable thereafter) to counsel to (x) the Ad Hoc Group and (y) any other Consenting Stakeholders materially affected by such filing, to review draft copies of any other documents that the Company Parties intend to file with Bankruptcy Court;

(h) take such action(s) (including executing and delivering any other agreements) as may be reasonably necessary or as may be required by order of the Bankruptcy Court to carry out the intent and purpose of this Agreement;

(i) except to the extent prohibited by applicable law or confidentiality restrictions, notify (x) the Required Consenting FLFO Term Lenders or their advisors and (y) the Consenting Sponsors or the Consenting Sponsor Advisors as promptly as reasonably possible (and in any event within three (3) Business Days of such knowledge), as to:

(i) receipt of any notice regarding the rejection of any material authorization (including any consent) from any competent judicial body, Governmental Unit, banking, taxation, supervisory or regulatory body that is required for the implementation and consummation of the Restructuring Transactions;

(ii) receipt of any written notice from any third party alleging that the consent of such party is or may be required in connection with the Restructuring Transactions;

(iii) any material governmental or third-party complaints, litigations, investigations, or hearings of which a Company Party has actual knowledge;

(iv) any event or circumstance of which a Company Party has actual knowledge that has occurred that is reasonably likely to be a material impediment to the implementation or consummation of the Restructuring Transactions or result in termination of this Agreement;

(v) any notice of any commencement of any involuntary insolvency proceedings of any Company Party or material legal suit for payment of debt or securement of security from or by any Person in respect of any Company Party;

(vi) any breach of any Company Party's obligations or covenants set forth in this Agreement, to the extent actually known by such Company Party;

(vii) the occurrence, or failure to occur, of any event of which any Company Party has actual knowledge which the occurrence or failure to occur of any such event would be reasonably likely to permit any Party to terminate, or would result in the termination of, this Agreement;

(viii) actual knowledge that any representation or statement made or deemed to be made by any Company Party under this Agreement which is or proves to have been incorrect or misleading in any material respect when made or deemed to be made;

(ix) the initiation, institution, or commencement by any Person or Governmental Unit of any proceeding involving any of the Company Parties that could result in or is likely to have a material and adverse impact the Company Parties' business (including any assets, permits, businesses, operations, or activities of any of the Company Parties); *provided*, for the avoidance of doubt, this clause (ix) shall not apply to any action in connection with the Non-Participating Holder Litigation or any other proceedings known to the Ad Hoc Group prior to the Agreement Effective Date; or

(x) the occurrence of a termination event set forth in Section 11 hereof.

(j) provide to (x) each member of the Ad Hoc Group and the Ad Hoc Group Advisors and (y) each Consenting Sponsor and the Consenting Sponsor Advisors, in all cases, subject to the terms of any applicable Confidentiality Agreement:

(i) during normal business hours, reasonable access to the books and records of the Company Parties;

(ii) on reasonable advance notice to the Company Parties' representatives, and without undue disruption to the operation of the Company Parties' business, reasonable access to the management of and advisors to the Company Parties for the purpose of participating in the planning process with respect to the Restructuring Transactions;

(iii) reasonably prompt updates regarding the Restructuring Transactions and any material business developments, including any material developments or any material conversations with parties in interest or key stakeholders of the Company Parties;

(iv) reasonably prompt updates regarding the status of obtaining any necessary or desirable authorizations (including any consents) from any competent judicial body, governmental authority, banking, taxation, supervisory, or regulatory body;

(v) other information related to the Restructuring Transactions or the business generally as reasonably requested by the (a) the Ad Hoc Group or the Ad Hoc Group Advisors or (b) the Consenting Sponsors or the Consenting Sponsor Advisors;

(vi) solely with respect to the Operational Consultant, weekly update calls between management and the Operational Consultant regarding the business, financial performance and any other matters requested by the Operational Consultant (which calls, for the avoidance of doubt, may be the Weekly Advisor Calls (as defined in the DIP Credit Agreement)); and

(vii) solely with respect to the Operational Consultant, availability of the Company Parties' applicable employees reasonably promptly upon a reasonable request to address any matters related to the Company Parties' business, financial performance or other matters identified by the Operational Consultant and reasonable access to the Company Parties' facilities during normal business hours for the Operational Consultant to conduct site visits.

(k) timely File a formal objection to any motion Filed with the Bankruptcy Court seeking the entry of an order (i) directing the appointment of a trustee or examiner, (ii) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, (iii) seeking the entry of an order terminating the Company Parties' exclusive right to File and/or solicit acceptances of a plan of reorganization, (iv) seeking the entry of an order terminating, annulling, or modifying the automatic stay (as set forth in section 362 of the Bankruptcy Code) with regard to any material asset; and/or (v) dismissing the Chapter 11 Cases;

(l) timely File a response to and oppose any objections Filed with the Bankruptcy Court's approval of any Definitive Document;

(m) except as otherwise expressly set forth in this Agreement, use commercially reasonable efforts to (i) conduct their businesses and operations in the ordinary course in a manner that is materially consistent with past practices as may be limited due to the commencement of the Chapter 11 Cases and (ii) preserve intact their business organizations and relationships with third parties (including creditors, lessors, licensors, suppliers, distributors, and customers) and employees in the ordinary course;

(n) cooperate in good faith with the Consenting Stakeholders to structure the Restructuring Transactions in a tax-efficient manner;

(o) pay in full, in Cash, when due and payable, all Restructuring Expenses;

(p) pay in full, in Cash, the reasonable and documented fees and out-of-pocket expenses of the Operational Consultant, once appointed by the Ad Hoc Group;

(q) notwithstanding anything to the contrary in the Board Observation Rights Agreement among, *inter alia*, certain of the Company Parties and Andrew Clarke, pay the full amount of any and all fees owed to Andrew Clarke thereunder without contribution from any of the Contributing Lenders (as defined in such agreement); and

(r) within seven (7) days after the Petition Date, file with the Bankruptcy Court (or other such applicable Court) all Non-Participating Holder Filings.

6.02. Negative Commitments. Except as set forth in Section 7, during the Agreement Effective Period, each of the Company Parties shall not directly or indirectly:

(a) object to, delay, impede, or take any other action to interfere with acceptance, implementation, or consummation of the Restructuring Transactions;

(b) take any action that is inconsistent in any material respect with, or is intended to frustrate or impede approval, implementation and consummation of the Restructuring Transactions described in, this Agreement or the Plan;

(c) modify the Plan, in whole or in part, in a manner that is not consistent with this Agreement in all material respects;

(d) file any motion, pleading, or Definitive Documents with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not consistent with this Agreement or the Plan;

(e) except as may be expressly permitted by Section 7 hereof, solicit, participate in, negotiate, propose, support, or vote for any Alternative Restructuring Proposal that the Company Parties or any Affiliate of the Company Parties intend to, or take any action to, consummate or enter into a binding agreement to consummate, prior to the consummation of the Restructuring Transactions;

(f) (i) execute, deliver, and/or File with the Bankruptcy Court any agreement, instrument, motion, pleading, order, form, or other document that is to be utilized to implement or effectuate, or that otherwise relates to, this Agreement, the Plan, and/or the Restructuring Transactions that, in whole or in part, is not consistent with this Agreement or is otherwise not in form and substance acceptable in accordance with the terms set forth in Section 3.01 hereof, or if applicable, File any pleading with the Bankruptcy Court seeking authorization to accomplish or effect any of the foregoing; or (ii) waive, amend, or modify any of the Definitive Documents, or, if applicable, File with the Bankruptcy Court a pleading seeking to waive, amend, or modify any term or condition of any of the Definitive Documents, which waiver, amendment, modification, or filing contains any provision that is not consistent with this Agreement (including the Restructuring Term Sheet) or is otherwise not in form and substance acceptable in accordance with the terms set forth in Section 3.01 hereof;

(g) without the prior written consent of the Required Consenting FLFO Term Lenders, (i) enter into or amend, establish, adopt, restate, supplement, or otherwise modify or accelerate (x) any deferred compensation, incentive, success, retention, bonus, or other compensatory arrangements, policies, programs, practices, plans, or agreements, including, without limitation, offer letters, employment agreements, consulting agreements, severance arrangements, or change in control arrangements with or for the benefit of any employee, or (y) any contracts, arrangements, or commitments that entitle any current or former director, officer, employee, manager, or agent to indemnification from the Company Parties, or (ii) amend or terminate any existing compensation or benefit plans or arrangements (including employment agreements); *provided* that this clause (g) shall not apply to any of the foregoing in progress or otherwise disclosed to or known by the Ad Hoc Group on or prior to Agreement Effective Date, whether or not such action is actually commenced or effected prior to the Agreement Effective Date;

(h) grant, agree to grant, or make any payment on account of (including pursuant to a key employee retention plan, key employee incentive plan, or other similar agreement or arrangement) any additional or any increase in the wages, salary, bonus, commissions, retirement benefits, pension, severance, or other compensation or benefits of any director, manager, officer, or management- or executive-level employee without the prior written consent of the Required Consenting FLFO Term Lenders; *provided* that this clause (h) shall not apply to any of the foregoing in progress or otherwise disclosed to or known by the Ad Hoc Group on or prior to Agreement Effective Date, whether or not such action is actually commenced or effected prior to the Agreement Effective Date;

(i) seek discovery in connection with, prepare, commence, or support any Person in connection with any proceeding or other action that challenges (i) the amount, validity, allowance, character, enforceability, or priority of any Company Claims/Equity Interests of any of the Consenting Lenders, or (ii) the validity, enforceability, or perfection of any Lien or other encumbrance securing (or purporting to secure) any Company Claims/Equity Interests of any of the Consenting Lenders;

(j) without the prior written consent of the Required Consenting FLFO Term Lenders, enter into any contract with respect to debtor-in-possession financing, Cash Collateral usage, exit financing, and/or other financing arrangement;

(k) amend or change, or propose to amend or change, any of their respective Existing Governance Documents;

(l) assume, modify or reject any material Executory Contract or Unexpired Lease outside the ordinary course of business without the prior written consent of the Required Consenting FLFO Term Lenders;

(m) enter into any settlement in connection with or related to the Non-Participating Holder Litigation without the consent of the Required Consenting FLFO Term Lenders (such consent not to be unreasonably withheld, conditioned, or delayed);

(n) (i) authorize, create, issue, sell, or grant any additional Equity Interests, or (ii) reclassify, recapitalize, redeem, purchase, acquire, declare any distribution on, or make any distribution on any Equity Interests;

(o) terminate any engagement letters and/or fee arrangements with the Ad Hoc Group Advisors or seek to reject them in the Chapter 11 Cases;

(p) take any action or inaction that would cause a change to the tax residence, tax classification or tax status of any Company Party other than in connection with the Restructuring Transactions;

(q) sell any assets (including, without limitation, any intellectual property) outside the ordinary course of business in a transaction or a series of transaction having a fair market value of $1 million or greater without the prior written consent of the Required Consenting FLFO Term Lenders (such consent not to be unreasonably withheld, conditioned, or delayed); or

(r) consummate the Restructuring Transactions, unless each of the applicable conditions to the consummation of such transactions set forth in this Agreement, the Restructuring Term Sheet, the Plan, and the other applicable Definitive Documents has been satisfied or waived by the applicable Persons in accordance with the terms of this Agreement and the applicable Definitive Documents.

Section 7. ***Additional Provisions Regarding Company Parties' Commitments***.

7.01. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require a Company Party or the board of directors, board of managers, or similar

governing body of a Company Party (including any committee of such governing body, as applicable), after consulting with counsel, to take any action or to refrain from taking any action with respect to the Restructuring Transactions to the extent taking or failing to take such action would be inconsistent with applicable Law or its fiduciary obligations under applicable Law, and any such action or inaction pursuant to this Section 7.01 shall not be deemed to constitute a breach of this Agreement; *provided* that such determination shall not impede any Party's termination rights. The Company Parties shall promptly notify the Ad Hoc Group Advisors of any such determination within twenty-four (24) hours following such determination. Notwithstanding anything to the contrary herein, each Consenting Lender reserves its rights to challenge any action taken in the exercise of such fiduciary duties.

7.02. Notwithstanding anything to the contrary in this Agreement (but subject to Section 7.01 of this Agreement), each Company Party and its respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, other advisors, and representatives shall have the rights to: (a) continue, on a postpetition basis, to engage with the potential bidders already under nondisclosure agreement as of the Petition Date in the marketing process that the Debtors undertook before the Petition Date to determine the highest and best bona fide offer to consummate a sale of all, substantially all, or a portion Debtors' assets or Equity Interests; (b) provide access to non-public information concerning any Company Party to any Entity with any Entity that provides an unsolicited Alternative Restructuring Proposal and executes and delivers a reasonable and customary Confidentiality Agreement or nondisclosure agreement with the Company Parties; (c) receive, respond to, and maintain and continue discussions or negotiations with respect to such unsolicited Alternative Restructuring Proposals if the board of directors, board of managers, or similar governing body of such Company Party determines in good faith, upon advice of outside counsel, that failure to take such action would be inconsistent with the fiduciary duties of the members of such board or governing body under applicable law; and (d) enter into or continue discussions or negotiations with Holders of Claims against or Equity Interests in a Company Party (including any Consenting Stakeholder), any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), or any other Entity regarding the Restructuring Transactions or Alternative Restructuring Proposals.

If any Company Party receives an Alternative Restructuring Proposal, the Company Parties shall: (i) within twenty four (24) hours, provide the Ad Hoc Group Advisors with notice and a copy of such Alternative Restructuring Proposal (and to the extent the Alternative Restructuring Proposal is not in writing, a written summary thereof); (ii) provide the Ad Hoc Group Advisors with reasonable updates as to the status and progress of such Alternative Restructuring Proposal; and (iii) reasonably promptly respond to reasonable information requests and questions from the Ad Hoc Group Advisors relating to such Alternative Restructuring Proposal, in each case solely to the extent disclosing such information is not subject to any attorney-client privilege.

7.03. Nothing in this Agreement shall (a) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions or (b) prevent any Company Party from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement.

7.04 Nothing in this Agreement shall impair or limit the Special Committee's Investigation and ability to make determinations regarding claims and Causes of Action.

Section 8. ***Transfer of Equity Interests and Securities***.

8.01. During the Agreement Effective Period, except pursuant to the consummation of the Restructuring Transactions, no Consenting Stakeholder shall Transfer any ownership (including any beneficial ownership as defined in the Rule 13d-3 under the Securities Exchange Act of 1934, as amended) in any Company Claims/Equity Interests to any affiliated or unaffiliated party, including any party in which it may hold a direct or indirect beneficial interest, unless:

(a) in the case of any Company Claims/Equity Interests, the authorized transferee is either (i) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (ii) a non-U.S. person in an offshore transaction as defined under Regulation S under the Securities Act, (iii) an institutional accredited investor (as defined in the Rules), or (iv) a Consenting Stakeholder;

(b) either (i) the transferee executes and delivers to counsel to the Company Parties, at or before the time of the proposed Transfer, a Transfer Agreement or (ii) the transferee is a Consenting Stakeholder and the transferee provides notice of such Transfer (including the amount and type of Company Claim/Equity Interest Transferred) to counsel to the Company Parties and the Ad Hoc Group Advisors within five (5) Business Days of such acquisition; and

(c) such Transfer does not violate the terms of any order entered by the Bankruptcy Court with respect to preservation of tax attributes.

8.02. Upon compliance with the requirements of Section 8.01, the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of the rights and obligations in respect of such transferred Company Claims/Equity Interests. Any Transfer in violation of Section 8.01 shall be void *ab initio*. Any Consenting Stakeholder that effectuates a Permitted Transfer to a Permitted Transferee in compliance with this Section 8 shall have no liability under this Agreement arising from or related to the failure of the Permitted Transferee to comply with the terms of this Agreement.

8.03. This Agreement shall in no way be construed to preclude the Consenting Stakeholders from acquiring additional Company Claims/Equity Interests; *provided, however*, that (a) such additional Company Claims/Equity Interests shall automatically and immediately upon acquisition by a Consenting Stakeholder be deemed subject to the terms of this Agreement (regardless of when or whether notice of such acquisition is given to counsel to the Company Parties or counsel to the Consenting Stakeholders) and (b) such Consenting Stakeholder must provide notice of such acquisition (including the amount and type of Company Claim/Equity Interest acquired) to counsel to the Company Parties within five (5) Business Days of such acquisition.

8.04. This Section 8 shall not impose any obligation on any Company Party to issue any "cleansing letter" or otherwise publicly disclose information for the purpose of enabling a Consenting Stakeholder to Transfer any of its Company Claims/Equity Interests. Notwithstanding anything to the contrary herein, to the extent a Company Party and another Party have entered into a Confidentiality Agreement, the terms of such Confidentiality Agreement shall continue to apply and remain in full force and effect according to its terms, and this Agreement does not supersede any rights or obligations otherwise arising under such Confidentiality Agreements.

8.05. Notwithstanding Section 8.01, a Qualified Marketmaker that acquires any Company Claims/Equity Interests with the purpose and intent of acting as a Qualified Marketmaker for such Company Claims/Equity Interests shall not be required to execute and deliver a Transfer Agreement in respect of such Company Claims/Equity Interests if: (i) such Qualified Marketmaker subsequently transfers such Company Claims/Equity Interests (by purchase, sale assignment, participation, or otherwise) within five (5) Business Days of its acquisition to a transferee that is an entity that is not an affiliate, affiliated fund, or affiliated entity with a common investment advisor; (ii) the transferee otherwise is a Permitted Transferee under Section 8.01; and (iii) the Transfer otherwise is a Permitted Transfer under Section 8.01. To the extent that a Consenting Stakeholder is acting in its capacity as a Qualified Marketmaker, it may Transfer (by purchase, sale, assignment, participation, or otherwise) any right, title or interests in Company Claims/Equity Interests that the Qualified Marketmaker acquires from a holder of the Company Claims/Equity Interests who is not a Consenting Stakeholder without the requirement that the transferee be a Permitted Transferee.

8.06. Notwithstanding anything to the contrary in this Section 8, the restrictions on Transfer set forth in this Section 8 shall not apply to the grant of any Liens or encumbrances on any claims and interests in favor of a bank or broker-dealer holding custody of such claims and interests in the ordinary course of business and which Lien or encumbrance is released upon a valid Transfer of such claims and interests in a manner consistent with this Agreement.

Section 9. ***Representations and Warranties of Consenting Stakeholders***. Each Consenting Stakeholder severally, and not jointly, represents and warrants that, as of the date such Consenting Stakeholder executes and delivers a counterpart signature page to this Agreement, a Transfer Agreement, or a Joinder, as applicable, and as of the Agreement Effective Date (to the extent applicable):

(a) it is the beneficial or record owner (which shall be deemed to include any open trades or participation interests) of the face amount of the Company Claims/Equity Interests or is the nominee, investment manager, or advisor for beneficial holders of the Company Claims/Equity Interests reflected in, and, having made reasonable inquiry, is not the beneficial or record owner of any Company Claims/Equity Interests other than those reflected in, such Consenting Stakeholder's signature page to this Agreement, including a Joinder or a Transfer Agreement, as applicable (as may be updated pursuant to Section 8 herein);

(b) subject to the closing of any open trades, it has the full power and authority to act on behalf of, vote and consent to matters concerning, such Company Claims/Equity Interests;

(c) such Company Claims/Equity Interests are free and clear of any pledge, Lien, security interest, charge, claim, equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition, transfer, or encumbrances of any kind, that would adversely affect in any way such Consenting Stakeholder's ability to perform any of its obligations under this Agreement at the time such obligations are required to be performed;

(d) subject to the closing of any open trades, it has the full power to vote, approve changes to, and transfer all of its Company Claims/Equity Interests referable to it as contemplated by this Agreement subject to applicable Law;

(e) it has not relied upon any other Party in deciding to enter into this Agreement and has instead made its own independent analysis and decision to enter into this Agreement;

(f) it has made no prior assignment, sale, participation, grant, conveyance, or other Transfer of, and has not entered into any agreement to assign, sell, participate, grant, convey, or otherwise Transfer, in whole or in part, any portion of its rights, title, or interest in any Company Claims/Equity Interests set forth in its signature page to this Agreement, Transfer Agreement or Joinder that is inconsistent with the representations and warranties of such Consenting Stakeholder herein or would render such Consenting Stakeholder otherwise unable to comply with this Agreement and perform its obligations hereunder; and

(g) solely with respect to holders of Company Claims/Equity Interests, (i) it is either (x) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (y) not a U.S. person (as defined in Regulation S of the Securities Act), or (z) an institutional accredited investor (as defined in the Rules), and (ii) any securities acquired by the Consenting Stakeholder in connection with the Restructuring Transactions will have been acquired for investment and not with a view to distribution or resale in violation of the Securities Act.

Section 10. ***Mutual Representations, Warranties, and Covenants***. Each of the Parties represents, warrants, and covenants to each other Party, as of the date such Party executed and delivers a counterpart signature page to this Agreement, a Joinder, or a Transfer Agreement, as applicable, on the applicable Agreement Effective Date and as of on the Effective Date:

(a) it is validly existing and in good standing under the Laws of the state of its organization, and this Agreement is a legal, valid, and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(b) except as expressly provided in this Agreement, the Definitive Documents, or the Bankruptcy Code, no consent or approval is required by any other Person or Entity in order for it to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement;

(c) the entry into and performance by it of, and the transactions (including, but not limited to, all Restructuring Transactions) contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its articles of association, memorandum of association or other constitutional documents;

(d) except as expressly provided in this Agreement it has (or will have, at the relevant time) all requisite corporate or other power and authority to enter into, execute, and deliver this Agreement and to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement; and

(e) except as expressly provided by this Agreement, it is not party to any restructuring or similar agreements or arrangements with the other Parties to this Agreement that have not been disclosed to all Parties to this Agreement.

Section 11. ***Termination Events***.

11.01. Consenting FLFO Term Lenders Termination Events. This Agreement may be terminated by the Consenting FLFO Term Lenders as to all Parties upon the delivery to the Company Parties of a written notice in accordance with Section 13.10 hereof upon the occurrence of the following events:

(a) the breach in any material respect by a Company Party of any of the representations, warranties, or covenants of the Company Parties set forth in this Agreement that (i) is adverse to the Consenting Lenders seeking termination pursuant to this provision and (ii) remains uncured for ten (10) Business Days after such terminating Consenting Lenders transmit a written notice in accordance with Section 13.10 hereof detailing any such breach;

(b) the issuance, promulgation or enactment by any Governmental Unit, including any regulatory authority, licensing authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of the Restructuring Transactions and (ii) remains in effect for twenty (20) Business Days after such terminating Consenting Lenders transmit a written notice in accordance with Section 13.10 hereof detailing any such issuance; *provided* that this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation set out in this Agreement;

(c) the Company Parties fail to timely pay any Restructuring Expenses in accordance with Sections 6.01(o) and 13.23 of this Agreement, subject to the DIP Orders, that remains uncured for a period of three (3) Business Days after receipt of a written notice of such breach in accordance with Section 13.10 hereof;

(d) the Bankruptcy Court enters an order denying Confirmation of the Plan, and such order remains in effect for ten (10) Business Days after entry of such order;

(e) any of the Company Parties (i) Files any motion seeking to avoid, invalidate, disallow, subordinate, recharacterize, or limit any Company Claims/Equity Interests, Lien, or interest held by any Consenting Lender; (ii) asserts any other Cause of Action against any Consenting Lender or (iii) shall have supported any application, adversary proceeding, or Cause of Action referred to in the preceding subsection (i) Filed by a third party, or consents to the standing of any such third party to bring such application, adversary proceeding, or Cause of Action without the prior written consent of the Required Consenting FLFO Term Lenders;

(f) the Bankruptcy Court enters an order invalidating, disallowing, subordinating, recharacterizing, or limiting, as applicable, any of the Company Claims/Equity Interests of any of the Consenting Lenders, in a manner inconsistent with this Agreement;

(g) (i) the occurrence of a termination event, event of default, or refinancing under the DIP Documents or the maturity date of the DIP Facility, (ii) the termination or modification of any of the DIP Orders in a manner that is inconsistent with the Restructuring Term Sheet or DIP Documents; (iii) motion or application by any Company Party or the Consenting Sponsors seeking an order vacating or modifying the DIP Orders; (iv) the Bankruptcy Court approves a DIP Budget that is not, in accordance with the DIP Credit Agreement and DIP Orders, acceptable to the Required Lenders; or (v) the termination or modification of any order or agreement permitting the

use of Cash Collateral in the Chapter 11 Cases, in each case, without the consent or waiver of the Required Consenting FLFO Term Lenders;

(h) upon delivery of a notice by any Company Party in accordance with Section 13.10 regarding (i) the determination by such Company Party's board of directors, board of managers, or such similar governing body to exercise its termination right set forth in Section 11.04, or (ii) in accordance with Section 7.02 such Company Party's board of directors, board of managers, or such similar governing body having approved, on due and proper authority of such board of directors, board of managers, or such similar governing body, an Alternative Restructuring Proposal;

(i) any Company Party loses the exclusive right to File a chapter 11 plan or to solicit acceptances thereof pursuant to section 1121 of the Bankruptcy Code;

(j) the failure to meet a Milestone that has not been waived or extended without the consent of the Required Consenting FLFO Term Lenders;

(k) any Company Party (i) voluntarily commences any case or files any petition seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization, or other relief under any federal, state, or foreign bankruptcy, insolvency, administrative receivership, or similar law now or hereafter in effect, except as contemplated by this Agreement, (ii) consents to the institution of, or fails to contest in a timely and appropriate manner, any involuntary proceeding or petition described in the immediately preceding clause (j), (iii) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator, or similar official with respect to any Company Party or for a substantial part of such Company Party's assets, (iv) makes a general assignment or arrangement for the benefit of creditors, or (v) takes any corporate action for the purpose of authorizing any of the foregoing;

(l) the entry of an order by the Bankruptcy Court granting relief from the automatic stay imposed by section 362 of the Bankruptcy Code authorizing any party to proceed against any material asset of the Company Parties and such order materially and adversely affects the Company Parties' ability to operate their business in the ordinary course or consummate the Restructuring Transactions, unless the order granting such relief has been stayed, modified, or reversed within ten (10) Business Days after such terminating Party delivers a written notice in accordance with Section 13.10 hereof;

(m) the Bankruptcy Court grants relief that (i) is inconsistent with this Agreement, (ii) denies Confirmation of the Plan or disallows a material provision thereof, (iii) or enters a Sale Order that does not include the Litigation Condition or the Allocation Condition (without the consent of the Required Consenting FLFO Term Lenders, subject to the limitations set forth in the Restructuring Term Sheet), (iv) abstains from, or transfers to any other court, anything related to or in connection with the Litigation Condition or declines to extend the automatic stay or confirm that the automatic stay applies to the Non-Participating Holder Litigation (as to each of the defendant parties thereto), if applicable, or (v) denies any of the relief requested in the Non-Participating Holder Filings or reverses, modifies, or vacates any orders granting the relief sought in the Non-Participating Holder Filings, unless the order granting such relief has been

stayed, modified, or reversed within five (5) Business Days after such terminating Party deliver a written notice in accordance with Section 13.10 hereof;

(n) any Company Party or any Consenting Sponsor Files any motion or pleading with the Bankruptcy Court that is not consistent in all material respects with this Agreement and such motion has not been withdrawn within two (2) calendar days of receipt of written notice from the Required Consenting FLFO Term Lenders that such motion or pleading is inconsistent with this Agreement;

(o) the Bankruptcy Court or a court of competent jurisdiction enters an order, judgment, ruling, finding or other determination adverse to the Ad Hoc Group in any material way in connection with or related to the Non-Participating Holder Litigation;

(p) any Company Party enters into a settlement in connection with or related to the Non-Participating Holder Litigation without the consent of the Required Consenting FLFO Term Lenders;

(q) the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Company Party seeking an order (without the prior written consent of the Required Consenting FLFO Term Lenders, not to be unreasonably withheld, conditioned, or delayed) (i) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code, (ii) appointing an examiner with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code or a trustee in one or more of the Chapter 11 Cases of a Company Party, (iii) dismissing one or more of the Chapter 11 Cases, or (iv) rejecting this Agreement;

(r) the Board Observer (as defined in the STG Distribution Credit Agreement) shall no longer be appointed; or

(s) the termination of this Agreement by Company Party pursuant to Section 11.04 herein.

11.02. Consenting FLFO RCF Lenders Termination Events. This Agreement may be terminated by the Required Consenting FLFO RCF Lenders as to the Consenting FLFO RCF Lenders (in the case of any Backstop Party, solely in its capacity as an FLFO RCF Lender, and in the case of any non-Backstop Party, in any capacity) upon the delivery to the Company Parties of a written notice in accordance with Section 13.10 hereof if this Agreement is amended, waived, or modified, or any Definitive Document is amended, waived, modified, or entered into, that provides for treatment of the FLFO RCF Claims that is materially and directly adverse to the Consenting FLFO RCF Lenders relative to the treatment of the FLFO RCF Claims provided for in this Agreement as of the Execution Date;

11.03. Consenting Sponsor Termination Events. This Agreement may be terminated by a Consenting Sponsor (provided that termination by such Consenting Sponsor shall terminate this Agreement solely with respect to such Consenting Sponsor and not with respect to any other Party) by the delivery to the Company Parties and the Ad Hoc Group Advisors of a written notice in accordance with Section 13.10 hereof upon the occurrence and/or continuation of the following events:

(a) (i) entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Company Party seeking an order of the Bankruptcy Court, granting standing to any person other than a Company Party the right to prosecute or settle potential Claims or Causes of Action against the applicable Consenting Sponsor or (ii) upon a modification of the release, exculpation, indemnity, and/or insurance provisions of the Plan that directly, materially, and adversely affects the interests of the Consenting Sponsor;

(b) this Agreement is amended, waived, or modified, or any Definitive Document is amended, waived, modified, or entered into, that provides for treatment of the Consenting Sponsor that is materially adverse relative to the treatment of the Consenting Sponsor provided for in this Agreement as of the Execution Date, including in any manner reasonably expected to have a direct, material, and adverse tax impact on any Consenting Sponsor;

(c) the breach in any material respect by a Company Party of any of the representations, warranties, or covenants of the Company Parties set forth in this Agreement that (i) is materially adverse to the Consenting Sponsor seeking termination pursuant to this provision, including with respect to the releases applicable to such Consenting Sponsor and (ii) remains uncured for a period of ten (10) Business Days after such terminating Consenting Sponsor transmits a written notice in accordance with Section 13.10 hereof detailing any such breach;

(d) the issuance, promulgation or enactment by any Governmental Unit, including any regulatory authority, licensing authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of the Restructuring Transactions and (ii) remains in effect for twenty (20) Business Days after such terminating Consenting Sponsor transmits a written notice in accordance with Section 13.10 hereof detailing any such issuance; *provided* that this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation set out in this Agreement;

(e) upon delivery of a notice by any Company Party in accordance with Section 13.10 regarding (i) the determination by such Company Party's board of directors, board of managers, or such similar governing body to exercise its termination right set forth in Section 11.04, or (ii) in accordance with Section 7.03 such Company Party's board of directors, board of managers, or such similar governing body having approved, on due and proper authority of such board of directors, board of managers, or such similar governing body, an Alternative Restructuring Proposal;

(f) any Company Party (i) voluntarily commences any case or files any petition seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization, or other relief under any federal, state, or foreign bankruptcy, insolvency, administrative receivership, or similar law now or hereafter in effect, except as contemplated by this Agreement, (ii) consents to the institution of, or fails to contest in a timely and appropriate manner, any involuntary proceeding or petition described in the immediately preceding clause (i), (iii) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator, or similar official with respect to any Company Party or for a substantial part of such Company Party's assets, (iv) makes a general assignment or arrangement for the benefit of creditors, or (v) takes any corporate action for the purpose of authorizing any of the foregoing;

(g) the Bankruptcy Court grants relief that (i) is materially inconsistent with this Agreement or (ii) denies Confirmation of the Plan or disallows a material provision thereof (without the consent of the terminating Consenting Sponsor), in a manner that is materially adverse to the Consenting Sponsors, unless the order granting such relief has been stayed, modified, or reversed within fifteen (15) Business Days after such terminating Party deliver a written notice in accordance with Section 13.10 hereof;

(h) the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Company Party seeking an order (without the prior written consent of the terminating Consenting Sponsor, not to be unreasonably withheld) (w) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code, (x) appointing an examiner with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code or a trustee in one or more of the Chapter 11 Cases of a Company Party, (y) dismissing one or more of the Chapter 11 Cases, or (z) rejecting this Agreement; or

(i) the termination of this Agreement by the Consenting FLFO Term Lenders pursuant to Section 11.01 herein or by the Company Parties pursuant to Section 11.04 herein.

11.04. Company Party Termination Events. Any Company Party may terminate this Agreement as to all Parties (except as otherwise noted below) upon prior written notice to all Parties in accordance with Section 13.10 hereof upon the occurrence of any of the following events:

(a) the breach in any material respect by one or more of the Consenting Stakeholders of any provision set forth in this Agreement that remains uncured for a period of five (5) Business Days after the receipt by the Consenting Stakeholders of notice of such breach; *provided* that the Company Parties shall only have the right to terminate this Agreement as to such breaching Consenting Stakeholder pursuant to this subparagraph, and shall not have the right to terminate this Agreement as to other Consenting Stakeholders pursuant to this subparagraph, so long as the non-breaching Consenting Stakeholders continue to hold or control at least two-thirds of the aggregate outstanding principal amount of FLFO Term Loan Claims;

(b) the board of directors, board of managers, or such similar governing body of any Company Party (including any committee of such governing body, as applicable) determines, after consulting with counsel in accordance with Section 7.01 or 7.02 hereof, (i) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties or applicable Law or (ii) in the exercise of its fiduciary duties, to pursue an Alternative Restructuring Proposal;

(c) the issuance by any Governmental Unit, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for thirty (30) Business Days after such terminating Company Party transmits a written notice in accordance with Section 13.10 hereof detailing any such issuance; *provided*, that this termination right shall not apply to or be exercised by any Company Party that sought or requested such ruling or order in contravention of any obligation or restriction set out in this Agreement;

(d) the entry of a Final Order by the Bankruptcy Court granting relief from the automatic stay imposed by section 362 of the Bankruptcy Code authorizing any party to proceed against any material asset of the Company Parties and such order materially and adversely affects the Company Parties' ability to operate their business in the ordinary course or consummate the Restructuring Transactions;

(e) any Company Party loses the exclusive right to file a chapter 11 plan or to solicit acceptances thereof pursuant to section 1121 of the Bankruptcy Code;

(f) any Consenting Stakeholder (i) seeks entry of an order approving any Definitive Document (including any waiver of any term or condition therein) in a manner that is materially inconsistent with, or constitutes a material breach of, this Agreement (including with respect to the consent rights set forth herein), or (ii) publicly announces its intention not to support the Restructuring Transactions; *provided* that the Company Parties shall only have the right to terminate this Agreement as to such breaching Consenting Stakeholder pursuant to this subparagraph, and shall not have the right to terminate this Agreement as to other Consenting Stakeholders pursuant to this subparagraph, so long as the non-breaching Consenting Stakeholders continue to hold or control at least 50.01% of the aggregate outstanding principal amount of FLFO Term Loan Claims;

(g) the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Consenting Stakeholder seeking an order (without the prior written consent of the Company Parties), (i) converting one or more of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code, (ii) appointing an examiner with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code or a trustee in one or more of these Chapter 11 Cases of a Company Party, or (iii) dismissing one of more of the Chapter 11 Cases;

(h) a Final Order is entered denying Confirmation of the Plan; or

(i) the termination of this Agreement by the Consenting FLFO Term Lenders pursuant to Section 11.01 herein.

11.05. Mutual Termination. This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual written agreement among all of the following: (a) the Required Consenting FLFO Term Lenders; and (b) each Company Party.

11.06. Automatic Termination. This Agreement shall terminate automatically without any further required action or notice immediately after the Effective Date.

11.07. Effect of Termination. Upon the occurrence of a Termination Date as to a Party, this Agreement shall be of no further force and effect as to such Party and each Party subject to such termination shall be released from its commitments, undertakings, and agreements under or related to this Agreement and shall have the rights and remedies that it would have had, had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Claims or Causes of Action; *provided*, *however*, that in no event shall any such termination relieve any Party from (i) liability for its breach or non-performance of its obligations under this Agreement prior to the applicable

Termination Date or (ii) obligations under this Agreement which by their terms expressly survive termination of this Agreement. Upon the occurrence of a Termination Date prior to the Confirmation Order being entered by the Bankruptcy Court, any and all consents or ballots provided or tendered by the Parties subject to such termination before a Termination Date shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions and this Agreement or otherwise; *provided*, *however*, that any Consenting Stakeholder withdrawing or changing its vote pursuant to this Section 11.07 shall promptly provide written notice of such withdrawal or change to each other Party to this Agreement and, if such withdrawal or change occurs on or after the Petition Date, file notice of such withdrawal or change with the Bankruptcy Court. Nothing in this Agreement shall be construed as prohibiting a Company Party or any of the Consenting Stakeholders from contesting whether any such termination is in accordance with its terms or to seek enforcement of any rights under this Agreement that arose or existed before a Termination Date. Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict (a) any right of any Company Party or the ability of any Company Party to protect and reserve its rights (including rights under this Agreement), remedies, and interests, including its Claims against any Consenting Stakeholder, and (b) any right of any Consenting Stakeholder, or the ability of any Consenting Stakeholder, to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its Claims against any Company Party or Consenting Stakeholder. No purported termination of this Agreement shall be effective under this Section 11.07 or otherwise if the Party seeking to terminate this Agreement is in material breach of this Agreement, except a termination pursuant to Section 11.04(b). Nothing in this Section 11.07 shall restrict any Company Party's right to terminate this Agreement in accordance with Section 11.04(b). Notwithstanding anything to the contrary herein, in the event a Termination Date occurs with respect to the Company Parties, the Company Parties shall remain obligated to pay all Restructuring Expenses of any non-breaching Party accrued and unpaid as of and up to such Termination Date.

Section 12. ***Amendments and Waivers.***

(a) This Agreement may not be modified, amended, or supplemented, and no condition or requirement of this Agreement may be waived, in any manner except in accordance with this Section 12.

(b) This Agreement may be modified, amended, or supplemented, or a condition or requirement of this Agreement may be waived, in a writing signed by (a) each Company Party, (b) the Required Consenting FLFO Term Lenders, and (c) solely with respect to any modification, amendment, waiver or supplement that directly, materially, and adversely affects the rights of the following Parties and unless otherwise specified in this Agreement: (i) the Required Consenting FLFO RCF Lenders (it being understood that any amendment or modification to (x) the provisions under the header "RCF Protections" in the Restructuring Term Sheet or (y) the treatment of FLFO RCF Claims, shall constitute an amendment or modification having a direct, material, and adverse effect to the rights of the Consenting FLFO RCF Lenders); (ii) the Required Consenting FLSO Term Lenders; and (iii) each of the Consenting Sponsors, as applicable; *provided*, *however*, that (x) if the proposed modification, amendment, waiver, or supplement has a direct, material, disproportionate, and adverse effect on any of the Company Claims/Equity Interests held by a Consenting Stakeholder solely as compared to any other similarly situated Consenting

Stakeholder, then the consent of each such affected Consenting Stakeholder shall also be required to effectuate such modification, amendment, waiver or supplement and (y) if any proposed modification, amendment, waiver or supplement of any provision relating to (I) a settlement of the Litigation Condition (solely in the event the Bankruptcy Court has not entered any judgment, ruling, finding, or other determination resolving the claims related to the 2024 Refinancing Transactions) or (II) indemnification in respect of the 2024 Refinancing Transactions, in either case, has a direct, material, and adverse effect on a particular Consenting FLFO Term Lender (solely in their capacity as FLFO Term Lender) or an affiliate thereof (in any capacity) and the Consenting FLFO Term Lenders as a class are not similarly situated thereto, the consent of such particular Consenting FLFO Term Lender shall also be required to effectuate such modification, amendment, waiver or supplement.

(c) Any proposed modification, amendment, waiver or supplement that does not comply with this Section 12 shall be ineffective and void *ab initio*.

(d) The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver of any such right, power or remedy or any provision of this Agreement, nor shall any single or partial exercise of such right, power or remedy by such Party preclude any other or further exercise of such right, power or remedy or the exercise of any other right, power or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by Law.

Section 13. ***Miscellaneous***

13.01. Acknowledgement. Notwithstanding any other provision herein, this Agreement is not and shall not be deemed to be an offer with respect to any securities or solicitation of votes for the acceptance of a plan of reorganization for purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise. Any such offer or solicitation will be made only in compliance with all applicable securities Laws, provisions of the Bankruptcy Code, and/or other applicable Law.

13.02. Exhibits Incorporated by Reference; Conflicts. Each of the exhibits, annexes, signatures pages, and schedules attached hereto (including, for the avoidance of doubt, the Restructuring Term Sheet) is expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include such exhibits, annexes, and schedules. In the event of any inconsistency between this Agreement (without reference to the exhibits, annexes, and schedules hereto) and the exhibits, annexes, and schedules hereto, the exhibits, annexes, and schedules hereto shall govern.

13.03. Further Assurances. Subject to the other terms of this Agreement, the Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary, or as may be required by order of the Bankruptcy Court, from time to time, to effectuate the Restructuring Transactions, as applicable.

13.04. Complete Agreement. Except as otherwise explicitly provided herein, this Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, negotiations, and understandings, whether oral or written, among the Parties with respect thereto, other than any Confidentiality Agreement.

13.05. GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM. THIS AGREEMENT and any claim, controversy, dispute or cause of action (whether at law, in equity, in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE BANKRUPTCY CODE AND THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each Party hereto agrees that it shall bring any action or other proceeding in respect of any claim arising out of or related to this Agreement in the Federal District Court for the Southern District of New York in New York City, New York or the state courts located therein; *provided* that each Party hereto agrees that during the pendency of an in-court Restructuring Transaction, to the extent possible, it shall bring any action or proceeding in, in the Bankruptcy Court, and solely in connection with claims arising under this Agreement: (a) irrevocably submits to the exclusive jurisdiction of the such courts; (b) waives any objection to laying venue in any such action or proceeding in such courts; and (c) waives any objection that such court is an inconvenient forum or does not have jurisdiction over any Party hereto.

13.06. TRIAL BY JURY WAIVER. EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

13.07. Execution of Agreement. This Agreement may be executed and delivered in any number of counterparts and by way of electronic signature and delivery, each such counterpart, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

13.08. Rules of Construction. This Agreement is the product of negotiations among the Company Parties and the Consenting Stakeholders, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof. The Company Parties and the Consenting Stakeholders were each represented by counsel during the negotiations and drafting of this Agreement and continue to be represented by counsel.

13.09. Successors and Assigns; Third Parties. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors and permitted assigns, as applicable. There are no third party beneficiaries under this Agreement, and the rights or obligations of any Party under this Agreement may not be assigned, delegated, or transferred to any other Person or Entity, except as otherwise permitted herein.

13.10. Notices. All notices hereunder shall be deemed given if in writing and delivered, by electronic mail, courier, or registered or certified mail (return receipt requested), to the following addresses (or at such other addresses as shall be specified by like notice, including each address provided in a Joinder or Transfer Agreement):

(a) if to a Company Party, to:

Reception Holdings, L.P.
5165 Emerald Pkwy
Dublin, OH 43017

Attention:	Geoff Anderman, Chief Executive Officer, Chase Welsh, Chief Administrative Officer & General Counsel
E-mail address:	geoff.anderman@stgusa.com chase.welsh@stgusa.com

with copies to:

Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654

Attention:	Patrick J. Nash, Jr., P.C. Yusuf Salloum Ashley L. Surinak
E-mail address:	patricknash@kirkland.com yusuf.salloum@kirkland.com ashley.surinak@kirkland.com

(b) if to the Ad Hoc Group, to:

Gibson Dunn and Crutcher, LLP
200 Park Avenue
New York, NY 10166

Attention:	Scott J. Greenberg Jason Zachary Goldstein Simon Briefel Jonathan M. Dunworth
E-mail address:	sgreenberg@gibsondunn.com jgoldstein@gibsondunn.com sbriefel@gibsondunn.com jdunworth@gibsondunn.com

(c) if to Wind Point, to:

Ropes & Gray LLP
191 North Wacker Drive, 32nd Floor

Chicago, IL US 60606-4302

Attention: Matthew M. Roose
Conor P. McNamara
E-mail address: matthew.roose@ropesgray.com
conor.mcnamara@ropesgray.com

(d) if to Duration/Oaktree, to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064
Attention: Brian S. Hermann
Jacob A. Adlerstein
Xu Pang
E-mail address: bhermann@paulweiss.com
jadlerstein@paulweiss.com
xpang@paulweiss.com

Any notice given by delivery, mail, or courier shall be effective when received.

13.11. Independent Due Diligence and Decision Making. Each Consenting Stakeholder hereby confirms that its decision to execute this Agreement has been based upon its independent investigation of the operations, businesses, financial and other conditions, and prospects of the Company Parties, and it has been represented by counsel or other advisors (or has had ample opportunity to seek representation or advice from counsel or other advisors) in connection with this Agreement and the Restructuring Transactions.

13.12. Enforceability of Agreement. Each of the Parties to the extent enforceable waives any right to assert that the exercise of termination rights under this Agreement is subject to the automatic stay provisions of the Bankruptcy Code, and expressly stipulates and consents hereunder to the prospective modification of the automatic stay provisions of the Bankruptcy Code for purposes of exercising termination rights under this Agreement, to the extent the Bankruptcy Court determines that such relief is required.

13.13. Waiver. Except as expressly provided in this Agreement, nothing herein is intended to, does, or shall be deemed in any manner to waive, limit, impair or restrict the ability of each of the Parties to protect and preserve its rights, remedies, and interests, so long as, in each case, such actions are not otherwise inconsistent with this Agreement or the other Definitive Documents, as applicable. If the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason, the Parties fully reserve any and all of their rights, remedies, claims and defenses. This Agreement is part of a proposed settlement of matters that could otherwise be subject to litigation among the Parties hereto. Nothing herein shall be deemed an admission of any kind. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce its terms or the payment of damages to which a Party may be entitled under this Agreement.

13.14. Specific Performance. It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party, and each non-breaching Party shall be entitled to seek specific performance and injunctive or other equitable relief (without the posting of any bond and without proof of actual damages) as a remedy of any such breach, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.

13.15. Several, Not Joint, Claims. Except where otherwise specified, the agreements, representations, warranties, and obligations of the Parties under this Agreement are, in all respects, several and not joint.

13.16. Severability and Construction. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect if essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable.

13.17. Remedies Cumulative. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at Law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.

13.18. Capacities of the Consenting Stakeholders. Each Consenting Stakeholder has entered into this Agreement on account of all Company Claims/Equity Interests that it holds (directly or through discretionary accounts that it manages or advises) and, except where otherwise specified in this Agreement, shall take or refrain from taking all actions that it is obligated to take or refrain from taking under this Agreement with respect to all such Company Claims/Equity Interests.

13.19. Relationship Among the Parties. It is understood and agreed that no Party to this Agreement has any duty of trust or confidence in any form with any other Party, and, except as provided in this Agreement, there are no agreements, commitments, or undertakings between or among them. In this regard, it is understood and agreed that any Party to this Agreement may trade in Company Claims/Equity Interests without the consent of the Company Parties, as the case may be, or any other Party, subject to applicable securities laws, the terms of any applicable Confidentiality Agreement, and the terms of this Agreement; *provided* that no Party shall have any responsibility for any such trading by any other Party by virtue of this Agreement. No prior history, pattern, or practice of sharing confidences among or between the Parties shall in any way affect or negate this understanding and agreement.

13.20. Survival. Notwithstanding (i) any Transfer of any Company Claims/Equity Interests in accordance with this Agreement or (ii) the termination of this Agreement in accordance with its terms, the agreements and obligations of the Parties in Section 6.01(o) of this Agreement, and the Confidentiality Agreements (in accordance with the terms thereof) shall survive such Transfer and/or termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof and thereof.

13.21. Email Consents. Where a written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this Agreement, pursuant to Section 3.01, Section 12, or otherwise, including a written approval by a Party, such written consent, acceptance, approval, or waiver shall be deemed to have occurred if, by agreement between counsel to the Parties submitting and receiving such consent, acceptance, approval, or waiver, it is conveyed in writing (including electronic mail) between each such counsel without representations or warranties of any kind on behalf of such counsel.

13.22. Public Disclosure. The Company Parties shall deliver to (a) the Ad Hoc Group Advisors and (b) the Consenting Sponsor Advisors drafts of any Public Disclosure at least two (2) calendar days (or, if two (2) calendar days' notice is not reasonably practicable, as soon as reasonably practicable thereafter) before making such disclosure, and (x) the Ad Hoc Group Advisors and (y) the Consenting Sponsor Advisors shall be authorized to share such Public Disclosure with the Ad Hoc Group and the Consenting Sponsors, as applicable. Any Public Disclosure shall be in form and substance acceptable to the Required Consenting FLFO Term Lenders and, to the extent it identifies any Consenting Sponsor, such Consenting Sponsor. Under no circumstances may any Party make any public disclosure of any kind that would disclose either: (i) the holdings of any Consenting Stakeholder (including on the signature pages of the Consenting Stakeholder, which shall not be publicly disclosed or Filed) or (ii) the identity of any Consenting Stakeholder, without the prior written consent of such Consenting Stakeholder or the order of a Bankruptcy Court or other court of competent jurisdiction; *provided*, *however*, notwithstanding the foregoing, each Consenting Stakeholder hereby consents to the disclosure of the execution of this Agreement by the Company Parties, and the terms hereof, in the Chapter 11 Plan or the Disclosure Statement Filed therewith, in any filings by the Company Parties with the Bankruptcy Court or as required by the Securities Act, or as otherwise required by applicable law or regulation, or the rules of any applicable stock exchange or regulatory body.

13.23. Restructuring Expenses.

Whether or not the transactions contemplated by this Agreement are consummated and, in each case, if applicable, subject to the terms of the applicable engagement letter or fee reimbursement letter, if any, or applicable terms of the STG Distribution Credit Agreement, the Company Parties hereby agree, on a joint and several basis, to pay in Cash accrued and unpaid Restructuring Expenses as follows: (i) Restructuring Expenses incurred up to (and including) the Agreement Effective Date for which a summary invoice has been received by the Company Parties at least two (2) Business Days prior to the Agreement Effective Date; (ii) after the Agreement Effective Date (to the extent permitted by order of the Bankruptcy Court), in Cash on a regular and continuing basis promptly (but in any event within five (5) Business Days) following receipt of applicable summary invoices, subject to the DIP Orders and any procedures set forth therein regarding payment of the applicable summary invoices; (iii) upon the termination of this Agreement, the Restructuring Expenses incurred up to and including the Termination Date, promptly (but in any event within five (5) Business Days) following the receipt of applicable summary invoices; and (iv) on the Effective Date, the Restructuring Expenses incurred up to and including the Effective Date; *provided* the Company Parties have received summary invoices by three (3) Business Days prior to such date, in each case and to the extent applicable, without any requirement for further review or order of the Bankruptcy Court. To the extent applicable, the Plan and any DIP Order shall contain appropriate provisions to give effect to the obligations under

this Section 13.23. For the avoidance of doubt, with respect to invoices for Restructuring Expenses submitted to the Company Parties by the relevant counsel, such invoices pursuant to this Section 13.23 shall be in summary format. The terms set forth in this Section 13.23 shall survive termination of this Agreement and shall remain in full force and effect regardless of whether the transactions contemplated by this Agreement are consummated.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

Company Parties' Signature Page to
the Restructuring Support Agreement

RECEPTION HOLDINGS, L.P.
RECEPTION INTERMEDIATE HOLDINGS, LLC
RECEPTION NEWCO HOLDINGS, LLC
RECEPTION MEZZANINE HOLDINGS, LLC
RECEPTION PURCHASER, LLC
STG ACQUISITION CORP.
STG LOGISTICS, INC.
STG DISTRIBUTION HOLDINGS, LLC
STG DISTRIBUTION, LLC
ST. GEORGE DISTRIBUTION, LLC (F/K/A ST. GEORGE DISTRIBUTION CORP.)
ST GEORGE WAREHOUSE OF SO. CAROLINA, INC.
J&J INTERNATIONAL OF CALIFORNIA, LLC
ST GEORGE WAREHOUSE & TRUCKING CO. OF TEXAS, INC.
ST GEORGE USA, LLC
ST GEORGE WAREHOUSE OF IL, INC.
ST GEORGE EMPLOYEE LEASING, INC.
CHARLESTON HARBOR XPRESS (CHX), INC.
MARDEL COAST TRUCKING (MCT), INC.
ST GEORGE WAREHOUSE OF OAKLAND, INC.
ST GEORGE WAREHOUSE OF SAVANNAH, LLC
CARGO MANAGER SYSTEMS, INC.
INTERNATIONAL WAREHOUSE SERVICES, INC.
F & F FUMIGATION, INC.
FREIGHT FORCE, LLC
VEECO HOLDINGS, LLC
CHANNEL DISTRIBUTION CORPORATION
CDC TRANSPORT, L.L.C.
CON-WAY MULTIMODAL, INC.
STG LTL INC. (F/K/A FRONTLINE CARRIER SYSTEMS (USA), INC.)
CLEAR LANE FREIGHT SYSTEMS, LLC
STG TRANSPORTATION SOLUTIONS, LLC
BEST DEDICATED SOLUTIONS, LLC
ST GEORGE TRUCKING & WAREHOUSING INC.
CTI SERVICES, LLC
EXPLORE AIRTRANS SERVICES (EAS), LLC
J&J INTERNATIONAL, LLC
APPLE ZEBRA CFS, LLC
P2D PARENT, LLC
P2D TRANSPORT, LLC
SNW TRANSPORT LLC
EXTRA EXPRESS HOLDINGS, LLC
EXTRA EXPRESS (ATLANTA) INC.
EXTRA EXPRESS (CERRITOS) INC.

EXTRA EXPRESS (DENVER) INC.
EXTRA EXPRESS (INDUSTRY) INC.
EXTRA EXPRESS (LAS VEGAS) INC.
EXTRA EXPRESS (LOGISTICS) INC.
NEUTRALOGISTICS, LLC
NEUTRAL AIR, LLC
NEUTRAL GROUND, LLC
NEUTRAL SEA, LLC
NEUTRALOGISTICS CUSTOMS BROKERAGE, LLC
NEUTRALOGISTICS DISTRIBUTION, LLC
STG INTERMODAL, INC.
STG DISTRIBUTION SERVICES, INC.
PDS TRUCKING, INC.
STG LOGISTICS S. DE. R. L. DE C.V. (MEXICO)
STACKTRAIN MEXICO S. DE R.L. DE C.V.
STG INTERMODAL SOLUTIONS, INC.
STG STACKTRAIN, LLC
STG INTERMODAL SERVICES, LLC
STG CARTAGE, LLC
STG TRANSPORT SERVICES, LLC
STG PORT SERVICES, LLC
STG DRAYAGE, LLC
MANUFACTURERS CONSOLIDATION SERVICES OF CANADA, INC.
SUMMIT NW CORPORATION

Signed by:
By: _____
2853F90618B24F1...

Name: Geoff Anderman
Title: Chief Executive Officer

[Consenting Stakeholder Signature Pages on File with the Company]

SCHEDULE 1

Ad Hoc Group Members

[List of Ad Hoc Group Members on File with Company]

EXHIBIT A

Company Parties

1. Reception Holdings, L.P.
2. Reception Intermediate Holdings, LLC
3. Reception Newco Holdings, LLC
4. Reception Mezzanine Holdings, LLC
5. Reception Purchaser, LLC
6. STG Acquisition Corp.
7. STG Logistics, Inc.
8. STG Distribution Holdings, LLC
9. STG Distribution, LLC
10. St. George Distribution, LLC (f/k/a St. George Distribution Corp.)
11. St. George Warehouse of So. Carolina, Inc.
12. J&J International of California, LLC
13. St George Warehouse & Trucking Co. of Texas, Inc.
14. St George USA, LLC
15. St George Warehouse of IL, Inc.
16. St George Employee Leasing, Inc.
17. Charleston Harbor Xpress (CHX), Inc.
18. Mardel Coast Trucking (MCT), Inc.
19. St George Warehouse of Oakland, Inc.
20. St George Warehouse of Savannah, LLC
21. Cargo Manager Systems, Inc.
22. International Warehouse Services, Inc.
23. F & F Fumigation, Inc.
24. Freight Force, LLC
25. Veeco Holdings, LLC
26. Channel Distribution Corporation
27. CDC Transport, L.L.C.
28. Con-Way Multimodal, Inc.
29. STG LTL, Inc.
30. Clear Lane Freight Systems, LLC
31. STG Transportation Solutions, LLC
32. Best Dedicated Solutions, LLC
33. St George Trucking & Warehousing Inc.
34. CTI Services, LLC
35. Explore Airtrans Services (EAS), LLC
36. J&J International, LLC
37. Apple Zebra CFS, LLC
38. P2D Parent, LLC
39. P2D Transport, LLC
40. SNW Transport LLC
41. Extra Express Holdings, LLC
42. Extra Express (Atlanta) Inc.

43. Extra Express (Cerritos) Inc.
44. Extra Express (Denver) Inc.
45. Extra Express (Industry) Inc.
46. Extra Express (Las Vegas) Inc.
47. Extra Express (Logistics) Inc.
48. Neutralogistics, LLC
49. Neutral Air, LLC
50. Neutral Ground, LLC
51. Neutral Sea, LLC
52. Neutralogistics Customs Brokerage, LLC
53. Neutralogistics Distribution, LLC
54. STG Intermodal, Inc.
55. STG Distribution Services, Inc.
56. PDS Trucking, Inc.
57. STG Intermodal Solutions, Inc.
58. STG Stacktrain, LLC
59. STG Intermodal Services, LLC
60. STG Cartage, LLC
61. STG Transport Services, LLC
62. STG Port Services, LLC
63. STG Drayage, LLC
64. Manufacturers Consolidation Services of Canada, Inc.
65. Summit NW Corporation

EXHIBIT B

Restructuring Term Sheet

Filing Version

Reception Holdings, L.P. *et al.*
RESTRUCTURING TERM SHEET

This restructuring term sheet (including all exhibits and schedules hereto, as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, the "**Restructuring Term Sheet**") sets forth the principal terms and conditions of a proposed restructuring ("**Restructuring**") of Reception Holdings, L.P. and certain of its direct and indirect affiliates and subsidiaries. This Restructuring Term Sheet does not address all terms, conditions, or other provisions that would be required in connection with the restructuring or that will be set forth in the Definitive Documents, which are subject to agreement in accordance with the restructuring support agreement to which this Restructuring Term Sheet is attached (including all exhibits and schedules thereto, as may be amended, restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof, the "**Restructuring Support Agreement**"). Capitalized terms used and not defined in this Restructuring Term Sheet shall have their respective meanings as defined in the Restructuring Support Agreement or the exhibits attached hereto, as applicable.

THIS RESTRUCTURING TERM SHEET DOES NOT CONSTITUTE (NOR SHALL IT BE CONSTRUED AS) AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OR REJECTIONS AS TO ANY CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE OR ANY OTHER PLAN OF REORGANIZATION OR SIMILAR PROCESS UNDER ANY OTHER APPLICABLE LAW, IT BEING UNDERSTOOD THAT SUCH A SOLICITATION ONLY WILL BE MADE IN COMPLIANCE WITH APPLICABLE PROVISIONS OF SECURITIES, BANKRUPTCY, AND/OR OTHER APPLICABLE LAW. NOTHING IN THIS RESTRUCTURING TERM SHEET SHALL CONSTITUTE OR BE CONSTRUED AS AN ADMISSION OF ANY FACT OR LIABILITY, A STIPULATION, OR A WAIVER, AND EACH STATEMENT CONTAINED HEREIN IS MADE WITHOUT PREJUDICE AND WITH A FULL RESERVATION OF ALL RIGHTS, REMEDIES, CLAIMS, AND DEFENSES OF EACH PARTY HERETO.

UNLESS OTHERWISE SET FORTH HEREIN, TO THE EXTENT THAT ANY PROVISION OF THE RESTRUCTURING TERM SHEET IS INCONSISTENT WITH THE RESTRUCTURING SUPPORT AGREEMENT, THE TERMS OF THE RESTRUCTURING TERM SHEET WITH RESPECT TO SUCH PROVISION SHALL CONTROL.

Overview	
Debtors	The Entities that are listed on Exhibit A to the Restructuring Support Agreement that commence the Chapter 11 Cases, which shall also be signatories to the Restructuring Support Agreement (each a "**Debtor**" and, collectively, the "**Debtors**").
Restructuring Implementation	The Restructuring will be implemented pursuant to confirmation of a prearranged chapter 11 plan (the "**Plan**") implementing the terms and conditions set forth in this Restructuring Term Sheet in the cases to be commenced by the Debtors under chapter 11 of title 11 of the United States Code (as amended, the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of New Jersey (as applicable, the "**Bankruptcy Court**" and such cases, the "**Chapter 11 Cases**," and the date of the commencement of the Chapter 11 Cases, the "**Petition Date**"). The Plan shall be structured such that the Debtors may pursue: a) the equitization of all or a portion of, as applicable and consistent with this Restructuring Term Sheet in all respects, the DIP Claims, the FLFO Term Loan Claims, and the FLSO Term Loan Claims (each as defined below), subject to dilution from the MIP Equity (the "**Recapitalization Transaction**"); or b) a sale or sales of all or substantially all assets of the Debtors or the Reorganized Equity to the highest or otherwise best bidder(s), in accordance

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	with the Bidding Procedures and Bidding Procedures Order (the "**Sale**"), which may include a credit bid submitted by the DIP Lenders and/or the Required First-Out Lenders (as defined in the STG Distribution Credit Agreement) (any such bid, a "**Credit Bid**"), solely in accordance with the terms of the STG Distribution Credit Agreement, which may be followed by a Wind Down (as defined below); *provided* that any sale of an individual asset or assets that does not or do not constitute substantially all of the assets of the Debtors (taken collectively) shall not be considered a "Sale" for purposes of this Restructuring Term Sheet and shall not constitute a Toggle Trigger Event (as defined below). A Sale wherein the purchaser is someone other than the DIP Lenders and/or the Required First-Out Lenders shall be referred to as a third-party sale transaction (the "**Third-Party Sale Transaction**"); *provided* that the Debtors shall only pursue the Sale if the Company Parties determine, in the exercise of their business judgment, that doing so is in the best interests of the Debtors (the "**Toggle Trigger Event**") following good faith coordination and consultation with the DIP Lenders and the Ad Hoc Group; *provided*, *further* that, notwithstanding the foregoing, the Debtors shall be permitted to file the Bidding Procedures Motion on or after the Petition Date and seek entry of the order related thereto without occurrence of the Toggle Trigger Event; *provided, further* that if a Third-Party Sale Transaction is pursued using a third-party that agrees to serve as the stalking horse bidder, the Debtors shall not agree to provide such stalking horse bidder with any bid protections (including, without limitation, a break-up fee, an expense reimbursement provision) unless otherwise consented to by the Required Consenting FLFO Term Lenders (not to be unreasonably withheld, conditioned, or delayed). Subject to paragraph (c) below, any Sale shall close as soon as reasonably practicable after entry of an order approving such Sale (the "**Sale Order**") and any distributions to be made on account of FLFO Term Loan Claims and FLSO Term Loan Claims shall be made pursuant to such Sale Order. c) any Sale Order must, unless in each case otherwise consented to by the Required Consenting FLFO Term Lenders and any other Consenting Lender, the consent of which is required under the Restructuring Support Agreement, (i) include (x) the Litigation Condition and (y) the Allocation Condition, and no Sale can close absent each such condition being met; (ii) provide immediately upon closing of such Sale, for (a) payment in full in cash of the DIP Claims (the "**DIP Payment**"), (b) to the extent the proceeds of the Sale following the DIP Payment exceed the amount of FLFO Term Loan Claims, payment in full in cash of the FLFO Term Loan Claims (the "**FLFO Payment**") or, to the extent the proceeds of the Sale following the DIP Payment do not exceed the amount of FLFO Term Loan Claims, payment in cash of the FLFO Term Loan Claims on terms reasonably acceptable to the Required Consenting FLFO Term Lenders, (c) to the extent the proceeds of the Sale following the DIP Payment and FLFO Payment exceed the amount of FLSO Term Loan Claims, payment in full in cash of the FLSO Term Loan Claims or, to the extent the proceeds of the Sale following the DIP Payment and FLFO Payment do not exceed the amount of FLSO Term Loan Claims, payment in cash of the FLSO Term Loan Claims on terms reasonably acceptable to the Required Consenting FLSO Term Lenders (the "**FLSO Payment**" and together with the DIP Payment and the FLFO Payment, the "**Sale Payment Amount**") and (d) the application of funds in the RCF Cash Account in accordance with the "RCF Protections" described herein; (iii) if the Sale includes a Credit Bid, include a judgment, ruling, finding or other

Overview	
	determination that the DIP Lenders and/or the Required First-Out Lenders' have validly exercised their right to credit bid all or a portion of their respective secured claims, which claims are allowed, secured, and not subject to any bona fide dispute as to amount, validity, priority, extent, or otherwise; and (iv) in the event of a Third-Party Sale Transaction, become a Final Order prior to closing of the Sale. So long as the Restructuring Support Agreement remains in full force and effect, the Restructuring shall be supported, each in its capacity as such, by (a) the Backstop Parties (as defined in the DIP Credit Agreement), (b) those Holders of FLFO Term Loan Claims and FLSO Term Loan Claims that provide Commitments (as defined in the DIP Credit Agreement) and DIP Loans pursuant to the DIP Facility Subscription (the "**Additional DIP Lenders**," and together with the Backstop Parties, the "**DIP Lenders**"), (c) any undersigned non-Ad Hoc Group Holders of Funded Debt Claims (the "**Additional Supporting Lenders**," and together with the DIP Lenders, the "**Consenting Lenders**"), and (d) the Sponsors (together, with the Consenting Lenders, the "**Consenting Stakeholders**"). In order to participate in the DIP Facility, such holder of an FLFO Claim and/or FLSO Claim, as applicable, must become a Consenting Lender pursuant to the Restructuring Support Agreement. From and after the Effective Date, the Debtors (together with any applicable newly-formed entity formed to implement the Plan) shall be referred to herein as the "**Post-Effective Date Debtors**" and STG Logistics, Inc., or a new entity formed to hold the Post-Effective Date Debtors, shall be referred to herein as "**Reorganized STG**," in each case subject to modification in the event that the Plan is structured in such a way that results in particular Debtors being wound down in connection with the Plan.
Sale; Wind-Down Amount	The Debtors shall file a motion seeking entry of an order to approve the Bidding Procedures (in form and substance reasonably acceptable to the Required Consenting FLFO Term Lenders) (the "**Bidding Procedures Motion**") within seven (7) Business Days after the Petition Date that contemplates the following timeline (which, for the avoidance of doubt, shall not constitute milestones), subject to Bankruptcy Court approval: • no later than sixty (60) days after the Petition Date, the deadline for submitting a qualified bid for the Sale (the "**Bid Deadline**"); • to the extent required, no later than seven (7) days after the Bid Deadline, an auction to consider approval of the Third-Party Sale Transaction shall commence; • if applicable, no later than seventy-five (75) days after the Petition Date, the Bankruptcy Court shall hold a hearing to consider approval of the Sale; *provided* that this date shall automatically be extended to 115 days after the Petition Date with respect to any "Backup Bidder" if the Debtors are pursuing the Recapitalization Transaction and are in compliance with all Milestones related thereto; and • if applicable, no later than five (5) days after the Bankruptcy Court's hearing to consider approval of the Sale, the Bankruptcy Court shall enter the Sale Order. In the event a wind down is pursued in connection with the Restructuring via the Sale or otherwise (the "**Wind Down**"), the Company Parties shall establish and fund one or

Overview	
	more reserves from Cash on hand sufficient to fund the estimated fees, costs, and expenses necessary to administer and Wind Down, in an amount the Required Consenting FLFO Term Lenders and the Debtors reasonably agree includes sufficient funds for payment of administrative expense costs necessary to confirm a Plan (the "**Wind-Down Amount**"). The Debtors shall be authorized to maintain the Wind-Down Amount in an amount and for such time as is necessary, each as determined by a plan administrator, to fully reconcile, liquidate, and pay in full in Cash all applicable fees, costs, expenses, Claims, and other obligations described in the preceding sentence before distributing any Net Distributable Cash (as defined below) to Holders of DIP Claims or any other Claims and Equity Interests in accordance with the priorities and treatment pursuant to the STG Distribution Credit Agreement and as described below.
Claims and Interests to be Addressed	Outstanding indebtedness of the Debtors, Equity Interests, and Intercompany Interests in the Debtors that will be restructured or otherwise addressed pursuant to the Restructuring include: (i) **FLFO Term Loan**: indebtedness under that certain Credit Agreement, entered into as of October 3, 2024 (as amended, restated, amended and restated, supplemented, and/or otherwise modified from time to time, the "**STG Distribution Credit Agreement**"), by and among STG Distribution, LLC, as Borrower, STG Distribution Holdings, LLC, as Newco Holdings, Reception Purchaser, LLC, as the Company, Reception Mezzanine Holdings, LLC, as Holdings, Wilmington Savings Fund Society, as administrative agent and collateral agent, and each of the lenders from time to time party thereto, as lenders, comprised of first out term loans in an aggregate estimated principal amount outstanding of approximately $209 million, plus applicable interest, fees, costs, expenses, and premiums, including, without limitation, any make-whole amount (the Claims in respect thereof, including any Claims "rolled up" as part of incurrence of obligations under the DIP Credit Agreement (such "rolled up" claims, the "**1O Roll-Up DIP Claims**") and as set forth in greater detail in the DIP Credit Agreement, the "**FLFO Term Loan Claims**"); (ii) **FLFO RCF**: indebtedness under the STG Distribution Credit Agreement comprised of letters of credit with an aggregate face value of approximately $25 million, plus applicable interest, fees, costs, expenses, and premiums (the Claims in respect thereof, the "**FLFO RCF Claims**," and together with the FLFO Term Loan Claims, the "**FLFO Claims**"); (iii) **FLSO Term Loan**: indebtedness under the STG Distribution Credit Agreement comprised of second out term loans in an aggregate estimated principal amount outstanding of approximately $669 million, plus applicable interest, fees, costs, expenses, and premiums (the Claims in respect thereof, including any Claims "rolled up" as part of incurrence of obligations under the DIP Credit Agreement (such "rolled up" claims, the "**2O Roll-Up DIP Claims**") and as set forth in greater detail in the DIP Credit Agreement, the "**FLSO Term Loan Claims**"); (iv) **FLTO Term Loan**: indebtedness under the STG Distribution Credit Agreement comprised of third out term loans in an aggregate estimated principal amount outstanding of approximately $101 million, plus applicable interest, fees, costs, expenses, and premiums (the Claims in respect thereof, the "**FLTO Term Loan Claims**");

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	(v) **Reception Purchaser RCF**: indebtedness under that certain Credit Agreement, dated as of March 24, 2022 (as amended, restated, amended and restated, supplemented, and/or otherwise modified from time to time, the "**Reception Purchaser Credit Agreement**"), by and among Reception Purchaser LLC, together with each other Person who becomes a borrower thereunder, as the Borrowers, the other persons party thereto that are designated as credit parties, Antares Capital LP, as administrative agent and collateral agent, and the other financial institutions party thereto as Lenders, comprised of revolving credit facility loans in an aggregate estimated principal amount outstanding of approximately $2 million, plus applicable interest, fees, costs, expenses, and premiums (the Claims in respect thereof, the "**Reception Purchaser RCF Claims**"); (vi) **Reception Purchaser Term Loan**: indebtedness under the Reception Purchaser Credit Agreement comprised of third out term loans in an aggregate estimated principal amount outstanding of approximately $56 million, plus applicable interest, fees, costs, expenses, and premiums (the Claims in respect thereof, the "**Reception Purchaser Term Loan Claims**," and together with the FLFO Term Loan Claims, FLSO Term Loan Claims, FLTO Term Loan Claims, FLFO RCF Claims, Reception Purchaser RCF Claims, STG Distribution Guaranty Claims, and Intercompany Notes Claims (as defined below) the "**Funded Debt Claims**"); (vii) **Capital Leases**: obligations under certain equipment lease agreements between the Debtors and certain banks and finance companies pursuant to which the Debtors lease equipment for a definite term (the "**Equipment Financing Claims**") in an aggregate amount of approximately $97 million; (viii) **Intercompany Notes**: indebtedness under that certain Intercompany Credit Agreement, dated as of October 3, 2024 (as amended, restated, amended and restated, supplemented, and/or otherwise modified from time to time, the "**Intercompany Credit Agreement**"), by and among Reception Purchaser, LLC, as the Borrower, Reception Mezzanine Holdings, LLC, as Holdings, the other persons party thereto that are designated as credit parties, Wilmington Savings Fund Society, FSB, as the Agent for the Lender, and STG Distribution, LLC, as the Lender (the Claims in respect thereof, the "**Intercompany Notes Claims**"); (ix) Other Intercompany Claims and Intercompany Interests; and (x) Equity Interests.
Cash Collateral; DIP Facility	The Debtors shall seek authority to obtain debtor-in-possession financing (the "**DIP Facility**," and the loans provided thereunder, the "**DIP Loans**") and the consensual use of cash collateral on the terms and conditions set forth in **Exhibit B** (the **DIP Credit Agreement**").
DIP Facility Subscription Process	Participation in the DIP Facility shall be offered to all Holders of FLFO Term Loan Claims on a pro rata basis; *provided, however*, the Holders of FLFO Term Loan Claims that participate in the DIP Facility agree to collectively offer to assign up to 10% (subject to reduction pursuant to clause (ii) of the immediately succeeding proviso) of their right to participate in each of the New Money Term Loans (as defined in the DIP Credit Agreement) and Roll-Up Loans (as defined in the DIP Credit Agreement) to the Holders of FLSO Term Loan Claims (including, for the avoidance of doubt, Holders

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	of FLSO Term Loan Claims that are members of the Ad Hoc Group) on a pro rata basis based on the amount of FLSO Term Loan Claims held by a Holder as compared to all FLSO Term Loan Claims (such process, the "**DIP Facility Subscription**"); *provided* that (i) any Roll-Up Loans received in exchange for FLSO Term Loan Claims shall be subordinated in right of payment to the New Money Term Loans and any Roll-Up Loans received in exchange for FLFO Term Loan Claims and (ii) to the extent any Holder of FLSO Term Loan Claims elects to not participate in the DIP Loans, then such portion of DIP Loans attributable to such Holder shall not be offered to any other Holder of FLSO Term Loan Claims. For the avoidance of doubt, any Holder that receives Roll-Up Loans on account of its FLFO Term Loan Claims and/or FLSO Term Loan Claims shall be required to fund its equivalent share of New Money Term Loans. No later than three (3) Business Days after entry of the Interim DIP Order, the agent under the STG Distribution Credit Agreement (the "**STG Distribution Agent**") shall post the Restructuring Support Agreement (inclusive of all exhibits), the DIP Credit Agreement, and a posting memo in respect of the syndication of the DIP Loans and Commitments to the website maintained for the Holders of FLFO Term Loan Claims and FLSO Term Loan Claims by the STG Distribution Agent, which posting will provide blank signature pages to the Restructuring Support Agreement. Holders of FLFO Term Loan Claims and FLSO Term Loan Claims may subscribe for the DIP Loans and Commitments (or designate an affiliate to subscribe for the DIP Loans and Commitments) by delivering signature pages to the Restructuring Support Agreement in accordance with the instructions set forth in the posting memo no later than five (5) Business Days after the STG Distribution Agent's posting of the Restructuring Support Agreement (the "**Subscription Deadline**"). For the avoidance of doubt, Holders of FLFO Term Loan Claims and FLSO Term Loan Claims must become parties to the Restructuring Support Agreement in order to subscribe for the DIP Loans and Commitments as described herein and in the posting memo. The record date for determining the right to subscribe, and the pro rata allocation of the DIP Facility Subscription, for DIP Loans and Commitments shall be the Petition Date (giving pro forma effect to trades or assignments of FLFO Term Loan Claims and/or FLSO Term Loan Claims that have not yet closed); *provided*, *however*, that the right to subscribe, and pro rata allocation of such subscription, shall transfer with the FLFO Term Loan Claims and FLSO Term Loan Claims to the extent of any trade or assignment of such FLFO Term Loan Claims or FLSO Term Loan Claims, as applicable (in accordance with the requirements of the Restructuring Support Agreement, if applicable) made after entry of the Interim DIP Order and before the Subscription Deadline.
Takeback Debt	On the Effective Date, if the Recapitalization Transaction occurs, the applicable Post-Effective Date Debtors shall issue a term loan facility in the amount of $100 million (plus the principal amount of the Exit RCF Facility), which shall refinance certain of the FLFO Term Loan Claims (the "**Takeback Term Loan Facility**," any documents or agreements governing such facility, the "**Takeback Term Loan Facility Documents**," and the loans thereunder, the "**Takeback Term Loans**") on the terms acceptable to the Company Parties and the Required Consenting FLFO Term Lenders as set forth in **Exhibit C** (the "**Takeback Term Loan Facility Term Sheet**").
Milestones	The Debtors will comply with the following milestones (collectively, the "**Milestones**"): (i) not later than January 12, 2026, the Petition Date shall have occurred;

Overview	
	(ii) not later than 3 days following the Petition Date, the Interim DIP Order shall have been entered; (iii) the Company Parties shall have executed the engagement letter for the Operational Consultant on terms acceptable to the Required Consenting FLFO Term Lenders no later than 7 days after the Petition Date; (iv) not later than 14 days following the Petition Date, the Debtors shall have filed a motion seeking approval of the Disclosure Statement; (v) not later than 40 days following the Petition Date, the Bankruptcy Court shall have entered the Final DIP Order; (vi) not later than 75 days following the Petition Date, the Bankruptcy Court shall have entered an order approving the Disclosure Statement; *provided* that if the Bid Deadline is extended, this Milestone and subsequent Milestones shall be extended in parallel with the extension to the Bid Deadline; (vii) not later than 115 days following the Petition Date, the Bankruptcy Court shall have entered the Confirmation Order; and (viii) not later than 125 days following the Petition Date, the Plan Effective Date shall have occurred.

Treatment of Claims and Interests			
Each Holder of an Allowed Claim, Equity Interest, or Intercompany Interest as applicable, shall receive the treatment described below in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Holder's Allowed Claim, Equity Interest, or Intercompany Interest.			
Class No.	**Type of Claim**	**Treatment**	**Impairment / Voting**
Unclassified Non-Voting Claims			
N/A	**DIP Claims**	On the Effective Date, except to the extent that a Holder of an Allowed DIP Claim agrees to alternative treatment, and in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed DIP Claim, each Holder of an Allowed DIP Claim shall receive, either: (a) if the Recapitalization Transaction occurs, (i) on account of its New Money DIP Claim, 57.5% of the Reorganized Equity (subject to dilution by the MIP Equity),[1] (ii) on account of its 1O Roll-Up DIP Claim, if any, such treatment consistent with the FLFO Claims, and (iii) on account of its 2O Roll-Up DIP Claim, if any, such treatment consistent with the	N/A

[1] For the avoidance of doubt, notwithstanding that any fees payable on the New Money DIP Claims shall be waived or cancelled in connection with the Recapitalization Transaction, such fees shall continue to be accounted for in determining each holder of a New Money DIP Claim's ratable share of the equity consideration among New Money DIP Claims.

Treatment of Claims and Interests			
		FLSO Term Loan Claims; or (b) if the Sale occurs, the DIP Payment pursuant to the Sale Order.	
N/A	**Administrative Claims**[2]	Unless a Holder agrees to less favorable treatment, each Holder of an Allowed Administrative Claim shall be paid in full in Cash on the later of the Effective Date and the date on which such Claim becomes an Allowed Claim (or as soon as reasonably practicable thereafter), or otherwise receive treatment consistent with the provisions of section 1129(a) of the Bankruptcy Code.	N/A
N/A	**Priority Tax Claims**[3]	Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to less favorable treatment, each Holder of a Priority Tax Claim shall receive treatment in a manner consistent with section 1129(a)(9)(C) of the Bankruptcy Code.	N/A
Classified Claims and Interests of the Debtors			
Class 1	**Other Secured Claims**[4]	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, each Holder of an Allowed Other Secured Claim shall receive, in full and final satisfaction of such Claim and at the option of the Debtors, with the consent of the Required Consenting FLFO Term Lenders not to be unreasonably withheld: (i) payment in full in Cash in an amount equal to its Allowed Other Secured Claim; (ii) the collateral securing its Allowed Other Secured Claim; (iii) Reinstatement of its Allowed Other Secured Claim; or (iv) such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	Not Entitled to Vote (Presumed to Accept)

2 "*Administrative Claim*" means a Claim for the costs and expenses of administration of the Estates under sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code.

3 "*Priority Tax Claim*" means any Claim of a Governmental Unit (as defined in section 101(27) of the Bankruptcy Code) of the kind specified in section 507(a)(8) of the Bankruptcy Code.

4 "*Other Secured Claim*" means a Claim, other than a Funded Debt Claim or an Equipment Financing Claim, (a) secured by a valid, perfected, and enforceable lien on collateral to the extent of the value of such collateral, as determined in accordance with section 506(a) of the Bankruptcy Code or (b) subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

Treatment of Claims and Interests			
Class 2	**Other Priority Claims**[5]	Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, each Holder of an Allowed Other Priority Claim shall receive, in full and final satisfaction of such Claim, Cash on the Effective Date in an amount equal to such Allowed Other Priority Claim, or as and when due in the ordinary course of business of the Post-Effective Date Debtors, or otherwise as consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.	Not Entitled to Vote (Presumed to Accept)
Class 3	**Equipment Financing Claims**	Except to the extent a Holder of an Allowed Equipment Financing Claim agrees to less favorable treatment on the Effective Date, each Holder of an Allowed Equipment Financing Claim shall receive: (i) if the Recapitalization Transaction occurs, the Takeback Equipment Financing Debt[6] pertaining to such Holder's collateral; or (ii) if the Sale occurs, as applicable, (x) such Holder's *pro rata* distribution of Net Distributable Cash[7] solely attributable to such Holder's collateral underlying such Allowed Equipment Financing Claim or (y) the collateral underlying such Allowed Equipment Financing Claim.	Entitled to Vote
Class 4A	**FLFO RCF Claims**	Except to the extent that a Holder of an Allowed FLFO RCF Claim agrees to less favorable treatment on the Effective Date, each Holder of an Allowed FLFO RCF Claim shall receive, in full and final satisfaction of such Claim at its election, either (i) if the applicable Holder commits to provide its Exit RCF Commitment[8] under the Exit RCF Facility[9] by	Entitled to Vote

5 "*Other Priority Claim*" means a Claim, other than a DIP Claim, Administrative Claim or Priority Tax Claim, entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

6 "*Takeback Equipment Financing Debt*" means the takeback debt to be distributed to Holders of Allowed Equipment Financing Claims.

7 "*Net Distributable Cash*" means, in the event of a Sale, Cash *minus* the Wind-Down Amount *minus* the RCF Cash Account *minus* the Sale Payment Amount, if any.

8 "*Exit RCF Commitment*" means, with respect to each Holder of FLFO RCF Claims that commits to participate in the Exit RCF Facility by signing the Restructuring Support Agreement, a commitment by such Holder to make revolving loans (which shall be used solely to reimburse draws under letters of credit), issue letters of credit and acquire interests in letter of credit obligations under the Exit RCF Facility on terms and conditions acceptable to the Required Consenting FLFO RCF Lenders but consistent with the terms of the Restructuring Support Agreement and term sheets thereto in effect on the date hereof (in respect of material terms), which commitment as of the Effective Date shall be in an amount equal to such Holder's existing "Revolving Loan Commitment" (as defined in the STG Distribution Credit Agreement).

9 "*Exit RCF Facility*" means a revolving credit facility to be entered into by the applicable Post Effective Date Debtors on the Effective Date (if the Recapitalization Transaction is consummated) on terms acceptable to the Company Parties and the Required Consenting FLFO RCF Lenders pursuant to the Exit RCF Facility Documents, which facility shall include letters of credit issued under the STG Distribution Credit Agreement and the revolving loans as described in the definition of "Committed RCF Treatment". The terms of the Exit RCF Facility shall not be worse for the Company Parties in any material

Treatment of Claims and Interests			
		signing up, or executing a joinder to, the Restructuring Support Agreement, (such Holders, the "**Committed RCF Holders**") (x) if the Recapitalization Transaction occurs, the Committed RCF Treatment[10] or (y) if the Sale occurs, repayment or cash collateralization, as applicable, of such Holder's FLFO RCF Claims from the RCF Cash Account in accordance with the "RCF Protections" described below or (ii) if the applicable Holder does not commit to provide its Exit RCF Commitment under the Exit RCF Facility, treatment in accordance with and *pro rata* to the FLFO Term Loan Claims (Class 4B) treatment.	
Class 4B	**FLFO Term Loan Claims**	Except to the extent that a Holder of an Allowed FLFO Term Loan Claim agrees to less favorable treatment on the Effective Date, each Holder of an Allowed FLFO Term Loan Claim shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, such Holder's *pro rata* share of Takeback Term Loans, subject to the Allocation Condition, and 40.0% of Reorganized Equity (subject to dilution from the MIP Equity); or (ii) if the Sale occurs, following the FLFO Payment pursuant to the Sale Order, such Holder's *pro rata* distribution of Net Distributable Cash.	Entitled to Vote
Class 4C	**Reception Purchaser First Lien Claims**	Except to the extent that a Holder of an Allowed Reception Purchaser First Lien Claim agrees to less favorable treatment, on the Effective Date, each Holder of an Allowed Reception Purchaser First Lien shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, its *pro rata* share of Takeback Term Loans, subject to the Allocation Condition; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, solely attributable to such Holder's collateral	Entitled to Vote

respect than the terms of the FLFO RCF; *provided* that the term and applicable margin shall be consistent with the Takeback Term Loan Facility (it being understood, however, that all undrawn letter of credit fees and interest shall be solely payable in Cash).

[10] "*Committed RCF Treatment*" means, with respect to each Holder of an FLFO RCF Claim that has elected to provide its Exit RCF Commitment, (i) the deemed issuance under the Exit RCF Facility of any outstanding and undrawn letters of credit issued by such Holder under the FLFO RCF Facility, (ii) the issuance to such Holder of revolving loans under the Exit RCF Facility in an amount equal to the outstanding revolving loans and letter of credit obligations (other than with respect to any outstanding and undrawn letters of credit) owed to such Holder, (iii) the distribution to such Holder of its share of any Cash received by any Company Party from the beneficiary of any letter of credit after a draw thereunder in excess of the obligations of the Company Parties to such beneficiary (which for the avoidance of doubt shall replenish capacity under the Exit RCF Facility) and (iv) to the extent the letters of credit and revolving loans described in clause (i) would otherwise result in such Holder having aggregate exposure under the Exit RCF Facility on the Effective Date in excess of such Holder's Exit RCF Commitment, such Holder shall be entitled to repayment or cash collateralization in an amount equal to such excess, in each case on terms and conditions acceptable to the Required Consenting FLFO RCF Lenders.

Treatment of Claims and Interests			
		underlying such Allowed Reception Purchaser First Lien Claim and subject to the Allocation Condition.	
Class 5	**FLSO Term Loan Claims**	Except to the extent that a Holder of an Allowed FLSO Term Loan Claim agrees to less favorable treatment, on the Effective Date, each Holder of an Allowed FLSO Term Loan Claim shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, its *pro rata* share of 2.5% of the Reorganized Equity, subject to dilution by the MIP Equity or (ii) if the Sale occurs, following the FLSO Payment pursuant to the Sale Order, its *pro rata* distribution of the Net Distributable Cash subject to payment in full in Cash of the FLFO Term Loan Claims and subject to the terms of the STG Distribution Credit Agreement.	Entitled to Vote
Class 6	**FLTO Term Loan Claims**	Except to the extent that a Holder of an Allowed FLTO Term Loan Claim agrees to less favorable treatment, each Holder of an Allowed FLTO Term Loan Claim shall receive either: (i) if the Recapitalization Transaction occurs, all FLTO Term Loan Claims shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such FLTO Term Loan Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLSO Term Loan Claims and subject to the terms of the STG Distribution Credit Agreement.	Not Entitled to Vote (Deemed to Reject)
Class 7	**Auto Liability Claims**	Unless a Holder of an Allowed Auto Liability Claim agrees to less favorable treatment, each Holder of an Allowed Auto Liability Claim shall receive in full and final satisfaction of such Claim either (i) if the Recapitalization Transaction occurs, subject to the Second Out Condition,[11] treatment rendering its Allowed Auto Liability Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLTO Term Loan Claims.	Entitled to Vote
Class 8	**General Unsecured Claims**	Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each Holder of an Allowed General Unsecured Claim shall receive either: (i) if the	Not Entitled to Vote (Deemed to Reject)

[11] "*Second Out Condition*" means the acceptance of the Plan by the requisite number and amount of Holders of FLSO Term Loan Claims in Class 5 in accordance with section 1126 of the Bankruptcy Code.

Treatment of Claims and Interests			
		Recapitalization Transaction occurs, all General Unsecured Claims shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such General Unsecured Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLTO Term Loan Claims.	
Class 9	**Intercompany Claims**	Except to the extent that a Holder of an Allowed Intercompany Claim agrees to less favorable treatment, each Holder of an Allowed Intercompany Claim shall receive either: (i) if the Recapitalization Transaction occurs, all Intercompany Claims shall be Reinstated, set off, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Post-Effective Date Debtors, with the consent of the Required Consenting FLFO Term Lenders (not to be unreasonably withheld, conditioned, or delayed), without any distribution; or (ii) if the Sale occurs, all Intercompany Claims shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors, with the consent of the Required Consenting FLFO Term Lenders (not to be unreasonably withheld, conditioned, or delayed), without any distribution.	Not Entitled to Vote (Presumed to Accept) / Not Entitled to Vote (Deemed to Reject)
Class 10	**Intercompany Interests**	Except to the extent that a Holder of an Allowed Intercompany Interest agrees to less favorable treatment, each Holder of an Allowed Intercompany Interest shall receive either: (i) if the Recapitalization Transaction occurs, all Intercompany Interests shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors, with the consent of the Required Consenting FLFO Term Lenders (not to be unreasonably withheld, conditioned, or delayed), without any distribution; (ii) if the Sale occurs, all Intercompany Interests shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors, with the consent of the Required Consenting FLFO Term Lenders (not to be unreasonably withheld, conditioned, or delayed), without any distribution.	Not Entitled to Vote (Presumed to Accept) / Not Entitled to Vote (Deemed to Reject)
Class 11	**Section 510(b) Claims**	Except to the extent that a Holder of an Allowed Section 510(b) Claim agrees to less favorable treatment, each Holder of an Allowed 510(b) Claim shall receive either: (i) if the Recapitalization Transaction occurs, all Section 510(b) Claims shall	Not Entitled to Vote (Deemed to Reject)

Treatment of Claims and Interests			
		be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such General Unsecured Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the General Unsecured Claims and Auto Liability Claims.	
Class 12	**Equity Interests**	Except to the extent that a Holder of an Allowed Equity Interest agrees to less favorable treatment, each Holder of an Allowed Equity Interest shall receive either: (i) if the Recapitalization Transaction occurs, all Equity Interests shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such Equity Interests shall not receive any distribution under the Plan on account of such Equity Interest; (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the Section 510(b) Claims.	Not Entitled to Vote (Deemed to Reject)

General Provisions Regarding the Restructuring	
Restructuring Transactions	The Confirmation Order shall be deemed to authorize and ratify, among other things, all actions as may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to consummate the Plan and the Restructuring therein. On the Effective Date, the Debtors, as applicable, shall issue all securities, notes, instruments, certificates, and other documents required to be issued pursuant to the Restructuring.
RCF Protections	In exchange for providing the Exit RCF Commitments, the Company Parties shall establish, pursuant to the DIP Orders in a manner acceptable to the Required Consenting FLFO RCF Lenders, a restricted segregated cash account equal to 100% of the principal amount of the letter of credit exposure of the Committed RCF Holders (which, for the avoidance of doubt, shall equal $25,023,458 assuming 100% of FLFO RCF Holders are Committed RCF Holders) (the "**RCF Cash Account**") to be held by the Debtors in trust for the sole benefit of the Committed RCF Holders. The DIP Orders shall provide that all funds held in the RCF Cash Account (i) shall be subject to a first priority, automatically perfected security interest in and lien in favor of such Holders to secure such Holders' FLFO RCF Claims, (ii) shall not be subject to any other security interest or lien, except that the DIP Secured Parties shall have a security interest in any residual interest in the RCF Cash Account solely to the extent of any funds remaining after all letters of credit have been terminated and the Committed RCF Holders have been fully reimbursed for any draws thereunder, which security interest in such residual shall be subject and subordinate to the interests of the Committed RCF Holders, and (iii) shall not be used to fund the Wind Down Amount or the Carve Out or otherwise available for any use or purpose other than the repayment or cash collateralization of the beneficiary's FLFO RCF Claims. The DIP Orders shall further provide that, the Cash in the RCF Cash Account shall be applied to reimburse draws under the letters of credit in a manner acceptable to the Required Consenting FLFO RCF Lenders solely upon the earliest to occur of (i) conversion of the Cases to a liquidation proceeding (whether pursuant to

General Provisions Regarding the Restructuring	
	chapter 7 of the Bankruptcy Code or the effectiveness of a plan of liquidation under chapter 11 of the Bankruptcy Code), (ii) if an Event of Default (as defined in the DIP Credit Agreement) has occurred under the DIP Credit Agreement and the DIP Lenders have accelerated the Loans (as defined in the DIP Credit Agreement) and have taken or are taking control of the Collateral (as defined in the DIP Credit Agreement), or (iii) the entry of an order approving a sale of all or substantially all of the Debtors' assets, including a Sale Order.
Restructuring Steps Plan	The Plan Supplement shall include a restructuring steps plan (the "**Restructuring Steps Plan**") that shall outline the steps, considerations, treatment of Intercompany Claims and Intercompany Interests, and agreed funding, as applicable, for any Post-Effective Date Debtor or Company Party, including any foreign non-Debtor Company Party.
Debtor Releases, Third-Party Releases, Injunction, and Exculpation	Subject in all respects to the conclusion of the Special Committee's Investigation, the Plan will include customary releases, injunctions, and exculpations in each case to the fullest extent permitted by law and effective as of the Effective Date based on the terms set forth in **Exhibit A** to this Restructuring Term Sheet. The Plan will include customary provisions providing for the survival of the Prepetition Debt Documents to ensure distributions are made in accordance therewith and to preserve all rights, remedies, indemnities, powers and protections of the Agents.
Management Incentive Plan	The Plan will provide for the establishment of a post-emergence management incentive plan to be designed and adopted by the New Board (as defined below) following the Effective Date, to be used to incentivize and compensate employees, directors, consultants and other service providers (the "**Management Incentive Plan**"), which will include (i) the ability to grant restricted stock units, options, Reorganized Equity, or other rights exercisable, exchangeable, or convertible into Reorganized Equity (or equivalent Cash value thereof) representing up to 10% of the Reorganized Equity on a fully diluted basis, (the "**MIP Equity**") and (ii) other terms and conditions customary for similar type equity plans as determined by the New Board in its sole discretion (including, with respect to participants, allocation of awards, and vesting).
Employment Obligations	Pursuant to this Restructuring Term Sheet and the Restructuring Support Agreement, and subject to ongoing diligence, in the event of a Recapitalization Transaction, the Consenting Stakeholders shall use reasonable good faith efforts to provide for (i) the continuation of the Debtors' wages, compensation, and benefits programs according to existing terms and practices, including executive compensation programs and executive employment agreements, and (ii) any motions to the Bankruptcy Court for approval thereof. Notwithstanding the foregoing, solely upon the closing of the Recapitalization Transaction (and not, for the avoidance of doubt, following any Toggle Trigger Event that ultimately precludes the Recapitalization Transaction), the Consenting Stakeholders agree that the Plan shall provide for assumption of all employment agreements in favor of those of the Company Parties' existing employees who have been identified on the schedule distributed by the Debtors' counsel to counsel to the Ad Hoc Group via email on January 6, 2026.
Executory Contracts and Unexpired Leases	In the event of a Recapitalization Transaction, the Plan will provide that the executory contracts and unexpired leases that are not assumed as of the Effective Date (either pursuant to the Plan or a separate motion) will be deemed rejected pursuant to section 365 of the Bankruptcy Code.

General Provisions Regarding the Restructuring	
	For the avoidance of doubt, the Debtors shall reasonably promptly provide the Ad Hoc Advisors with access to all information reasonably requested with respect to executory contracts and unexpired leases of the Debtors, and the assumption or rejection of any such contracts or leases shall be subject to the consent of the Required Consenting FLFO Term Lenders as set forth in the Restructuring Support Agreement. In the event of a Sale, executory contracts and unexpired leases not assumed and assigned shall be deemed rejected pursuant to section 365 of the Bankruptcy Code.
Securities Law Matters	To extent applicable, on the Effective Date, the Post-Effective Date Debtors shall issue the Reorganized Equity in accordance with the terms of the Plan, the Definitive Documents, and applicable law (including applicable securities laws). The Reorganized Equity will be issued pursuant to section 1145 of the Bankruptcy Code (the "**Section 1145 Exemption**") or, to the extent that the Section 1145 Exemption is either not permitted or not applicable, section 4(a)(2) of the Securities Act or another exemption thereunder. Any Reorganized Equity issued pursuant to the Section 1145 Exemption will be freely transferrable under applicable securities laws without further registration, subject to certain restrictions on affiliates and underwriters under applicable securities laws.
Governance	The new board of directors or managers of the Post-Effective Date Debtors (as applicable) (the "**New Board**") shall be acceptable to and appointed by the Required Consenting FLFO Term Lenders. The New Board shall include five (5) directors, and the chief executive officer of the Post-Effective Date Debtors shall be one of the five (5) directors on the New Board. The identities of directors on the New Board shall be set forth in the Plan Supplement to the extent known at the time of filing. All governance documentation (the "**New Governance Documents**"), whether pursuant to a Recapitalization Transaction or a Credit Bid, to be acceptable to the Required Consenting FLFO Term Lenders and to include a new go-forward indemnity for the benefit of the DIP Lenders and their Affiliates and Related Parties (the "**Indemnity**") that covers the Restructuring Transactions and all prepetition transactions, including, without limitation, the 2024 Refinancing Transactions.
Special Committee	The Special Committee's Investigation is ongoing. The Debtor Release, including without limitation the scope of the Released Parties, is subject in all respects to the conclusion of the Investigation and the Special Committee's determination with respect to any potential claims or Causes of Action, if any, identified therein, and the Debtors expressly reserve the right to determine prior to Confirmation of the Plan not to release and to bring any such claims or Causes of Action.
D&O Insurance	The Debtors shall not terminate or otherwise reduce the coverage under any directors' and officers' insurance policies in effect or purchased as of or following the Execution Date (including any tail policy), and any members, managers, directors, and officers of the Debtors who served in such capacity at any time before or after the Effective Date and any other individuals, in each case, covered by such existing insurance policies, shall be entitled to the full benefits of any such policy, to the extent of the terms and limitations of such policy, for the full term of such policy regardless of whether such members, managers, directors, officers, or other individuals remain in such positions after the Effective Date. Notwithstanding anything herein to the contrary, the Debtors shall retain the ability to supplement such directors' and officers' insurance policies as the Debtors deem necessary with the consent of the Required Consenting FLFO Term Lenders, including by purchasing any tail coverage (including a tail policy).

General Provisions Regarding the Restructuring	
Indemnification Obligations	Any obligations of the Debtors pursuant to corporate charters, certificates of incorporation or formation, bylaws, limited partnership agreements, limited liability company agreements, written deeds of indemnity, other organizational documents, board resolutions, indemnification agreements, employment contracts, or otherwise that are in place as of the Execution Date solely to indemnify individuals who are current and former officers, directors, individual managers, members, partners, supervisors, agents, or employees with respect to all actions, suits, and proceedings against the Debtors or such officers, directors, individual managers, members, partners, supervisors, agents, or employees, based upon any act or omission for or on behalf of the Debtors (the "**Indemnification Obligations**") will continue on terms no less favorable to such officers, directors, individual managers, members, partners, supervisors, agents, or employees than the indemnification provisions in place as of the Execution Date; *provided* that the Debtors shall not indemnify such officers, directors, individual managers, members, partners, supervisors, agents, or employees of the Debtors for any claims or causes of action for which indemnification is barred under applicable law, the Debtors' organization documents, or applicable agreements governing the Debtors' Indemnification Obligations; *provided*, *further*, that such Indemnification Obligations will only continue as to former officers, directors, individual managers, members, partners, supervisors, agents, or employees to the extent such former officers, directors, individual managers, members, partners, supervisors, agents, or employees are or were, at the time of such service, affiliated with any Consenting Sponsor or designated to such role by a Consenting Sponsor. All such Indemnification Obligations will continue as obligations of the Post-Effective Date Debtors. Any Claim based on the Company Parties' obligations thereunder will be an Allowed Claim. For the avoidance of doubt, this section shall not apply to any obligations as to any sponsor or other equity owner of any of the Debtors in its capacity as such, but this section shall only apply to any representatives or appointees of such sponsor or other equity owner if they are the Debtors' current or former officers, directors, individual managers, members, partners, supervisors, agents, or employees, in each case in their capacities as such.
Retained Causes of Action	The Post-Effective Date Debtors shall retain all rights to commence and pursue any Causes of Action, other than any Causes of Action that the Debtors have released pursuant to the release and exculpation provisions outlined in this Restructuring Term Sheet, subject to the Special Committee's ongoing Investigation, and implemented pursuant to the Plan (the "**Retained Causes of Action**"). For the avoidance of doubt, any Claims or Causes of Action against the Consenting Stakeholders and/or their Affiliates and/or advisors shall not be Retained Causes of Action, subject to the Special Committee's ongoing Investigation.
Professional Fee Escrow	The Plan shall provide for the establishment of, on the Effective Date, an interest-bearing escrow account established and funded on or prior to the Effective Date in an amount not less than the aggregate unpaid professional fees for the respective estate professionals (the "**Professional Fee Escrow**") for the benefit and exclusive purpose of satisfying such unpaid professional fees. The Professional Fee Escrow shall not be and shall not be deemed property of the Debtors or the Post-Effective Date Debtors or encumbered in any way; *provided*, that to the extent surplus funds remain in the Professional Fee Escrow after all professional fee claims have been resolved by the Bankruptcy Court (if applicable) or settled, such funds shall be returned to the Post-Effective Date Debtors or, in the event of a Sale, for distribution in accordance with the Plan; *provided*, *further* that the Debtors' and Post-Effective Date Debtors'

General Provisions Regarding the Restructuring	
	obligations with respect to professional fee claims shall not be limited nor deemed limited in any way to the balance of funds held in the Professional Fee Escrow. For the avoidance of doubt, the Professional Fee Escrow shall be separate from the Wind Down Amount.
Restructuring Expenses	The Debtors shall pay, as set forth in the Restructuring Support Agreement, the Restructuring Expenses.
Tax Structuring and Implementation	The Company Parties and the Required Consenting FLFO Term Lenders shall cooperate in good faith to structure the Restructuring Transactions in a tax-efficient manner, and the tax structuring of the Restructuring Transactions shall be subject to the consent of the Company Parties and the Required Consenting FLFO Term Lenders, and in consultation with the Consenting Sponsors.
Conditions Precedent to the Effective Date	It shall be a condition to the Effective Date that the following conditions shall have been satisfied or waived (in accordance with customary waiver provisions to be contained in the Plan or other Definitive Documents, as applicable): (a) the Restructuring Support Agreement shall not have been terminated as to the Consenting FLFO Lenders and shall be in full force and effect and no termination event thereunder shall have occurred and remain occurring; (b) the Bankruptcy Court shall have entered the Final DIP Order and such order shall not have been stayed, modified or terminated and the DIP Facility shall not have been terminated or the loans thereunder accelerated; (c) the Bankruptcy Court shall have entered the Disclosure Statement Order, which order shall be in full force and effect and such orders shall not have been stayed, modified, or vacated on appeal; (d) the Bankruptcy Court shall have entered the Confirmation Order, which shall be in full force and effect and not be subject to appeal or stay (except an appeal with respect to the Litigation Condition, Allocation Condition, or the Indemnity), and shall: (i) authorize the Debtors to take all actions necessary to enter into, implement, and consummate the contracts, instruments, releases, leases, indentures, and other agreements or documents created in connection with the Plan; (ii) decree that the provisions in the Confirmation Order and the Plan are nonseverable and mutually dependent; (iii) authorize the Debtors, as applicable and/or necessary, to: (a) implement the Restructuring Transactions; (b) distribute the Reorganized Equity pursuant to the exemption from registration under the Securities Act provided by section 1145 of the Bankruptcy Code or other exemption from such registration or pursuant to one or more registration statements; (c) make all distributions and issuances as required under the Plan, including Takeback Term Loans and Reorganized Equity; and (d) enter into any agreements, transactions, and sales of property as set forth in the Plan Supplement;

General Provisions Regarding the Restructuring	
	(iv) to the maximum extent allowable by applicable law, include a judgment, ruling, finding or other determination, that is reasonably acceptable to the Required Consenting FLFO Term Lenders, denying, dismissing, or otherwise adverse to the relief sought by the Non-Participating Lenders in the Non-Participating Holder Litigation or otherwise determining that the 2024 Refinancing Transactions fully complied with the Reception Purchaser Credit Agreement and any other relevant documentation and does not give rise to any claims related thereto (the "**Litigation Condition**"); (v) provide for an allocation of value as between the STG Distribution LLC Debtor silo and the Reception Purchaser, LLC Debtor silo acceptable to each of the Debtors and the Required Consenting FLFO Term Lenders in good faith, which includes, without limitation, full value for the Intercompany Notes Claims and the STG Distribution Guaranty Claims (the "**Allocation Condition**"); (vi) authorize the implementation of the Plan in accordance with its terms; and (vii) provide that, pursuant to section 1146 of the Bankruptcy Code, the assignment or surrender of any lease or sublease, and the delivery of any deed or other instrument or transfer order, in furtherance of, or in connection with the Plan, including any deeds, bills of sale, or assignments executed in connection with any disposition or transfer of assets contemplated under the Plan, shall not be subject to any stamp, real estate transfer, mortgage recording, or other similar tax; (e) all Milestones shall have been met or waived in accordance with the terms of the Restructuring Support Agreement; (f) in the event of a Recapitalization Transaction, the Takeback Term Loan Facility Documents and New Governance Documents (inclusive of the Indemnity) shall have been executed (or deemed executed) and delivered by each party thereto, and any conditions precedent related thereto shall have been satisfied or waived (with the consent of the Company Parties and the Required Consenting FLFO Term Lenders); (g) in the event of a Recapitalization Transaction, the Reorganized Equity shall have been issued; (h) the Professional Fee Escrow shall have been established and funded; (i) all Restructuring Expenses shall have been paid in full in Cash;

General Provisions Regarding the Restructuring	
	(j) the Definitive Documents, including all schedules, documents, and exhibits contained in the Plan Supplement, shall (i) be consistent with the Restructuring Support Agreement and otherwise approved by the applicable parties thereto consistent with their respective consent and approval rights as set forth in the Restructuring Support Agreement, (ii) have been executed or deemed executed and delivered by each party thereto, and any conditions precedent related thereto shall have been satisfied or waived by the applicable party or parties, and (iii) shall be adopted on terms consistent with the Restructuring Support Agreement and this Restructuring Term Sheet; *provided* that, any waiver of this condition precedent as to (x) the Exit RCF Facility Documents, (y) the provisions of the DIP Orders, the Plan, the Sale Order, and any other Definitive Document directly addressing treatment of the FLFO RCF Claims, including with respect to the RCF Cash Account, and (z) any other provisions of the Definitive Documents that materially, directly, and adversely impact the rights, obligations, or interests of the Consenting FLFO RCF Lenders, in a manner inconsistent with the Restructuring Support Agreement, shall require the consent of the Required Consenting FLFO RCF Lenders; (k) the Company Parties shall have obtained all authorizations, consents, regulatory or governmental approvals, rulings, actions, documents, and other agreements that are necessary to implement and effectuate the Plan, if applicable, and each of the other Restructuring Transactions; (l) there shall not have been instituted or threatened or be pending any material action, proceeding, application, claim, counterclaim, or investigation (whether formal or informal) (or there shall not have been any material adverse development to any action, application, claim, counterclaim, or proceeding currently instituted, threatened, or pending) before or by any court, governmental, regulatory or administrative agency or instrumentality, domestic or foreign, or by any other person, domestic or foreign, in connection with the Restructuring Transactions, other than the Non-Participating Holder Litigation; and (m) the Plan Supplement shall have been filed in accordance with the Required Consenting FLFO Term Lenders' consent rights set forth in the Restructuring Support Agreement.
Retention of Jurisdiction	The Plan will provide that the Bankruptcy Court shall retain jurisdiction for usual and customary matters to the extent consistent with applicable law.

Exhibit C

Organizational Structure Chart

KIRKLAND & ELLIS LLP

STG Logistics

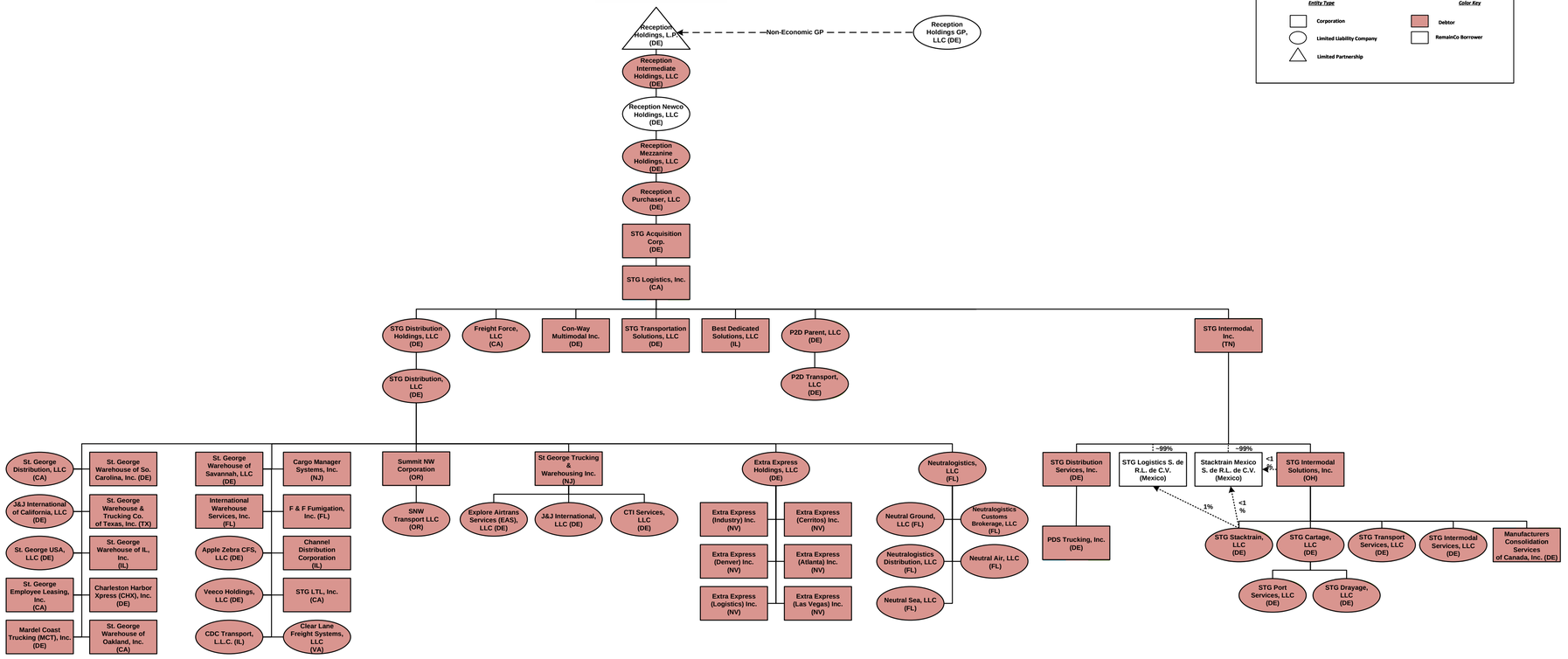


Exhibit D

Liquidation Analysis

[Filed at Docket No. 528]

Exhibit E

Financial Projections

[Filed at Docket No. 528]

Exhibit B

Redline

IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re:	Chapter 11
STG LOGISTICS, INC., *et al*.,	Case No. 26-10258 (MEH)
Debtors.[1]	(Jointly Administered)

FIRST AMENDED DISCLOSURE STATEMENT RELATING TO THE ~~JOINT~~FIRST AMENDED JOINT PLAN OF REORGANIZATION OF STG LOGISTICS, INC. AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
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Co-Counsel to the Debtors and Debtors in Possession

Dated: ~~March~~April 1~~3~~4, 2026

[1] The last four digits of Debtor STG Logistics, Inc.'s tax identification number are 8624. A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at https://dm.epiq11.com/STGLogistics. The location of the Debtors' service address in these chapter 11 cases is: 5165 Emerald Parkway, Dublin, Ohio 43017.

THIS IS NOT A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THIS DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE COURT. THIS FIRST AMENDED DISCLOSURE STATEMENT HAS NOT YET BEEN APPROVED BY THE BANKRUPTCY COURT. THE INFORMATION IN THIS FIRST AMENDED DISCLOSURE STATEMENT IS SUBJECT TO CHANGE. THIS FIRST AMENDED DISCLOSURE STATEMENT IS NOT AN OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY ANY SECURITIES.

IMPORTANT INFORMATION ABOUT THIS DISCLOSURE STATEMENT

THE DEBTORS ARE PROVIDING THE INFORMATION IN THIS FIRST AMENDED DISCLOSURE STATEMENT TO HOLDERS OF CLAIMS AND EQUITY INTERESTS FOR PURPOSES OF SOLICITING VOTES TO ACCEPT OR REJECT THE JOINT PLAN OF REORGANIZATION OF STG LOGISTICS, INC. AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE. NOTHING IN THIS FIRST AMENDED DISCLOSURE STATEMENT MAY BE RELIED UPON OR USED BY ANY ENTITY FOR ANY OTHER PURPOSE. BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE PLAN, EACH HOLDER ENTITLED TO VOTE SHOULD CAREFULLY CONSIDER ALL OF THE INFORMATION IN THIS FIRST AMENDED DISCLOSURE STATEMENT, INCLUDING THE RISK FACTORS DESCRIBED IN ARTICLE IX HEREIN.[2]

HOLDERS OF CLAIMS OR EQUITY INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THIS FIRST AMENDED DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE. THE DEBTORS URGE EACH HOLDER OF A CLAIM OR EQUITY INTEREST TO CONSULT WITH ITS OWN ADVISORS WITH RESPECT TO ANY LEGAL, FINANCIAL, SECURITIES, TAX, OR BUSINESS ADVICE IN REVIEWING THIS FIRST AMENDED DISCLOSURE STATEMENT, THE PLAN, AND THE PROPOSED TRANSACTIONS CONTEMPLATED THEREBY. FURTHERMORE, THE BANKRUPTCY COURT'S APPROVAL OF THE ADEQUACY OF THE INFORMATION CONTAINED IN THIS FIRST AMENDED DISCLOSURE STATEMENT DOES NOT CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL OF THE PLAN.

THIS FIRST AMENDED DISCLOSURE STATEMENT CONTAINS, AMONG OTHER THINGS, SUMMARIES OF THE PLAN, CERTAIN STATUTORY PROVISIONS, AND CERTAIN ANTICIPATED EVENTS IN THE CHAPTER 11 CASES. ALTHOUGH THE DEBTORS BELIEVE THAT THESE SUMMARIES ARE FAIR AND ACCURATE, THESE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY TO THE EXTENT THAT THEY DO NOT SET FORTH THE ENTIRE TEXT OF SUCH DOCUMENTS OR STATUTORY PROVISIONS OR EVERY DETAIL OF SUCH EVENTS. IN THE EVENT OF ANY INCONSISTENCY OR DISCREPANCY BETWEEN A DESCRIPTION IN THIS FIRST AMENDED DISCLOSURE STATEMENT AND THE TERMS AND PROVISIONS OF THE PLAN OR ANY OTHER DOCUMENTS INCORPORATED HEREIN BY REFERENCE, THE PLAN OR SUCH OTHER DOCUMENTS WILL GOVERN IN ALL PURPOSES. FACTUAL INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT HAS BEEN PROVIDED BY THE DEBTORS' MANAGEMENT EXCEPT WHERE OTHERWISE SPECIFICALLY NOTED. THE DEBTORS DO NOT REPRESENT OR WARRANT THAT THE INFORMATION

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan, attached hereto as **Exhibit A**, or the *Debtors' Motion for Entry of an Order Approving (I) the Adequacy of the Disclosure Statement, (II) the Solicitation Procedures, (III) the Forms of Ballots and Notices in Connection Therewith, and (IV) Certain Dates with Respect Thereto* (the "Disclosure Statement Motion"), as applicable.

CONTAINED HEREIN OR ATTACHED HERETO IS WITHOUT ANY MATERIAL INACCURACY OR OMISSION.

IN PREPARING THIS FIRST AMENDED DISCLOSURE STATEMENT, THE DEBTORS RELIED ON FINANCIAL DATA DERIVED FROM THE DEBTORS' BOOKS AND RECORDS AND ON VARIOUS ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS AND OPERATIONS. WHILE THE DEBTORS BELIEVE THAT SUCH FINANCIAL INFORMATION FAIRLY REFLECTS THE FINANCIAL CONDITION OF THE DEBTORS AS OF THE DATE HEREOF AND THAT THE ASSUMPTIONS REGARDING FUTURE EVENTS REFLECT REASONABLE BUSINESS JUDGMENTS, NO REPRESENTATIONS OR WARRANTIES ARE MADE AS TO THE ACCURACY OF THE FINANCIAL INFORMATION CONTAINED HEREIN OR ASSUMPTIONS REGARDING THE DEBTORS' BUSINESS AND OPERATIONS AND THEIR FUTURE RESULTS. THE DEBTORS EXPRESSLY CAUTION READERS NOT TO PLACE UNDUE RELIANCE ON ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

THIS FIRST AMENDED DISCLOSURE STATEMENT DOES NOT CONSTITUTE, AND MAY NOT BE CONSTRUED AS, AN ADMISSION OF FACT, LIABILITY, STIPULATION, OR WAIVER. THE DEBTORS OR ANY OTHER AUTHORIZED PARTY MAY SEEK TO INVESTIGATE, FILE, AND PROSECUTE CLAIMS AND MAY OBJECT TO CLAIMS AFTER THE CONFIRMATION OR EFFECTIVE DATE OF THE PLAN IRRESPECTIVE OF WHETHER THIS FIRST AMENDED DISCLOSURE STATEMENT IDENTIFIES ANY SUCH CLAIMS OR OBJECTIONS TO CLAIMS.

THE DEBTORS ARE MAKING THE STATEMENTS AND PROVIDING THE FINANCIAL INFORMATION CONTAINED IN THIS FIRST AMENDED DISCLOSURE STATEMENT AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFICALLY NOTED. ALTHOUGH THE DEBTORS MAY SUBSEQUENTLY UPDATE THE INFORMATION IN THIS FIRST AMENDED DISCLOSURE STATEMENT, THE DEBTORS HAVE NO AFFIRMATIVE DUTY TO DO SO AND EXPRESSLY DISCLAIM ANY DUTY TO PUBLICLY UPDATE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS, OR OTHERWISE. HOLDERS OF CLAIMS OR EQUITY INTERESTS REVIEWING THIS FIRST AMENDED DISCLOSURE STATEMENT SHOULD NOT INFER THAT, AT THE TIME OF THEIR REVIEW, THE FACTS SET FORTH HEREIN HAVE NOT CHANGED SINCE THIS DISCLOSURE STATEMENT WAS FILED. INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION, MODIFICATION, OR AMENDMENT. THE DEBTORS RESERVE THE RIGHT TO FILE AN AMENDED OR MODIFIED PLAN AND RELATED DISCLOSURE STATEMENT FROM TIME TO TIME, SUBJECT TO THE TERMS OF THE PLAN AND THE RESTRUCTURING SUPPORT AGREEMENT.

THE DEBTORS HAVE NOT AUTHORIZED ANY ENTITY TO GIVE ANY INFORMATION ABOUT OR CONCERNING THE PLAN OTHER THAN THAT WHICH IS CONTAINED IN THIS FIRST AMENDED DISCLOSURE STATEMENT. THE DEBTORS HAVE NOT AUTHORIZED ANY REPRESENTATIONS CONCERNING THE DEBTORS OR THE VALUE OF THEIR PROPERTY OTHER THAN AS SET FORTH IN THIS FIRST AMENDED DISCLOSURE STATEMENT.

IF THE PLAN IS CONFIRMED BY THE BANKRUPTCY COURT AND THE EFFECTIVE DATE OCCURS, ALL HOLDERS OF CLAIMS OR EQUITY INTERESTS (INCLUDING THOSE HOLDERS OF CLAIMS OR EQUITY INTERESTS WHO DO NOT

SUBMIT BALLOTS TO ACCEPT OR REJECT THE PLAN, WHO VOTE TO REJECT THE PLAN, OR WHO ARE NOT ENTITLED TO VOTE ON THE PLAN) WILL BE BOUND BY THE TERMS OF THE PLAN AND THE RESTRUCTURING TRANSACTIONS CONTEMPLATED THEREBY.

THE CONFIRMATION AND EFFECTIVENESS OF THE PLAN ARE SUBJECT TO CERTAIN MATERIAL CONDITIONS PRECEDENT DESCRIBED HEREIN AND SET FORTH IN ARTICLE X OF THE PLAN. THERE IS NO ASSURANCE THAT THE PLAN WILL BE CONFIRMED, OR IF CONFIRMED, THAT THE CONDITIONS REQUIRED TO BE SATISFIED FOR THE PLAN TO GO EFFECTIVE WILL BE SATISFIED (OR WAIVED).

YOU ARE ENCOURAGED TO READ THE PLAN AND THIS FIRST AMENDED DISCLOSURE STATEMENT IN THEIR ENTIRETY, INCLUDING ARTICLE IX, ENTITLED "RISK FACTORS" BEFORE SUBMITTING YOUR BALLOT TO VOTE ON THE PLAN.

THE BANKRUPTCY COURT'S APPROVAL OF THIS FIRST AMENDED DISCLOSURE STATEMENT DOES NOT CONSTITUTE A GUARANTEE BY THE BANKRUPTCY COURT OF THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN OR AN ENDORSEMENT BY THE BANKRUPTCY COURT OF THE MERITS OF THE PLAN.

THE DEBTORS HAVE SOUGHT TO ENSURE THE ACCURACY OF THE FINANCIAL INFORMATION PROVIDED IN THIS FIRST AMENDED DISCLOSURE STATEMENT; HOWEVER, THE FINANCIAL INFORMATION CONTAINED IN THIS FIRST AMENDED DISCLOSURE STATEMENT OR INCORPORATED HEREIN BY REFERENCE HAS NOT BEEN, AND WILL NOT BE, AUDITED OR REVIEWED BY THE DEBTORS' INDEPENDENT AUDITORS UNLESS EXPLICITLY PROVIDED OTHERWISE HEREIN.

SPECIAL NOTICE REGARDING FEDERAL AND STATE SECURITIES LAWS AND FORWARD-LOOKING STATEMENTS

The Plan and First Amended Disclosure Statement have neither been filed with, nor approved or disapproved by the United States Securities and Exchange Commission (the "SEC") or any similar federal, state, local, or foreign federal regulatory authority and neither the SEC nor any such similar regulatory authority has passed upon the accuracy or adequacy of the information contained in this First Amended Disclosure Statement or the Plan. The securities to be issued on or after the Effective Date will not have been the subject of a registration statement filed with the SEC under the Securities Act of 1933, as amended (the "Securities Act"), or any securities regulatory authority of any state under any state securities law ("Blue-Sky Laws"). Any representation to the contrary is a criminal offense. The securities may not be offered or sold within the United States or to, or for the account or benefit of, United States persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable laws of other jurisdictions.

To the extent permitted and available, the Debtors will rely on section 1145(a) of the Bankruptcy Code to exempt from registration under the Securities Act and Blue-Sky Laws the offer, issuance, and distribution, if applicable, of Reorganized Equity under the Plan (other than any Reorganized Equity underlying the Management Incentive Plan), and to the extent such exemption is not permitted and/or available, then such Reorganized Equity will be offered, issued, and distributed under the Plan in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws. Neither the Solicitation nor this First Amended Disclosure Statement constitutes an offer to sell or the solicitation of an offer to buy securities in any state or jurisdiction in which such offer or solicitation is not authorized.

Any Reorganized Equity underlying the Management Incentive Plan will be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from U.S. federal, state, and local securities registration requirements under the Securities Act, Blue-Sky Laws, and any applicable similar federal, state, or local laws, will be considered "restricted securities," and may not be transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom.

This First Amended Disclosure Statement contains "forward-looking statements" within the meaning of United States securities laws. Statements containing words such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "target," "model," "can," "could," "may," "should," "will," "would," or similar words or the negative thereof, constitute "forward-looking statements." However, not all forward-looking statements in this First Amended Disclosure Statement may contain one or more of these identifying terms. Forward-looking statements are based on the Debtors' current expectations, beliefs, assumptions, and estimates. These statements are subject to significant risks, uncertainties and assumptions that are difficult to predict and could cause actual results to differ materially and adversely from those expressed or implied in the forward-looking statements. The Debtors consider all statements regarding anticipated or future matters, including the following, to be forward-looking statements:

- **business strategy;**
- **financial condition, revenues, cash flows, and expenses;**
- **the adequacy of the Debtors' capital resources and liquidity;**
- **levels of indebtedness, liquidity, and compliance with debt covenants;**
- **financial strategy, budget, projections, and operating results;**
- **the amount, nature, and timing of capital expenditures;**
- **availability and terms of capital;**
- **successful results from the Debtors' operations;**
- **the integration and benefits of asset and property acquisitions or the effects of asset and property acquisitions or dispositions on the Debtors' cash position and levels of indebtedness;**
- **costs of conducting the Debtors' operations;**
- **general economic and business conditions;**
- **effectiveness of the Debtors' risk management activities;**
- **counterparty credit risk;**
- **the outcome of pending and future litigation;**
- **uncertainty regarding the Debtors' future operating results;**
- **plans, objectives, and expectations;**
- **risks in connection with acquisitions;**
- **governmental regulations and taxation applicable to the Debtors, including any changes related thereto;**
- **the overall health of the logistics industry; and**
- **the Debtors' ability to satisfy future cash obligations.**

Statements concerning these and other matters are not guarantees of the Company's future performance. There are risks, uncertainties, and other important factors that could cause the Post-Effective Date Debtors' actual performance or achievements to be different from those they may project, and the Debtors undertake no obligation to update the projections made herein. These risks, uncertainties and factors may include the following: (a) the Debtors' ability to confirm and consummate the Plan; (b) the potential that the Debtors may need to pursue an alternative transaction if the Plan is not confirmed or a Sale, if any, is not approved; (c) the Debtors' ability to

reduce their overall financial leverage; (d) the potential adverse impact of the Chapter 11 Cases on the Debtors' operations, management, and employees; (e) the risks associated with operating the Debtors' business during the Chapter 11 Cases; (f) customer responses to the Chapter 11 Cases; (g) the Debtors' inability to discharge or settle Claims during the Chapter 11 Cases; (h) the Debtors' plans, objectives, business strategy, and expectations with respect to future financial results and liquidity, including the ability to finance operations in the ordinary course of business; (i) the Debtors' levels of indebtedness and compliance with debt covenants; (j) additional post-restructuring financing requirements; (k) the amount, nature, and timing of the Debtors' capital expenditures and cash requirements, and the terms of capital available to the Debtors; (l) the effect of competitive products, services, or procuring by competitors; (m) the outcome of pending and future litigation claims; (n) the proposed restructuring and costs associated therewith; (o) the effect of natural disasters, pandemics, and general economic and political conditions on the Debtors; (p) the regulatory environment; (q) changes in domestic and foreign laws and regulations; (r) the effects of governmental regulation on the Debtors' business; (s) geopolitical instability; (t) the Debtors' ability to implement cost-reduction initiatives in a timely manner; (u) adverse tax changes; (v) the terms and conditions of the Takeback Term Loan Facility, the Exit RCF Facility, and the Reorganized Equity, to be entered into, or issued, as the case may be, pursuant to the Plan; (w) the terms and conditions of the Sale, if any; (x) the results of renegotiating certain key commercial agreements and any disruptions to relationships with landlords, suppliers, partners, among others; (y) compliance with Laws and regulations; and (z) each of the other risks identified in this First Amended Disclosure Statement. Due to these uncertainties, you cannot be assured that any forward-looking statements will prove to be correct. The Debtors are under no obligation to (and expressly disclaim any obligation to) update or alter any forward-looking statements whether as a result of new information, future events, or otherwise, unless instructed to do so by the Bankruptcy Court.

You are cautioned that all forward-looking statements are necessarily speculative, and there are certain risks and uncertainties that could cause actual events or results to differ materially from those referred to in such forward-looking statements. The projections and forward-looking information contained herein and attached hereto are only estimates, and the timing and amount of actual distributions to Holders of Allowed Claims, Allowed Intercompany Interests, and Allowed Equity Interests, among other things, may be affected by many factors that cannot be predicted. Any analyses, estimates, or recovery projections may or may not turn out to be accurate.

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EXHIBITS[1]

EXHIBIT A Plan of Reorganization

EXHIBIT B Restructuring Support Agreement

EXHIBIT C Organizational Structure Chart

EXHIBIT D Liquidation Analysis

EXHIBIT E Financial Projections

[1] Each Exhibit is incorporated herein by reference.

I. INTRODUCTION.

STG Logistics, Inc. and its affiliated debtors and debtors in possession (each, a "Debtor" and collectively, the "Debtors," and together with their non-Debtor affiliates, "STG" or the "Company"), submit this first amended disclosure statement (this "Disclosure Statement"), pursuant to section 1125 of the Bankruptcy Code, to Holders of Claims against the Debtors in connection with the solicitation of votes for acceptance of 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] (the "Plan"). A copy of the Plan is attached hereto as **Exhibit A** and incorporated herein by reference.

THE DEBTORS AND THE CONSENTING STAKEHOLDERS THAT HAVE EXECUTED THE RESTRUCTURING SUPPORT AGREEMENT BELIEVE THAT THE COMPROMISES CONTEMPLATED UNDER THE PLAN ARE FAIR AND EQUITABLE, MAXIMIZE THE VALUE OF THE DEBTORS' ESTATES, AND PROVIDE THE BEST RECOVERY TO STAKEHOLDERS. AT THIS TIME, THE DEBTORS BELIEVE THE PLAN REPRESENTS THE BEST AVAILABLE OPTION FOR EMERGING FROM THE CHAPTER 11 CASES. THE DEBTORS STRONGLY RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

II. PRELIMINARY STATEMENT.

Originally known as St. George Logistics, STG was founded four decades ago as a warehousing and container freight services company headquartered in South Kearny, New Jersey. Over the ensuing decades, STG executed a series of strategic acquisitions, eventually becoming North America's leading provider of integrated port-to-door solutions. To meet the surging demand for logistics capabilities, STG expanded its service offerings throughout the supply chain and developed a network of localized logistics expertise from coast to coast. Today, STG operates the largest network of neutral container freight stations and is the fourth-largest asset-based intermodal marketing company and one of the largest drayage providers (*i.e.*, short-distance transportation of containers and freight) in North America. Despite its rapid growth, and the ever-changing nature of the logistics industry, STG continues to focus on providing seamless and integrated transportation solutions tailored to the needs of each and every customer, with operations that strengthen supply chains, commerce, and communities.

The importance of the transportation and logistics industry can hardly be overstated: it connects over 8.3 million businesses with suppliers, partners, and customers.[2] Freight movement underpins every stage of the supply chain—from procurement and production through delivery—and supports key industries including agriculture, manufacturing, construction, and trade. In 2023, the U.S. freight transportation system moved more than 20 billion tons of goods valued at approximately $18.7 trillion, with trucking alone responsible for over 64 percent of total freight weight and more than 72 percent of freight value.[3] STG plays a pivotal role in this space, operating a fleet of approximately 15,000 domestic intermodal containers, approximately 3,300 chassis, and approximately 2,150 drivers to support its transportation services. STG also maintains approximately 4.5 million square feet in warehousing space to support its logistics services, which include its container freight station ("CFS") services and transloading, contracts logistics, and less-than-truckload ("LTL") business segments. Through contracts, partnerships, and active relationships, STG has access to thousands of third-party carriers, which include

[2] *Transportation Statistics Annual Report 2024*, U.S. Dep't of Transp., Bureau of Transp. Stat., (2024), https://doi.org/10.21949/e0kq-gf72.

[3] *Id.*

transportation companies and owner-operators, and a network of over 130 leased and partnership facilities. This extensive network allows the Company to service all major markets across the country.

Notwithstanding the critical importance of the industry, third-party logistics service providers have faced substantial macroeconomic and industry headwinds in recent years that have eroded volumes, pressured margins, and strained operations. STG has not been spared. For starters, the Company was buffeted by the effects of the COVID-19 pandemic. Like others in the industry, STG initially saw extraordinary demand as consumer spending shifted during lockdowns from services and dining to goods, while related supply chain disruptions—including port backlogs and a shortage of containers—drove freight rates to record highs. Between 2020 and 2022, the Company's revenue increased over 60 percent in the aggregate. To meet increasing demand, the Company acquired XPO Logistics Inc.'s ("XPO") intermodal business segment ("XPO Intermodal") in March 2022 for approximately $700 million. Through the acquisition, STG added intermodal and drayage services across approximately 40 locations with approximately 700 new employees with the intention of enabling the Company to meet market demand.

However, in the years that followed the pandemic, STG's operations have been impacted by an industry-wide downturn, a shifting tariff regime, and increased geopolitical uncertainty. Since March 2022, the trucking industry has faced one of its longest and deepest downturns in history, as excess capacity built during the pandemic years (based on high freight rates, cheap credit, and government stimulus), led to a collapse in freight rates and a years-long freight market depression dubbed the "Great Freight Recession" by industry analysts. In addition, other macroeconomic issues—including a rapid and dramatic rise in interest rates, persistent inflation, and ongoing supply chain disruptions—all placed significant pressure on the Company's cost structure. Collectively, these macroeconomic headwinds have severely strained STG's operations and significantly tightened its liquidity.

The Company has been proactive in addressing its liquidity challenges. First, the Company and its advisors, including Kirkland & Ellis LLP ("K&E"), approached its existing stakeholders in early 2024 to discuss strategic options to address the Company's liquidity needs. After months of hard-fought, arm's-length negotiations, STG and a majority of the Reception Purchaser Lenders (the "Required Lenders") executed that certain Fifth Amendment to Credit Agreement and First Amendment to Guaranty and Security Agreement dated as of May 1, 2024 (the "Fifth Amendment," and the transactions related thereto, the "Fifth Amendment Transactions"). The Fifth Amendment was negotiated at arm's-length by sophisticated parties with counsel. The Fifth Amendment Transactions provided the Company with a critical influx of cash and certain covenant relief, including a critical equity injection of $30 million provided by Wind Point Partners AAV II, L.P. ("Wind Point"), Reception Oaktree Aggregator, L.P. and certain of its affiliates in their capacities as holders of equity interests that are each party to the Restructuring Support Agreement ("Oaktree/Duration," and collectively with Wind Point, the "Consenting Sponsors").

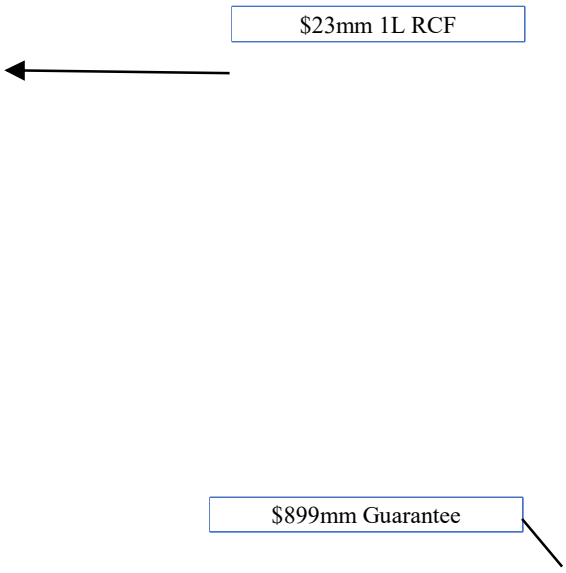
Despite the additional liquidity provided by the Fifth Amendment Transactions, the Company needed further relief due to deteriorating market conditions and a rapidly declining adjusted EBITDA, which fell approximately 95 percent year-over-year in the second quarter of 2024. Beginning in August 2024, the Company proactively engaged its Consenting Sponsors, the Reception Purchaser Agent, and an ad hoc group of Reception Purchaser Lenders (the "2024 Ad Hoc Group"), which held a majority of Reception Purchaser Loans, on a liquidity infusion and deleveraging transaction to help the Company weather the ongoing market downturn. After months of good faith, arm's-length negotiations, STG, the 2024 Ad Hoc Group, the Consenting Sponsors, and certain other participating Reception Purchaser Lenders (together, with the 2024 Ad Hoc Group, the "Participating Lenders") consummated a series of transactions in October 2024 (the "October 2024 Refinancing"), which was executed with the support of over 93 percent of STG's lenders. Despite supporting the Fifth Amendment Transactions, two lenders

(of the 28 total at the time)—Siemens Financial Services, Inc. and Axos Financial, Inc. (collectively, the "Non-Participating Holders")—did not participate in the October 2024 Refinancing and alleged that they were improperly excluded from the October 2024 Refinancing, and, among other things, that the October 2024 Refinancing (i) violated their contractual rights, (ii) unlawfully transferred value, (iii) improperly conferred enhanced rights to other lenders, and (iv) was not transacted in good faith. The Non-Participating Holders have since commenced litigation regarding the October 2024 Refinancing in the New York Supreme Court (the "Non-Participating Holder Litigation"). After the Debtors filed for bankruptcy, this litigation continued in an adversary proceeding (the "Adversary Proceeding") before the Bankruptcy Court. In the Adversary Proceeding, the Non-Participating Holders seek relief that could:

- disallow or subordinate claims arising from the October 2024 Refinancing;
- unwind or otherwise judicially alter the challenged transfers and related intercompany transactions;
- invalidate or impair asserted lien, priority, guaranty and intercompany claim rights embedded in the Plan; and
- reorder the distribution waterfall on which the Debtors' proposed sale and reorganization structures in the Plan depend.

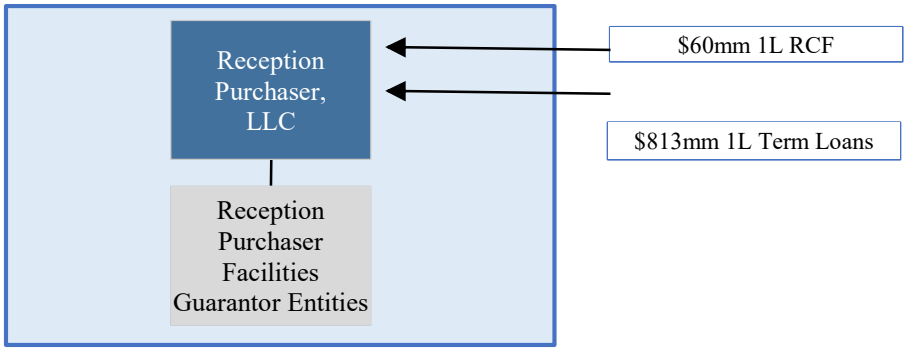
The Debtors and the Participating Lenders deny these allegations, believe that these remedies are not supported by applicable legal standards, and have moved to dismiss certain new claims brought in the Adversary Proceeding (including in respect of subordination of Claims of the Participating Lenders).

The following image summarizes STG's capital structure before and after the October 2024 Refinancing, which effectively separated the Company into two silos: the STG Distribution silo and the Reception Purchaser silo.[4]

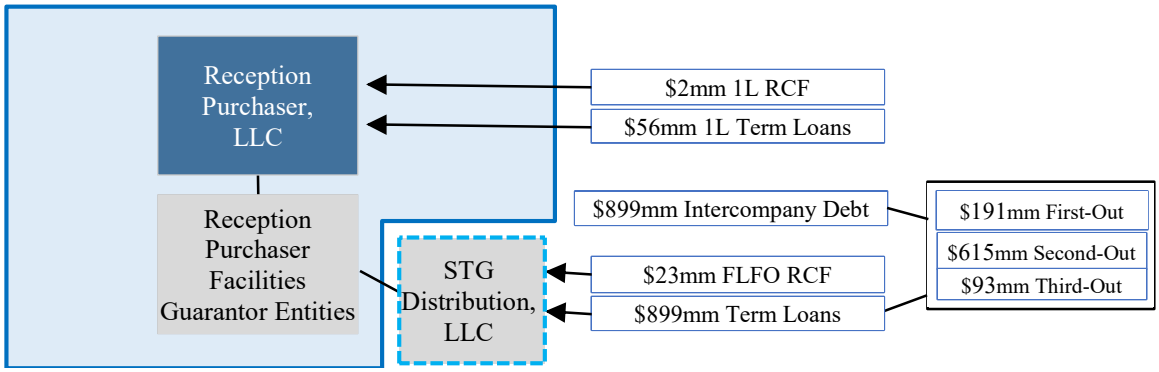


[4] As set forth in the structure chart attached hereto as **Exhibit C**, the STG Distribution Loans are secured by the STG Distribution silo and the Reception Purchaser silo, while the Reception Purchaser Loans are secured only by the Reception Purchaser silo.

PRE-TRANSACTION CORPORATE STRUCTURE[1]



POST-TRANSACTION[1] CORPORATE STRUCTURE



[1] Reflects par balances at the close of the October 2024 Refinancing.

The October 2024 Refinancing extended the Company's liquidity runway and provided additional room for the Company to address operational challenges head on while awaiting a market recovery. This transaction generated over $327 million in incremental liquidity for the Company, including (a) $187 million of new money (exclusive of fees), provided to the Company via a combination of new funded debt and equity, and (b) cash interest and amortization savings of over $140 million (exclusive of fees) as a result of 36 months of paid-in-kind interest post-transaction close. In total, the Company also captured approximately $62 million of discount. In addition, the October 2024 Refinancing was consummated alongside modified terms with the Company's equipment lenders. This further supplemented the Company's liquidity with significant cash flow relief in the form of eighteen (18) months of interest-only payments with the deferred principal to be amortized from the end of the interest-only period through maturity, which was extended by eighteen (18) months through 2027. Based on the Company's 2024 market forecasts, the Company expected a return to pre-COVID levels in adjusted EBITDA, rate improvements, and a strong overall snapback as supply and demand normalized by 2026 or 2027. Unfortunately, that recovery in the market has not materialized as anticipated, in part due to shifting tariff regimes and trade policy uncertainty, described in more detail below.

To further extend its runway, beginning in mid-2025 the Company's management team implemented a series of EBITDA improvement initiatives to manage cash flow and mitigate the ongoing impact of the Great Freight Recession, including staff reductions, real estate and equipment rationalization, and optimizing the Company's network and IT services. As a result of these initiatives, the Company was projected to have realized approximately $68 million in annualized cost-savings as it exits 2025. However, despite the Company's continued efforts to bolster liquidity, persistent macroeconomic headwinds and STG's debt service obligations challenged the Company's turnaround efforts and could not provide sufficient runway to a fulsome market recovery. As a result, the Company,

with the assistance of its advisors, determined that it was prudent to engage with the Ad Hoc Group, certain of its other lenders, the Consenting Sponsors, and other key stakeholders on a deleveraging transaction designed to, among other things, right-size the Company's balance sheet.[5]

Following several months of good faith, arm's-length negotiations, the Debtors and their advisors successfully reached an agreement with the Ad Hoc Group, certain other lenders holding STG Distribution Loans (the "Supporting Lenders"), and the Consenting Sponsors, on a consensual restructuring. On January 12, 2026, the Debtors, the Ad Hoc Group, the Supporting Lenders, and the Consenting Sponsors executed the Restructuring Support Agreement attached hereto as **Exhibit B**. The Restructuring Support Agreement enjoys the support of the holders of approximately 100 percent, 99 percent, 95 percent, and 84 percent of the STG Distribution RCF, FLFO Term Loans, FLSO Term Loans, and FLTO Term Loans, respectively.

The Restructuring Support Agreement contemplates the following:

- a comprehensive balance sheet recapitalization through the Debtors' chapter 11 plan that will equitize all or a portion of the DIP Claims, the FLFO Term Loan Claims, and the FLSO Term Loan Claims;

- the option to toggle to one or more sales of all, substantially all, or any portion of the Debtors' assets or reorganized equity interests free and clear of all liens, claims, rights, interests, pledges, obligations, restrictions, limitations, charges, encumbrances, and other interests to the highest or otherwise best bidder(s) (each, a "Sale Transaction" and, collectively, if applicable, the "Sale Transactions");

- entry into a delayed draw priming debtor-in-possession term loan financing facility in an aggregate principal amount of approximately $294 million consisting of: (a) "new money" super priority DIP term loans in an aggregate principal amount equal to up to $150 million and (b) a "roll-up" of approximately $144 million in the aggregate of FLFO Term Loan Claims and FLSO Term Loan Claims;

- on the Effective Date, if the Recapitalization Transaction occurs, (a) Holders of FLFO Term Loan Claims shall exchange certain of the FLFO Term Loan Claims for equity in the Reorganized Equity and (b) the Debtors will enter into the Exit RCF Facility with certain Holders of FLFO RCF Claims.

The Restructuring Support Agreement provides the Debtors with the flexibility to maximize value for all stakeholders, including through one or more Sale Transactions. To identify potential bidders, the Debtors, with the assistance of their advisors, will commence a postpetition marketing process for potential Sale Transactions. The Restructuring Support Agreement provided for certain milestones to move the Debtors through chapter 11 in a streamlined manner. These milestones were subsequently extended following extensive, arms'-length negotiations between the Debtors, the Committee, and myriad other stakeholders. The extended milestones provide for various benchmarks relating to the Debtors' sale process, including a bid deadline on April ~~17~~22, 2026, an auction on April 2~~4~~9, 2026, and a sale hearing on May 18, 2026, or as otherwise determined by the Bankruptcy Court.

[5] A true and correct copy of the Company's most recent finalized consolidating balance sheet is attached as Exhibit C to the *Declaration of Tyler Holtgreven, Chief Financial Officer of STG Logistics, Inc., in Support of the Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 33] (the "First Day Declaration").

The Debtors believe these milestones provide sufficient time to maximize the value of any transaction and afford interested parties sufficient time to submit bids.

The Restructuring Support Agreement and Restructuring Transactions contemplated thereby, including the DIP Facility, are indicative of the support the Company enjoys from a significant portion of its funded indebtedness as well as the Consenting Sponsors. However, as of the Petition Date, the Debtors only had approximately $34 million in unrestricted cash on hand, which was insufficient to fund these chapter 11 cases. The DIP Facility ensured a smooth transition into these chapter 11 cases and will provide the Debtors with sufficient liquidity to fund their operations in the near to mid-term.

In the weeks leading up to the Petition Date, market noise and published media around the Company's prospective chapter 11 continued to intensify, prompting certain customers and vendors to reach out to the Debtors seeking assurances of their ability to perform and meet their obligations in the ordinary course of business. The immediate infusion of new money provided by the DIP Facility was an important signal to such customers, vendors, and other stakeholders that the Debtors are well-capitalized and will have ample liquidity to continue to meet obligations in the ordinary course. With this essential funding in hand, the Debtors are pursuing either one or more Sale Transactions or the Recapitalization Transaction and are seeking to emerge from chapter 11 with substantially reduced leverage and the ability to continue as a going concern.

III. QUESTIONS AND ANSWERS REGARDING THIS DISCLOSURE STATEMENT AND THE PLAN.

A. What is chapter 11?

Chapter 11 is the principal business reorganization chapter of the Bankruptcy Code. In addition to permitting debtor rehabilitation, chapter 11 promotes equality of treatment for creditors and similarly situated equity interest holders, subject to the priority of distributions prescribed by the Bankruptcy Code.

The commencement of a chapter 11 case creates an estate that comprises all of the legal and equitable interests of the debtor as of the date the chapter 11 case is commenced. The Bankruptcy Code provides that a debtor may continue to operate its business and remain in possession of its property as a "debtor in possession."

Consummating a plan is the principal objective of a chapter 11 case. A bankruptcy court's confirmation of a plan binds the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor (whether or not such creditor or equity interest holder voted to accept the plan), and any other entity as may be ordered by the bankruptcy court. Subject to certain limited exceptions, the order issued by a bankruptcy court confirming a plan provides for the treatment of the debtor's liabilities in accordance with the terms of the confirmed plan.

B. Why are the Debtors sending me this Disclosure Statement?

The Debtors are seeking to obtain Bankruptcy Court approval of the Plan. Before soliciting acceptances of the Plan, section 1125 of the Bankruptcy Code requires the Debtors to prepare a disclosure statement containing adequate information of a kind, and in sufficient detail, to enable a hypothetical reasonable investor to make an informed judgment regarding acceptance of the Plan and to share such disclosure statement with all holders of claims whose votes on the Plan are being solicited. This Disclosure Statement is being submitted in accordance with these requirements.

C. Am I entitled to vote on the Plan?

Your ability to vote on, and your distribution under, the Plan, if any, depends on what type of Claim you hold and whether you held that Claim as of the Voting Record Date (*i.e.*, as of April 8, 2026). Each category of Holders of Claims, Intercompany Interests, or Equity Interests, as set forth in Article III of the Plan pursuant to sections 1122(a) and 1123(a)(1) of the Bankruptcy Code, is referred to as a "Class." Each Class's respective voting status is set forth below:

Class	Claims, Interests, and Intercompany Interests	Status	Voting Rights
Class 1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
Class 2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Presumed to Accept)
~~Class 3~~	~~Equipment Financing Claims~~	~~Impaired~~	~~Entitled to Vote~~
Class ~~4A~~3A	FLFO RCF Claims	Impaired	Entitled to Vote
Class ~~4B~~3B	FLFO Term Loan Claims	Impaired	Entitled to Vote
Class ~~4C~~3C	Reception Purchaser First Lien Claims	Impaired	Entitled to Vote
Class ~~5~~4	FLSO Term Loan Claims	Impaired	Entitled to Vote
Class ~~6~~5	FLTO Term Loan Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class ~~7~~6	Auto Liability Claims	~~Uni~~Impaired	Entitled to Vote
Class ~~8~~7A	General Unsecured Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 7B	Convenience Claims	Impaired	Entitled to Vote
Class ~~9~~8	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept) / Not Entitled to Vote (Deemed to Reject)
Class ~~10~~9	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Presumed to Accept) / Not Entitled to Vote (Deemed to Reject)
Class 1~~1~~0	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
Class 1~~2~~1	Equity Interests	Impaired	Not Entitled to Vote (Deemed to Reject)

D. What is the "toggle" feature of the Plan?

The Plan will implement the Recapitalization Transaction unless the Debtors determine, in the exercise of their reasonable business judgment, that pursuing a Sale is in the best interest of the Debtors; *provided* that the Debtors shall have, in good faith, coordinated and consulted with the DIP Lenders and the Ad Hoc Group in making such determination (the "Toggle Trigger Event"). If the Debtors "toggle" to the Sale, the Claims, Intercompany Interests, and Equity Interests will receive the proposed treatment under the Plan for a Sale. As a result, Holders of Claims will receive recoveries under the Plan on a much quicker timeline than if the Plan did not include a "toggle" feature, which reduces expenses and permits the Debtors to emerge in either scenario on the expedited timeline currently contemplated.

A vote to accept the Plan is a vote to approve both the Recapitalization Transaction and a Sale.

E. What is the Allocation Condition?

The Allocation Condition, as defined in the Plan, is the allocation of value between the STG Distribution LLC Debtor silo and the Reception Purchaser, LLC Debtor silo acceptable to each of the Debtors and the Required Consenting FLFO Term Lenders in good faith. Determination of the Allocation Condition may impact the recoveries on account of Claims in Class 3B, Class 3C, and Class 4.

F. ~~E.~~ What is the difference between the Sale and Recapitalization Transaction?

The default option under the Plan—the Recapitalization Transaction—is a balance sheet recapitalization pursuant to which, among other things, the Post-Effective Date Debtors distribute all Reorganized Equity to Holders of DIP Claims, FLFO Claims, and FLSO Claims on the Effective Date, subject to dilution by the MIP Equity. Under the Recapitalization Transaction, over $1.1 billion of funded debt obligations would be eliminated, which would in turn substantially reduce the Company's funded debt maintenance obligations.

As the Debtors pursue the Recapitalization Transaction, they will continue to engage with all parties by means of a marketing process. Should the Debtors determine, in accordance with their good faith coordination and consultation with the DIP Lenders and the Ad Hoc Group, that pursuing a Sale is in the best interest of the Debtors, the Debtors will "toggle" and pursue such Sale. The Sale would be a sale of all or substantially all of the Debtors' assets through one or more sales to a Purchaser. Under the Sale, Holders of Claims would receive net proceeds resulting from the Sale (*i.e.*, the Net Distributable Cash) in accordance with the priorities set forth in the Plan.

A vote to accept the Plan is a vote to approve either the Sale or a Recapitalization Transaction, as applicable.

G. ~~F.~~ What will I receive from the Debtors if the Plan is consummated?

The following chart provides a summary of the anticipated recovery to Holders of Claims, Intercompany Interests, and Equity Interests, or under the Plan. Any estimates of Claims, Intercompany Interests, or Equity Interests in this Disclosure Statement may vary from the final amounts allowed by the Bankruptcy Court. Your ability to receive distributions under the Plan depends upon the ability of the Debtors to obtain Confirmation and meet the conditions necessary to consummate the Plan.

THE PROJECTED RECOVERIES SET FORTH IN THE TABLE BELOW ARE ESTIMATES ONLY AND THEREFORE ARE SUBJECT TO CHANGE. FOR A COMPLETE DESCRIPTION OF THE DEBTORS' CLASSIFICATION AND TREATMENT OF CLAIMS, INTERCOMPANY INTERESTS, AND EQUITY INTERESTS REFERENCE SHOULD BE MADE TO THE ENTIRE PLAN.[6]

IN THE EVENT THAT THE NON-PARTICIPATING HOLDERS ARE SUCCESSFUL, IN WHOLE OR IN PART, IN THE ADVERSARY PROCEEDING, RECOVERIES MAY NEED TO BE REALLOCATED AND THE PLAN MAY NEED TO BE AMENDED AND RESOLICITED, WHICH MAY DELAY THE TIMELINE OF THE CHAPTER 11 CASES, INCREASE COSTS, AND RESULT IN THE FAILURE TO OBTAIN THE VOTES NECESSARY FOR CONFIRMATION. IN ADDITION, SUCH A RULING MAY RESULT IN A FAILURE TO

[6] The recoveries set forth below may change based upon changes in the amount of Claims that are "Allowed" as well as other factors related to the Debtors' business operations and general economic conditions.

MEET THE LITIGATION CONDITION UNDER THE RESTRUCTURING SUPPORT AGREEMENT. SUCH A RESULT MAY LEAD TO A TERMINATION OF THE RESTRUCTURING SUPPORT AGREEMENT WHICH, IN TURN, MAY REQUIRE ADDITIONAL ENGAGEMENT WITH STAKEHOLDERS TO RENEGOTIATE THE PLAN.

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class 1	Other Secured Claims	Except to the extent that a Holder of an Allowed Other Secured Claim agrees to less favorable treatment, each Holder of an Allowed Other Secured Claim shall receive, in full and final satisfaction of such Claim and at the option of the Debtors: (i) payment in full in Cash in an amount equal to its Allowed Other Secured Claim; (ii) the collateral securing its Allowed Other Secured Claim; (iii) Reinstatement of its Allowed Other Secured Claim; or (iv) such other treatment rendering its Allowed Other Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.	~~$[●]~~TBD	100%
Class 2	Other Priority Claims	Except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment, each Holder of an Allowed Other Priority Claim shall receive, in full and final satisfaction of such Claim, Cash on the Effective Date in an amount equal to such Allowed Other Priority Claim, or as and when due in the ordinary course of business of the Post-Effective Date Debtors, or otherwise as consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.	~~$[●]~~TBD	100%
~~Class 3~~	~~Equipment Financing Claims~~	~~Except to the extent a Holder of an Allowed Equipment Financing Claim agrees to less favorable treatment on the Effective Date, each Holder of an Allowed Equipment Financing Claim shall receive: (i) if the Recapitalization Transaction occurs, the Takeback Equipment Financing Debt pertaining to such Holder's collateral; or (ii) if the Sale occurs, as applicable, (x) such Holder's *pro rata* distribution of Net Distributable Cash solely attributable to such Holder's collateral underlying such Allowed Equipment Financing Claim or (y) the collateral underlying such Allowed Equipment Financing Claim.~~	~~$[97,377,159]~~	~~100%~~

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class ~~4A~~3A	FLFO RCF Claims	Except to the extent that a Holder of an Allowed FLFO RCF Claim agrees to less favorable treatment on the Effective Date, each Holder of an Allowed FLFO RCF Claim shall receive, in full and final satisfaction of such Claim at its election, either (i) if the applicable Holder is a Consenting FLFO RCF Lender, (x) if the Recapitalization Transaction occurs, the Committed RCF Treatment or (y) if the Sale occurs, repayment or cash collateralization, as applicable, of such Holder's FLFO RCF Claims from the RCF Reserve Account (or any amounts held in the RCF Reserve Account) pursuant to the Sale Order or (ii) if the applicable Holder is not a Consenting FLFO RCF Lender, treatment in accordance with and *pro rata* to the FLFO Term Loan Claims (Class ~~4B~~3B) treatment.	$~~[~~25,023,458~~9~~~~]~~	100%
Class ~~4B~~3B	FLFO Term Loan Claims	Except to the extent that a Holder of an Allowed FLFO Term Loan Claim agrees to less favorable treatment on the Effective Date, each Holder of an Allowed FLFO Term Loan Claim shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, subject to the Allocation Condition, such Holder's *pro rata* share of (x) if the Incremental New Money DIP Loans are funded, 78.3% of the Reorganized Equity (subject to dilution from the MIP Equity) or (y) if the Incremental New Money DIP Loans are not funded, 86.0% of the Reorganized Equity (subject to dilution from the MIP Equity); *provided* that, if a portion, but not all of the Incremental New Money DIP Loans are funded, the amount of Reorganized Equity set out in item (b)(i)(y) shall be proportionally reduced by the same proportion as the amount of funded Incremental New Money DIP Loans bears to the total amount of Incremental New Money DIP Commitments; or (ii) if the Sale occurs, following the FLFO Payment pursuant to the Sale Order, such Holder's *pro rata* distribution of Net Distributable Cash.	$~~[~~209,105,951~~]~~[7]	Unspecified[8]

[7] Such amount is inclusive of all 1O Roll-Up DIP Claims.

[8] Because the Debtors do not want to prejudice the sale process by disclosing estimated recoveries for Holders of FLFO Term Loan Claims, Reception Purchaser First Lien Claims, FLSO Term Loan Claims, and Auto Liability Claims, such recoveries are not estimated herein. For more detail, please see Article XI.F of this Disclosure Statement entitled, "Valuation." Unless a Toggle Trigger Event occurs, the Plan will implement the Recapitalization Transaction, and the Debtors intend to file a valuation with respect to the Recapitalization Transaction five business days in advance of the Confirmation Objection Deadline.

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class ~~4C~~3C	Reception Purchaser First Lien Claims	Except to the extent that a Holder of an Allowed Reception Purchaser First Lien Claim agrees to less favorable treatment, on the Effective Date, each Holder of an Allowed Reception Purchaser First Lien shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, its *pro rata* share of Reorganized Equity receivable by Class ~~4B~~3B and Class ~~5~~4, subject to the Allocation Condition; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, solely attributable to such Holder's collateral underlying such Allowed Reception Purchaser First Lien Claim and subject to the Allocation Condition.	$~~[●]~~57,964,815[9]	Unspecified
Class ~~5~~4	FLSO Term Loan Claims	Except to the extent that a Holder of an Allowed FLSO Term Loan Claim agrees to less favorable treatment, on the Effective Date, each Holder of an Allowed FLSO Term Loan Claim shall receive, in full and final satisfaction of such Claim: (i) if the Recapitalization Transaction occurs, its *pro rata* share of 2.5% of the Reorganized Equity (subject to dilution by the MIP Equity), subject to the Allocation Condition; or (ii) if the Sale occurs, following the FLSO Payment pursuant to the Sale Order, its *pro rata* distribution of the Net Distributable Cash, subject to payment in full in Cash of the FLFO Claims and subject to the terms of the STG Distribution Credit Agreement.	$~~[~~668,651,248~~]~~[910]	Unspecified
Class ~~6~~5	FLTO Term Loan Claims	Except to the extent that a Holder of an Allowed FLTO Term Loan Claim agrees to less favorable treatment, each Holder of an Allowed FLTO Term Loan Claim shall receive either: (i) if the Recapitalization Transaction occurs, all FLTO Term Loan Claims shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such FLTO Term Loan Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLSO Term Loan Claims and subject to the terms of the STG Distribution Credit Agreement.	$~~[~~100,673,003~~]~~	0%

[9] For illustrative purposes only; amount excludes any Intercompany Notes Claims and STG Distribution Guaranty Claims which, for the avoidance of doubt, are Class 3C Claims.

[~~9~~10] Such amount is inclusive of all 2O Roll-Up DIP Claims.

[~~9~~10] Such amount is inclusive of all 2O Roll-Up DIP Claims.

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class ~~7~~6	Auto Liability Claims	Unless a Holder of an Allowed Auto Liability Claim agrees to less favorable treatment, each Holder of an Allowed Auto Liability Claim shall receive in full and final satisfaction of such Claim either (i) if the Recapitalization Transaction occurs, subject to the Second Out Condition, treatment rendering its Allowed Auto Liability Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLTO Term Loan Claims.	$~~[●]~~6,000,000	100% or Unspecified
Class ~~8~~7A	General Unsecured Claims	Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each Holder of an Allowed General Unsecured Claim shall receive either: (i) if the Recapitalization Transaction occurs, all General Unsecured Claims shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such General Unsecured Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the FLTO Term Loan Claims.	$~~[●]~~29,000,000[11]	0%
Class 7B	Convenience Claims	Except to the extent that a Holder of an Allowed Convenience Claim agrees to less favorable treatment, each Holder of an Allowed Convenience Claim shall receive such Holder's *pro rata* share of the Convenience Claims Cash Pool; *provided* that such *pro rata* share shall not exceed $100,000 for any such Holder.	$4,700,000	20% – 30%[12]

[11] The Debtors estimate approximately $29,000,000 of General Unsecured Claims assuming no Holders elect to be treated as Class 7B Convenience Claims.

[12] The Debtors estimate that Holders of up to approximately $4,700,000 in Class 7A General Unsecured Claims, when capped at the Convenience Claim threshold of $100,000, may elect to be treated as Class 7B Convenience Claims, which would result in an estimated recovery of approximately 20% to 30% for participating Holders, subject to allowance and the aggregate amount of Class 7A General Unsecured Claims that elect into Class 7B.

SUMMARY OF EXPECTED RECOVERIES				
Class	**Claim/Interest**	**Treatment of Claim/Interest**	**Projected Allowed Amount of Claims**	**Estimated % Recovery**
Class 9	Intercompany Claims	Except to the extent that a Holder of an Allowed Intercompany Claim agrees to less favorable treatment, each Holder of an Allowed Intercompany Claim shall receive either: (i) if the Recapitalization Transaction occurs, all Intercompany Claims shall be Reinstated, set off, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Post-Effective Date Debtors without any distribution; or (ii) if the Sale occurs, all Intercompany Claims shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors without any distribution.	~~$[●]~~N/A	N/A
Class 10	Intercompany Interests	Except to the extent that a Holder of an Allowed Intercompany Interest agrees to less favorable treatment, each Holder of an Allowed Intercompany Interest shall receive either: (i) if the Recapitalization Transaction occurs, all Intercompany Interests shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors without any distribution; (ii) if the Sale occurs, all Intercompany Interests shall be Reinstated, settled, distributed, contributed, cancelled, or released or otherwise addressed at the option of the Debtors without any distribution.	~~$[●]~~N/A	N/A
Class 11	Section 510(b) Claims	Except to the extent that a Holder of an Allowed Section 510(b) Claim agrees to less favorable treatment, each Holder of an Allowed Section 510(b) Claim shall receive either: (i) if the Recapitalization Transaction occurs, all Section 510(b) Claims shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such ~~General Unsecured~~Section 510(b) Claims shall not receive any distribution under the Plan on account of such Claim; or (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the General Unsecured Claims and Auto Liability Claims.	~~$[●]~~N/A	N/A
Class 12	Equity Interests	Except to the extent that a Holder of an Allowed Equity Interest agrees to less favorable treatment, each Holder of an Allowed Equity Interest shall receive either: (i) if the Recapitalization Transaction occurs, all Equity Interests shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of such Equity Interests shall not receive any distribution under the Plan on account of such Equity Interest; (ii) if the Sale occurs, its *pro rata* distribution of Net Distributable Cash, subject to payment in full in Cash of the Section 510(b) Claims.	~~$[●]~~N/A	N/A

H. ~~G.~~ What will I receive from the Debtors if I hold an Allowed Administrative Claim, DIP Claim, or a Priority Tax Claim?

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, DIP Claims, Professional Fee Claims, and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims, Intercompany Interests, and Equity Interests set forth in Article III of the Plan.

1. Administrative Claims.

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtors or the Post-Effective Date Debtors, as applicable, each Holder of an Allowed Administrative Claim (other than Holders of DIP Claims, Professional Fee Claims, and Claims for fees and expenses pursuant to section 1930 of chapter 123 of title 28 of the United States Code) will receive in full and final satisfaction of its Allowed Administrative Claim an amount of Cash equal to the amount of such Allowed Administrative Claim in accordance with the following: (1) if an Administrative Claim is Allowed and due on or prior to the Effective Date, on the Effective Date or as soon as reasonably practicable thereafter; (2) if such Administrative Claim is not Allowed as of the Effective Date, no later than thirty (30) days after the date on which an order allowing such Administrative Claim becomes a Final Order, or as soon as reasonably practicable thereafter; (3) if such Allowed Administrative Claim is based on liabilities incurred by a Debtor in the ordinary course of its business after the Petition Date, in accordance with the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim without any further action by the Holder of such Allowed Administrative Claim; (4) at such time and upon such terms as may be agreed upon by such Holder and the Debtors or the Post-Effective Date Debtors, as applicable; or (5) at such time and upon such terms as set forth in a Final Order of the Bankruptcy Court.

Except as otherwise provided in Article II.A of the Plan, requests for payment of Administrative Claims must be Filed with the Bankruptcy Court and served on the Debtors by the applicable Administrative Claims Bar Date. **Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors, their Estates, or their property, and such Administrative Claims shall be deemed discharged as of the Effective Date without the need for any objection from the Debtors or the Post-Effective Date Debtors, as applicable, or any notice to or action, order, or approval of the Bankruptcy Court or any other Entity.**

2. DIP Claims.

On the Effective Date, except to the extent that a Holder of an Allowed DIP Claim agrees to alternative treatment, and in full and final satisfaction, settlement, release, and discharge of, and in exchange for, each Allowed DIP Claim, each Holder of an Allowed DIP Claim shall receive, either:

a. if the Recapitalization Transaction occurs, (i) on account of its New Money DIP Claim, (A) the Takeback Term Loans, and (B) (1) if the Incremental New Money DIP Loans are funded, 19.2% of the Reorganized Equity (subject to dilution from the MIP Equity) or (2) if the Incremental New Money DIP Loans are not funded, 11.5% of the Reorganized Equity (subject to dilution from the MIP Equity); provided that, if a portion, but not all of the Incremental New Money DIP Loans are funded, the amount of Reorganized Equity set out in item

(i)(B)(2) shall be proportionally increased by the same proportion as the amount of funded Incremental New Money DIP Loans bears to the total amount of Incremental New Money DIP Commitments, (ii) on account of its 1O Roll-Up DIP Claim, if any, such treatment consistent with the FLFO Term Loan Claims, and (iii) on account of its 2O Roll-Up DIP Claim, if any, such treatment consistent with the FLSO Term Loan Claims;~~10~~13 or

b. if the Sale occurs, the DIP Payment pursuant to the Sale Order.

Notwithstanding the foregoing, in the event of a Recapitalization Transaction, nothing in the Plan or in the Confirmation Order shall have the effect of releasing, discharging, or compromising any rights of any DIP Secured Party or their Related Persons (as defined in the DIP Credit Agreement) (in any capacity) arising under, related to, or in connection with any rights, Claims, or Causes of Action in respect of the DIP Indemnity; *provided* that in the event of a Credit Bid, the DIP Indemnity shall be assumed by the purchaser.

3. Priority Tax Claims.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall receive Cash equal to the full amount of its Claim or such other treatment in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.

4. Professional Fee Claims.

a. Final Fee Applications and Payment of Professional Fee Claims.

All requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than sixty (60) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Post-Effective Date Debtors shall pay Professional Fee Claims in Cash in the amount the Bankruptcy Court allows, including from the Professional Fee Escrow Account or the Wind Down Debtor Account.

b. Professional Fee Escrow Account.

On the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow Account with Cash equal to the Professional Fee Amount. The Professional Fee Escrow Account shall be maintained in trust solely for the Professionals. Such funds shall not be considered property of the Estates of the Debtors or the Post-Effective Date Debtors, as applicable. The amount of Professional Fee Claims owing to the Professionals shall be paid in Cash to such Professionals by the Post-Effective Date Debtors from the Professional Fee Escrow Account as soon as reasonably practicable after such Professional Fee Claims are Allowed. When all Allowed Professional Fee Claims have been paid in full, any remaining amount in the Professional Fee Escrow Account shall promptly be paid to the

~~10~~13 For the avoidance of doubt, notwithstanding that any fees payable on the New Money DIP Claims shall be waived or cancelled in connection with a Recapitalization Transaction, such fees shall continue to be accounted for in determining each holder of a New Money DIP Claim's ratable share of the consideration among New Money DIP Claims.

Post-Effective Date Debtors without any further notice to, action, order, or approval of the Bankruptcy Court.

c. Professional Fee Amount.

Professionals shall reasonably estimate their unpaid Professional Fee Claims and other unpaid fees and expenses incurred in rendering services to the Debtors before and as of the Effective Date and shall deliver such estimates to the Debtors no later than three (3) Business Days before the Effective Date; *provided*, *however*, that such estimate shall not be deemed to limit the amount of the fees and expenses that may be Allowed pursuant to the Professional's final request for payment. If a Professional does not provide an estimate, the Debtors or the Post-Effective Date Debtors, as applicable, may estimate the unpaid and unbilled fees and expenses of such Professional for the purpose of determining the Professional Fee Amount. The total aggregate amount so estimated as of the Effective Date shall be utilized by the Debtors to determine the amount to be funded to the Professional Fee Escrow Account.

d. Post-Confirmation Fees and Expenses.

Except as otherwise specifically provided in the Plan, from and after the Confirmation Date, the Debtors or the Post-Effective Date Debtors, as applicable, shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash the reasonable and documented legal, professional, or other fees and expenses related to implementation of the Plan and Consummation incurred by the Debtors or the Post-Effective Date Debtors, as applicable. Upon the Confirmation Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Debtors and/or the Post-Effective Date Debtors, as applicable, may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

I. ~~H.~~ How do I know if my Claim is a General Unsecured Claim?

General Unsecured Claim means any Claim that is not: (a) an Administrative Claim; (b) a Claim by a professional seeking an award by the Bankruptcy Court of compensation for services rendered or reimbursement of expenses incurred through and including the Confirmation Date under sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code; (c) a Priority Tax Claim; (d) a DIP Claim; (e) an Other Secured Claim; (f) an Other Priority Claim; (g) a Funded Debt Claim; or (h) an Intercompany Claim; *provided* that any Holder of an Allowed General Unsecured Claim that makes the Convenience Claim Election shall receive the Convenience Claim Treatment.

J. What does it mean if I have a Convenience Claim?

If you have an Allowed Convenience Claim, that means (a) the total amount of your Allowed General Unsecured Claim is greater than $50 but less than or equal to $100,000 and you irrevocably elect on your Ballot to have your Allowed General Unsecured Claim and treated as a Convenience Claim (the "Convenience Claim Election"); or (b) you elected on your Ballot to treat your Allowed General Unsecured Claim as a Convenience Claim, including, if applicable, reducing your Allowed General Unsecured Claim to $100,000. Holders of Allowed Convenience Claims will receive the treatment provided to Holders of Class 7B Convenience Claims and will receive their *pro rata* share of the Convenience Claims Cash Pool. If you make the Convenience Claim Election to receive the Convenience Claim Treatment, you may not opt out of the releases set forth in Article IX of the Plan.

If you have an Allowed Class 7A General Unsecured Claim above $100,000, you may irrevocably elect on your Ballot to have your Allowed Class 7A General Unsecured Claim reduced to

$100,000 and treated as a Class 7B Convenience Claim. If you have an Allowed Class 7A General Unsecured Claim of less than $100,000 and you irrevocably elect on your Ballot to make the Convenience Claim Election, you will have an Allowed Convenience Claim in the amount of your actual Allowed General Unsecured Claim and such Allowed Convenience Claim will receive the Convenience Claim Treatment. To be clear, if you make the Convenience Claim Election, such Allowed General Unsecured Claim will be reduced to $100,000 (as applicable) and considered an Allowed Convenience Claim. You may not revoke your Convenience Claim Election.

Allowed Convenience Claims will receive their *pro rata* share of the Convenience Claims Cash Pool pursuant to the Convenience Claim Treatment under the Plan. Holders of Allowed Convenience Claims, including Holders of Allowed General Unsecured Claims above $100,000 making the Convenience Claim Election, will not be entitled to additional payments other than any payment pursuant to their treatment as a Holder of a Class 7B Convenience Claim under the Plan. The Debtors estimate that Holders of approximately $4,700,000 million in Class 7A General Unsecured Claims may elect to be treated as Class 7B Convenience Claims, which would result in an estimated recovery of approximately 20% to 30% for participating Holders, subject to allowance and the aggregate amount of Class 7A General Unsecured Claims that elect into Class 7B. The Convenience Claim Reserve will be established by the Debtors on the Effective Date to hold the Convenience Claim Cash Pool and the distribution to Holders of Allowed Convenience Claims shall be paid in Cash to such Holders from the Convenience Claim Reserve as soon as reasonably practicable after such Convenience Claims are Allowed. The Convenience Claims Cash Pool is $975,000 in the aggregate, and no single Holder of an Allowed Convenience Claim shall receive more than $100,000 on account of such Claim.

K. ~~I.~~ Are any regulatory approvals required to consummate the Plan?

There are no known U.S. regulatory approvals that are required to consummate the Plan. However, to the extent any such regulatory approvals or other authorizations, consents, ruling, or documents are necessary to implement and effectuate the Plan, it is a condition precedent to the Effective Date that they be obtained. In the case of the Sale, a filing under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (and expiration or early termination of the waiting period thereunder) may be required as a condition precedent to any asset sale that exceeds the applicable size of the transaction threshold.

L. ~~J.~~ What happens to my recovery if the Plan is not confirmed or does not go effective?

In the event that the Plan is not confirmed or does not go effective, there is no assurance that the Debtors will be able to reorganize their business or that Holders of Claims will receive the potential recoveries reflected herein. It is possible that any alternative may provide Holders of Claims with less than they would have received pursuant to the Plan. For a more detailed description of the consequences of an extended chapter 11 case, or of a liquidation scenario, *see* Article XI.G of this Disclosure Statement, titled "Liquidation Analysis" and the Liquidation Analysis attached hereto as **Exhibit D**.

M. ~~K.~~ If the Plan provides that I get a distribution, do I get it upon Confirmation or when the Plan goes effective, and what is meant by "Confirmation," "Effective Date," and "Consummation?"

"Confirmation" of the Plan refers to approval of the Plan by the Bankruptcy Court. Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After Confirmation of the Plan by the Bankruptcy Court, there are conditions that need to be satisfied or waived so that the Plan can go effective. Initial distributions to Holders of Allowed Claims will only be made on the date the Plan becomes effective—the "Effective Date"—or as soon as reasonably

practicable thereafter, as specified in the Plan. "Consummation" of the Plan refers to the occurrence of the Effective Date. *See* Article IX of this Disclosure Statement, entitled "Risk Factors.," for a discussion of conditions precedent to Consummation of the Plan.

N. ~~L.~~ What are the sources of Cash and other consideration required to fund the Plan?

If the Recapitalization Transaction occurs, the Debtors shall fund or make distributions under the Plan, as applicable, with: (i) the Reorganized Equity; (ii) the Debtors' Cash on hand; (iii) the Convenience Claim Reserve; (iv) the Takeback Term Loans; (~~iv~~v) the Exit RCF Facility; and (~~v~~vi) the Takeback Equipment Financing Debt (if any).

If the Sale occurs, the Wind Down Debtors will fund distributions under the Plan with the Sale Payment Amount, the RCF Reserve Account, Net Distributable Cash, the Convenience Claim Reserve, and, if applicable, any remaining amount in the Wind Down Debtor Account (if any, after completion of the Wind Down and payment in full of all amounts required to be paid by the amounts deposited in the Wind Down Debtor Account).

O. ~~M.~~ Are there risks to owning the Reorganized Equity upon the Debtors' emergence from chapter 11?

Yes. *See* Article IX of this Disclosure Statement, entitled "Risk Factors," for a discussion of such risks.

P. ~~N.~~ Is there potential litigation related to the Plan?

Parties in interest may object to the approval of this Disclosure Statement and may object to Confirmation of the Plan, which objections potentially could give rise to litigation.

In the event that it becomes necessary to confirm the Plan over the rejection of certain Classes, the Debtors may seek confirmation of the Plan notwithstanding the dissent of such rejecting Classes. The Bankruptcy Court may confirm the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code, which allow the Bankruptcy Court to confirm a plan that has been rejected by an impaired Class if it determines that the Plan satisfies section 1129(b) of the Bankruptcy Code. *See* Article XI.E of this Disclosure Statement, entitled "Confirmation Without Acceptance by All Impaired Classes."

Q. ~~O.~~ What is the Management Incentive Plan and how will it affect the distribution I receive under the Plan?

Distributions of Reorganized Equity made in the event the Recapitalization Transaction occurs will be subject to dilution from the MIP Equity. If the Recapitalization Transaction occurs, on or within thirty (30) days following the Effective Date, the New Board shall adopt and implement the Management Incentive Plan to be used to incentivize and compensate employees, directors, consultants, and other services providers of the Post-Effective Date Debtors, which Management Incentive Plan will include the ability to grant restricted stock units, options, Reorganized Equity, or other rights exercisable, exchangeable, or convertible into Reorganized Equity (or equivalent Cash value thereof) in accordance with the Restructuring Support Agreement.

R. ~~**P.**~~ **Does the Plan preserve Causes of Action?**

The Plan provides for the retention of all Causes of Action other than those that are expressly waived, relinquished, exculpated, released, compromised, or settled. The specific treatment of Causes of Action under the Plan is dependent on whether the Sale or Recapitalization Transaction occurs.

In the event of the Recapitalization Transaction. In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article IX of the Plan, all Causes of Action shall vest in the Post-Effective Date Debtors as Retained Causes of Action. For the avoidance of doubt, any Cause of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including Article IX of the Plan, shall not be considered a Retained Cause of Action. The Post-Effective Date Debtors shall have the exclusive right, authority, and discretion to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment such Retained Causes of Action, as appropriate, in accordance with the best interests of the Post-Effective Date Debtors and no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Retained Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. For the avoidance of doubt, any Claims or Causes of Action against the Consenting Stakeholders and/or their Affiliates and/or advisors shall not be Retained Causes of Action~~, subject to the 2025 Special Committee's ongoing Investigation~~. The Released Preference Actions shall not be Retained Causes of Action.

No Person or Entity may rely on the absence of a specific reference in the Schedule of Retained Causes of Action, the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or Post-Effective Date Debtors, as applicable, will not pursue any and all available Retained Causes of Action against it. The Debtors and Post-Effective Date Debtors expressly reserve all rights to prosecute any and all Retained Causes of Action against any Person or Entity, except as otherwise expressly provided in the Plan, including Article IX of the Plan.

The Post-Effective Date Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (x) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court, and (y) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement to file motions or substitutions of parties or counsel in each such matter.

In the event of the Sale. Unless any Cause of Action against a Person or an Entity is expressly acquired pursuant to the Purchase Agreement, waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors shall convey to the Plan Administrator all rights to commence, prosecute, or settle, as appropriate, any and all Retained Causes of Action, including any action specifically enumerated in the Schedule of Retained Causes of Action, whether arising before or after the Petition Date, which shall vest in the Plan Administrator pursuant to the terms of the Plan. The Plan Administrator may enforce all rights to commence, prosecute, or settle, as appropriate, any and all Retained Causes of Action, whether arising before or after the Petition Date, and the Plan Administrator's rights to commence, prosecute, or settle such Retained Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Plan Administrator may, in its reasonable business judgment, pursue such Retained Causes of Action and may retain and compensate professionals in the analysis or pursuit of such Retained Causes of Action to the extent the Plan Administrator deems appropriate, including on a contingency fee basis. No Person or Entity may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Plan Administrator will not pursue any and all available Retained Causes of Action against them. The

Debtors and the Plan Administrator expressly reserve all rights to prosecute any and all Retained Causes of Action against any Person or Entity, except as otherwise expressly provided in the Plan; *provided* that the Wind Down Debtors, in consultation with the Plan Administrator after the Effective Date, may prosecute any such Retained Cause of Action against any party only in connection with their objection to and resolution of any Claim asserted by such party. Unless any Cause of Action against an Entity is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, the Plan Administrator expressly reserves all Retained Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Retained Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. The Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Retained Causes of Action, or to decline to do any of the foregoing, without the consent or approval of any third party or any further notice to, or action, order, or approval of, the Bankruptcy Court. The Released Preference Actions shall not be Retained Causes of Action.

S. ~~Q.~~ Will there be releases, exculpation, and injunction granted to parties in interest as part of the Plan?

Yes, the Plan proposes to release the Released Parties and to exculpate the Exculpated Parties. The Debtors' releases, third-party releases, exculpation, and injunction provisions included in the Plan are an integral part of the Debtors' overall restructuring efforts and were an essential element of the negotiations among the Debtors and their key constituencies in obtaining support for the Plan.

"*Exculpated Parties*" means, collectively, and in each case solely in its capacity as such: (a) each of the Debtors; and (b) with respect to the Debtors, each of their respective current and former directors, the Special Committee, managers, officers, attorneys, financial advisors, consultants, or other professionals or advisors that served in such capacity between the Petition Date and Effective Date.

"*Related Party*" means, with respect to a specified Person, each of such Person's, and in each case in its capacity as such, current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, predecessors, participants, successors, assigns (whether by operation of law or otherwise), subsidiaries, current, former, and future associated entities, managed or advised entities, accounts or funds, partners, limited partners, general partners, principals, members, management companies, fund advisors, managers, fiduciaries, trustees, employees, agents (including any Disbursing Agent), advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, representatives advisors, predecessors, successors, and assigns. For the avoidance of doubt, the Debtors' Related Parties include the Special Committee and any attorneys or professionals retained by any current or former director or manager of a Debtor in his or her capacity as director or manager as a Debtor, including, for the avoidance of doubt, any attorneys or professionals retained by the Special Committee.

"*Released Party*" means collectively, and in each case solely in its capacity as such: (a) each Debtor; (b) each Post-Effective Date Debtor; (c) each Consenting Stakeholder; (d) each Consenting Sponsor; (e) each DIP Lender; (f) the DIP Agent; (g) each Agent; (h) the Committee and each ~~Releasing Party~~of its members; (i) each Releasing Party; (j) each current and former Affiliate of each Entity in clause (a) through the following clause (~~j~~k); and (~~j~~k) each Related Party of each Entity in clauses (a) through this clause (~~i~~k); *provided, however*, that, in each case, an Entity shall not be a Released Party if it: (x) elects to opt out of the Third-Party Release; or (y) timely objects to the Third-Party Release and such objection is not withdrawn or otherwise resolved before the Confirmation Order is entered. For the

avoidance of doubt and notwithstanding anything in the Plan to the contrary, no non-Releasing Party shall be a Released Party under the Plan.

"*Releasing Party*" means collectively, and each solely in its capacity as such: (a) each Debtor; (b) each Post-Effective Date Debtor; (c) each Consenting Stakeholder; (d) each Consenting Sponsor; (e) each DIP Lender; (f) the DIP Agent; (g) each Agent; (h) the Committee and each of its members; (i) all Holders of Claims; (~~i~~j) all Holders of Equity Interests; (~~j~~k) each current and former Affiliate of each Entity in clause (a) through the following clause (~~k~~l); and (~~k~~l) each Related Party of each Entity in clauses (a) through this clause (~~k~~l); *provided, however*, that each Entity that (x) elects to opt out of the Third-Party Release; or (y) timely objects to the Third-Party Release and such objection is not withdrawn or otherwise resolved before the Confirmation Order is entered shall not be a Releasing Party.

The Released Parties and the Exculpated Parties have made substantial and valuable contributions to the Debtors' restructuring through efforts to negotiate and implement the Plan, which will maximize and preserve the going-concern value of the Debtors for the benefit of all parties in interest.

The Restructuring Transactions contemplated in the Plan are the value-maximizing path forward for the Company. As such, the Debtor Release and the Third-Party Release appropriately offer certain protections to, among others, parties who constructively participated in the Debtors' restructuring process by supporting the Plan. For example, the DIP Lenders played an integral role in the Restructuring Transactions and have agreed to provide up to $150 million in new money under the DIP Facility to fund the administration of the Chapter 11 Cases and the implementation of the Restructuring Transactions. Accordingly, ~~subject to the conclusion of the 2025 Special Committee's Investigation,~~ each of the Released Parties and the Exculpated Parties warrants the benefit of the release and exculpation provisions.

Based on the foregoing, the Debtors believe that the releases, exculpation, and injunction provisions in the Plan are necessary and appropriate and meet the requisite legal standard promulgated by the United States Court of Appeals for the Third Circuit. Moreover, the Debtors will present evidence at the Confirmation Hearing to demonstrate the basis for and propriety of the release and exculpation provisions. The release, exculpation, and injunction provisions that are contained in the Plan are copied in pertinent part below.

The 2025 Special Committee, with the assistance of its independent counsel, White & Case LLP ("White & Case"), conducted an initial assessment prior to the Petition Date and continues to actively assess (a) the existence of any potential Claims or Causes of Action that the Debtors may hold—including, without limitation—against certain insiders and other affiliated Entities and (b) whether the Debtors should retain, release, or seek to settle any such Claims and Causes of Action (the "Investigation"). The 2025 Special Committee's Investigation is described in detail in Article VI.C below. In conjunction with the Investigation, the 2025 Special Committee, with the assistance of White & Case, has been evaluating ~~and will continue to evaluate~~ the proposed releases and settlements contemplated by the Plan. ~~Accordingly,~~As set forth in Article VI.C of this Disclosure Statement, the 2025 Special Committee has concluded that the release provisions contained in the Plan ~~remain subject to ongoing review~~are appropriate. The 2025 Special Committee's conclusions with respect to the Investigation into potential Claims against the above-referenced Released Parties are based on the facts and circumstances as identified and known by the 2025 Special Committee ~~in all respects. The Debtors, at the direction of the~~as of the date hereof. Accordingly, to the extent the Investigation uncovers additional facts with respect to potential Claims or Causes of Action prior to confirmation, the 2025 Special Committee~~, reserve the right to withdraw or modify the releases in the Plan in advance of the Confirmation Date. The 2025 Special Committee's Investigation is described in detail in Article VI.C below.~~ may recommend that the Debtors amend and narrow the scope of the proposed Released Parties or

remove such Claims or Causes of Action entirely in order to allow such Claims or Causes of Action to be preserved.

1. Release of Liens.

Except as otherwise specifically provided in the Plan, the Confirmation Order, the Takeback Term Loan Facility Documents, the Exit RCF Facility Documents, the Sale Order (if any), the DIP Orders (solely with respect to the RCF Reserve Account in connection with the Wind Down), or in any contract, instrument, release, or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim or any related claim that may be asserted against a non-Debtor Affiliate, in satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, except for Other Secured Claims that the Debtors elect to Reinstate in accordance with the Plan, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates or any non-Debtor Affiliate shall be fully released and discharged, and all of the right, benefit, title, and interest of any Holder (and the applicable Agents of such Holder) of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert and, as applicable, be reassigned, surrendered, reconveyed, or retransferred to the Post-Effective Date Debtors and their successors and assigns. The Holders of such Secured Claim or claim against a non-Debtor Affiliate (and the applicable agents for such Holders) shall be authorized and directed, at the sole cost and expense of the Post-Effective Date Debtors, to release any collateral or other property of any Debtor or non-Debtor Affiliate (including any Cash Collateral and possessory collateral) held by such Holder (and the applicable agents for such Holder) and to take such actions as may be reasonably requested by the Debtors or Post-Effective Date Debtors, as applicable, to evidence the release of such Liens, including the execution, delivery, and filing or recording of such releases. The presentation or filing of the Confirmation Order to or with any federal, state, provincial, or local agency, records office, or department shall constitute good and sufficient evidence of, but shall not be required to effect, the termination of such Liens.

2. Releases by the Debtors.[11]

Except as otherwise specifically provided in the Plan or the Confirmation Order, pursuant to section 1123(b) of the Bankruptcy Code, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, each Released Party is deemed, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by and on behalf of each and all of the Debtors, their Estates, and the Post-Effective Date Debtors in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Claim or Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all Claims and Causes of Action, (including all Avoidance Actions), whether known or unknown, including any derivative claims asserted or assertable on behalf of the Debtors, their Estates, and the Post-Effective Date Debtors, whether liquidated or unliquidated, fixed, or contingent, matured, or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or herein-after arising, whether in Law or equity, whether sounding in tort or

[11] The 2025 Special Committee's Investigation is ongoing. The Debtor Release, including without limitation the scope of the Released Parties, is subject in all respects to the conclusion of the Investigation and the 2025 Special Committee's determination with respect to any potential Claims or Causes of Action, if any, identified therein, and the Debtors expressly reserve the right to determine prior to Confirmation of the Plan not to release and to bring any such Claims or Causes of Action.

contract, whether arising under federal or state statutory or common Law, or any other applicable international, foreign, or domestic Law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise, that such Holders or their Estates, Affiliates, heirs, executors, administrators, successors, assigns, managers, accountants, attorneys, representatives, consultants, agents, and any other Persons claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively), or on behalf of the Holder of any Claim against, or Equity Interest or Intercompany Interest in, a Debtor or other Entity, or that any Holder of any Claim against or Equity Interest or Intercompany Interest in a Debtor or other Entity could have asserted on behalf of the Debtors based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof or otherwise), the purchase, sale, or rescission of any Security of the Debtors or the Post-Effective Date Debtors, the Restructuring Transactions, the Chapter 11 Cases, the Debtors' in- or out- of- court restructuring efforts, the subject matter of, or the transactions or events giving rise to, any Claim, Equity Interest, or Intercompany Interest that is treated in the Plan, the business or contractual arrangements or interaction between or among any Debtor and any Released Party, the distribution of any Cash or other property of the Debtors to any Released Party, the assertion of or enforcement of rights or remedies against the Debtors, the restructuring of any Claim, Equity Interest, or Intercompany Interest before or during the Chapter 11 Cases, including, but not limited to, the sale and marketing efforts related thereto, intercompany transactions between or among the Debtors or between the Debtors and their non-Debtor Affiliates, the Restructuring Support Agreement, the STG Distribution Credit Agreement, the Reception Purchaser Credit Agreement, the Equipment Financings, the DIP Facility, the DIP Orders, the DIP Documents, the Takeback Term Loan Facility, the Takeback Term Loan Facility Documents, the Exit RCF Facility, the Exit RCF Facility Documents, the Sale (if any), the Sale Documents (if any), the 2024 Equity Transactions, the 2024 Refinancing Transactions, the Disclosure Statement Order, the Confirmation Order, the First Day Pleadings, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Disclosure Statement, the Plan, the Plan Supplement, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the Plan, or the Plan Supplement, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the Investigation, the Equipment Financings, the administration and implementation of the Plan, including the issuance or distribution of Securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement under the Restructuring Transactions, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date.

Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) any Causes of Action specifically retained by the Debtors pursuant to a schedule of retained Causes of Action to be attached as an exhibit to the Plan Supplement, or (iii) any Cause of Action related to any act or omission that is determined by a Final Order of a court of competent jurisdiction to have constituted actual fraud or willful misconduct.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (1) in exchange for the good and valuable consideration provided by the Released Parties, including, the Released Parties' contribution to

facilitating the Restructuring Transactions and implementing the Plan; (2) a good faith settlement and compromise of the Claims and Causes of Action released by the Debtor Release; (3) in the best interests of the Debtors, their Estates, and all Holders of Claims, Equity Interests, and Intercompany Interests; (4) fair, equitable, and reasonable; (5) given and made after due notice and opportunity for a hearing; and (6) a bar to any of the Debtors, the Post-Effective Date Debtors, or the Debtors' Estates asserting any Claim or Cause of Action released pursuant to the Debtor Release.

3. Releases by Holders of Claims, Equity Interests, and Intercompany Interests.

Except as otherwise specifically provided in the Plan or the Confirmation Order, pursuant to section 1123(b) of the Bankruptcy Code, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, each Releasing Party is deemed to have, hereby conclusively, absolutely, unconditionally, irrevocably and forever released and discharged each Debtor, Post-Effective Date Debtor, and Released Party from any and all Claims and Causes of Action~~,~~ (including all Avoidance Actions), whether known or unknown, including any derivative claims asserted or assertable on behalf of the Debtors, the Post-Effective Date Debtors, and their Estates (as applicable) whether liquidated or unliquidated, fixed, or contingent, matured, or unmatured, known or unknown, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued, existing or herein-after arising, whether in Law or equity, whether sounding in tort or contract, whether arising under federal or state statutory or common Law, or any other applicable international, foreign, or domestic Law, rule, statute, regulation, treaty, right, duty, requirement, or otherwise, that such Holders or their Estates, Affiliates, heirs, executors, administrators, successors, assigns, managers, accountants, attorneys, representatives, consultants, agents, and any other Persons claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership, or operation thereof or otherwise), the purchase, sale, or rescission of any Security of the Debtors or the Post-Effective Date Debtors, the Restructuring Transactions, the Chapter 11 Cases, the subject matter of, or the transactions or events giving rise to, any Claim, Equity Interest, or Intercompany Interest that is treated in the Plan, the business or contractual arrangements or interaction between or among any Debtor and any Released Party, the distribution of any Cash or other property of the Debtors to any Released Party, the assertion of or enforcement of rights or remedies against the Debtors, the restructuring of any Claim, Equity Interest, or Intercompany Interest before or during the Chapter 11 Cases, the Debtors' in- or out-of-court restructuring efforts, including, but not limited to, the sale and marketing efforts related thereto, intercompany transactions between or among the Debtors or between the Debtors and their non-Debtor Affiliates, the Restructuring Support Agreement, the STG Distribution Credit Agreement, the Reception Purchaser Credit Agreement, the Equipment Financings, the DIP Facility, the DIP Orders, the DIP Documents, the Takeback Term Loan Facility, the Takeback Term Loan Facility Documents, the Exit RCF Facility, the Exit RCF Facility Documents, the Sale (if any), the Sale Documents (if any), the 2024 Equity Transactions, the 2024 Refinancing Transactions, the Disclosure Statement Order, the Confirmation Order, the First Day Pleadings, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Restructuring Support Agreement, the Disclosure Statement, the Plan, the Plan Supplement, ~~or~~ the Restructuring Transactions, any contract, instrument, release, or other agreement or document created or entered into in connection with the Restructuring Support Agreement, the Disclosure Statement, the DIP Facility, the Plan, or the Plan Supplement, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of Consummation, the Investigation, the Equipment Financings, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related

agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release (i) any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, (ii) any Causes of Action specifically retained by the Debtors pursuant to a schedule of retained Causes of Action to be attached as an exhibit to the Plan Supplement, (iii) any indemnification rights and obligations under the Prepetition Debt Documents, or (iv) any Cause of Action related to any act or omission that is determined by a Final Order of a court of competent jurisdiction to have constituted actual fraud or willful misconduct.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (1) consensual; (2) essential to the Confirmation of the Plan; (3) given in exchange for the good and valuable consideration provided by the Released Parties, including the Released Parties' contribution to facilitating the Restructuring Transactions and implementing the Plan; (4) a good faith settlement and compromise of the Claims released by the Third-Party Release; (5) in the best interests of the Debtors and their Estates; (6) fair, equitable, and reasonable; (7) given and made after due notice and opportunity for a hearing; and (8) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Third-Party Release.

Without limiting the foregoing, from and after the Effective Date, any Entity that votes to accept the Plan or that is given the opportunity to opt into the releases contained in the Plan and exercises such opportunity to opt into the releases may not assert any claim, Claim, or other Cause of Action against any Released Party based on or relating to, or in any manner arising from, in whole or in part, the Debtors. From and after the Effective Date, any such Entity may not assert any claim or other Cause of Action against any Released Party for which it is asserted or implied that such claim or Cause of Action is not subject to the releases contained in the Plan without first obtaining a Final Order from the Bankruptcy Court (a) determining, after notice and a hearing, that such claim or Cause of Action is not subject to the releases contained in the Plan and (b) specifically authorizing such Person or Entity to bring such claim or Cause of Action against any such Released Party. The Bankruptcy Court will have sole and exclusive jurisdiction to determine whether a claim or Cause of Action constitutes a direct or derivative claim, is colorable and, only to the extent legally permissible and as provided for in the Plan, the Bankruptcy Court shall have jurisdiction to adjudicate the underlying claim or Cause of Action.

4. Exculpation.

Except as otherwise expressly provided in the Plan or the Confirmation Order, to the fullest extent permitted by applicable law, no Exculpated Party shall have or incur, and each Exculpated Party is exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the Disclosure Statement, the Plan, or any Restructuring Transaction, contract, instrument, release or other agreement or document created or entered into in connection with the Disclosure Statement or the Plan, the filing of the Chapter 11 Cases, the negotiation and pursuit of the Restructuring Support Agreement, the Definitive Documents, the Plan Supplement, the participation in the DIP Facility, the participation in Takeback Term Loan Facility, the Exit RCF Facility, the participation in the Sale (if any), the participation in the 2024 Equity Transactions, the participation in the 2024 Refinancing

Transactions, the pursuit of Confirmation, the pursuit of Consummation, the Investigation, the Equipment Financings, the administration and implementation of the Plan, including the issuance of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement. The Exculpated Parties have acted in good faith and in compliance with the applicable provisions of the Bankruptcy Code with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan, including the issuance of Securities thereunder. The exculpation will be in addition to, and not in limitation of, all other releases, indemnities, exculpations, and any other applicable Law or rules protecting such Exculpated Parties from liability.

The Exculpated Parties have, and upon Consummation of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

5. Injunction.

Except as otherwise specifically provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities who have held, hold, or may hold Claims, Equity Interests, or Intercompany Interests that have been released, discharged, or settled, or are subject to exculpation under the Plan are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Post-Effective Date Debtors, the Exculpated Parties, or the Released Parties: (a) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests; (c) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the Estates of such Entities on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests; (d) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities, in each case, on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a claim or interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (e) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such Causes of Action, Claims, Equity Interests, or Intercompany Interests released or settled pursuant to the Plan.

Upon entry of the Confirmation Order, all Holders of Claims, Equity Interests, and Intercompany Interests and their respective current and former employees, agents, officers, directors, managers, principals, and direct and indirect Affiliates, in their capacities as such, shall be enjoined from taking any actions to interfere with the implementation or Consummation of the Plan. Each Holder of an Allowed Claim, Allowed Equity Interest, or Allowed Intercompany Interest, as applicable, by accepting, or being eligible to accept, distributions under or

Reinstatement of such Claim, Equity Interest, or Intercompany Interest, as applicable, pursuant to the Plan, shall be deemed to have consented to the injunction provisions set forth in Article IX.F of the Plan.

No Person or Entity may commence or pursue a Claim or Cause of Action of any kind against the Debtors, the Post-Effective Date Debtors, the Exculpated Parties, or the Released Parties that relates to or is reasonably likely to relate to any act or omission in connection with, relating to, or arising out of a Claim or Cause of Action released, discharged, settled, or that is subject to exculpation pursuant to the Plan, without the Bankruptcy Court (i) first determining, after notice and a hearing, that such Claim or Cause of Action represents a colorable Claim of any kind, and (ii) specifically authorizing such Person or Entity to bring such Claim or Cause of Action against any such Debtor, Post-Effective Date Debtor, Exculpated Party, or Released Party.

For more detail, see Article IX of the Plan, entitled "Settlement, Release, Injunction, and Related Provisions," which is incorporated herein by reference.

T. ~~R.~~ Do I have to grant the releases under the Plan? Can I opt out of the releases?

If you vote to accept the Plan or make the Convenience Claim Election, you cannot opt out of the Third-Party Release set forth in Article IX.D of the Plan. By voting to accept the Plan or making the Convenience Claim Election, you are consenting to grant the Third-Party Release.

You can opt out of providing the Third-Party Release if (a) you are a Holder of Claims or Equity Interests that (i) is deemed to accept the Plan, (ii) is eligible to vote on the Plan and abstain from voting on the Plan, (iii) votes to reject the Plan, or (iv) is deemed to reject the Plan, and (b) you affirmatively opt out of the releases provided by the Plan by checking the applicable box on the Opt-Out Form indicating that you opt not to grant the releases provided in the Plan.

U. ~~S.~~ What are the consequences of opting out of the releases provided by the Plan?

If a Holder of a Claim or Interest opts out of the Third-Party Release, such Holder will not be a "Releasing Party" and will preserve any direct Causes of Action that it may have against the Released Parties. Such Holder will also not be a "Released Party," and, the Post-Effective Date Debtors and any third party that is a Releasing Party will preserve all Causes of Action against such Holder.

Upon the Effective Date, the Post-Effective Date Debtors will be vested with authority to commence, litigate, and settle any and all retained Causes of Action. By opting out of providing the Third-Party Release under the Plan, a Holder also forgoes the opportunity to receive the Debtor Release under the Plan. As a result, after the Effective Date, the Post-Effective Date Debtors may pursue any Causes of Action held by the Debtors that are preserved under the Plan against a Holder that opts out of the Third-Party Release.

V. ~~T.~~ When is the deadline to vote on the Plan?

The Voting Deadline is May ~~8~~15, 2026, at 5:00 p.m. (prevailing Eastern Time).

W. ~~U.~~ How do I vote on the Plan?

Detailed instructions regarding how to vote on the Plan are contained on the ballot distributed to Holders of Claims that are entitled to vote on the Plan (the "Ballot"). For your vote to be counted, the Ballot containing your vote must be properly completed, executed, and delivered as directed so that it is **actually received** by the Debtors' claims, noticing, and solicitation agent, Epiq Corporate Restructuring,

LLC (the "Claims and Noticing Agent") **on or before the Voting Deadline, *i.e.*, May ~~8~~15, 2026, at 5:00 p.m., prevailing Eastern Time**. *See* Article X of this Disclosure Statement, entitled "Solicitation and Voting Procedures," for additional information.

X. ~~V.~~ Why is the Bankruptcy Court holding a Confirmation Hearing?

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court to hold a hearing on confirmation of the Plan and recognizes that any party in interest may object to Confirmation of the Plan. The Confirmation Hearing ~~will be scheduled by the Bankruptcy Court, and all parties in interest will be served notice of the time, date, and location of the Confirmation Hearing once scheduled~~is scheduled to occur on May 22, 2026, at 10:00 a.m., prevailing Eastern Time. The Confirmation Hearing may be adjourned from time to time without further notice.

Y. ~~W.~~ What is the purpose of the Confirmation Hearing?

The confirmation of a plan of reorganization by a bankruptcy court binds the debtor, any issuer of securities under a plan of reorganization, any person acquiring property under a plan of reorganization, any creditor or equity interest holder of a debtor, and any other person or entity as may be ordered by the bankruptcy court in accordance with the applicable provisions of the Bankruptcy Code. Subject to certain limited exceptions, the order issued by the bankruptcy court confirming a plan of reorganization discharges a debtor from any debt that arose before the confirmation of such plan of reorganization and provides for the treatment of such debt in accordance with the terms of the confirmed plan of reorganization.

Z. ~~X.~~ What is the effect of the Plan on the Debtors' ongoing business?

The Debtors are reorganizing under chapter 11 of the Bankruptcy Code or pursuing an asset sale for all or substantially all of the Debtors' assets. As a result, the occurrence of the Effective Date means that the Debtors ***may or may not*** be liquidated or forced to go out of business depending, in part, on whether the Sale or Recapitalization Transaction is pursued, as well as the effects of the Chapter 11 Cases on the Debtors' business relationships. Following Confirmation, the Plan will be consummated on the Effective Date, which is the date that is the first Business Day after the Confirmation Date on which (a) no stay of the Confirmation Order is in effect, (b) all conditions precedent to the occurrence of the Effective Date set forth in Article X.A of the Plan have been satisfied or waived in accordance with Article X.B of the Plan, and (c) the Plan has been substantially consummated, and (d) a notice of the effective date of the Plan has been Filed on the docket of the Chapter 11 Cases (*see* Article X of the Plan). On or after the Effective Date, and unless otherwise provided in the Plan, the Post-Effective Date Debtors may operate their business and, except as otherwise provided by the Plan, may use, acquire, or dispose of property and compromise or settle any Claims or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. Additionally, upon the Effective Date, all actions contemplated by the Plan will be deemed authorized and approved.

AA. ~~Y.~~ Will any party have significant influence over the corporate governance and operations of the Post-Effective Date Debtors?

As of the Effective Date, the term of the current members of the boards of directors or other Governing Bodies of the Debtors shall expire, and, in the event of a Recapitalization Transaction, the members for the initial term of the New Board shall be appointed.

The initial members of the New Board, if applicable, will be identified in the Plan Supplement to the extent known at the time of filing. In the event of a Recapitalization Transaction, each such member

and officer of the Post-Effective Date Debtors shall serve from and after the Effective Date pursuant to the terms of the New Governance Documents and other constituent documents of the Post-Effective Date Debtors. The members of the New Board shall be chosen by the Debtors or the Post-Effective Date Debtors, subject to the applicable terms of the Restructuring Support Agreement.

BB. ~~Z.~~ Who do I contact if I have additional questions with respect to this Disclosure Statement or the Plan?

If you have any questions regarding this Disclosure Statement or the Plan, please contact the Debtors' Claims and Noticing Agent, Epiq Corporate Restructuring, LLC, via one of the following methods:

By regular mail, hand delivery, or overnight mail at:
STG Logistics, Inc. Ballot Processing Center
c/o Epiq Corporate Restructuring, LLC
10300 SW Allen Blvd.
Beaverton, OR 97005

By electronic mail at:
STGLogistics@epiqglobal.com

By telephone at:
(877) 702-9718 (toll free, U.S. and Canada) or (971) 385–5935 (local) and request to speak with a member of the solicitation team.

Copies of the Plan, this Disclosure Statement, and any other publicly filed documents in the Chapter 11 Cases are available upon written request to the Claims and Noticing Agent at the address above or by downloading the documents from the Debtors' restructuring website at https://dm.epiq11.com/STGLogistics (free of charge) or via PACER at https://www.pacer.gov (for a fee) upon filing.

CC. ~~AA.~~ Do the Debtors recommend voting in favor of the Plan?

Yes. The Debtors believe that the Plan provides for a greater distribution to the Debtors' creditors than would otherwise result from any other available alternative. The Debtors believe that the Plan is in the best interest of all Holders of Claims, and that any other alternatives (to the extent they exist) fail to realize or recognize the value inherent under the Plan. A Recapitalization Transaction will significantly deleverage the Debtors' balance sheet, and the Sale, if any, will only allow for a higher or otherwise better recovery for Holders of Claims and Equity Interests.

DD. ~~BB.~~ Who Supports the Plan?

The Plan is supported by the Debtors, the Ad Hoc Group, certain consenting lenders that are not members of the Ad Hoc Group (the "Additional Supporting Lenders"), the DIP Lenders (the Ad Hoc Group, Additional Supporting Lenders, and DIP Lenders, collectively, the "Consenting Lenders"), and the Consenting Sponsors (collectively, with the Consenting Lenders, the "Consenting Stakeholders").

IV. THE DEBTORS' CORPORATE HISTORY, STRUCTURE, AND BUSINESS OVERVIEW.

A. Overview of STG's History and Operations.

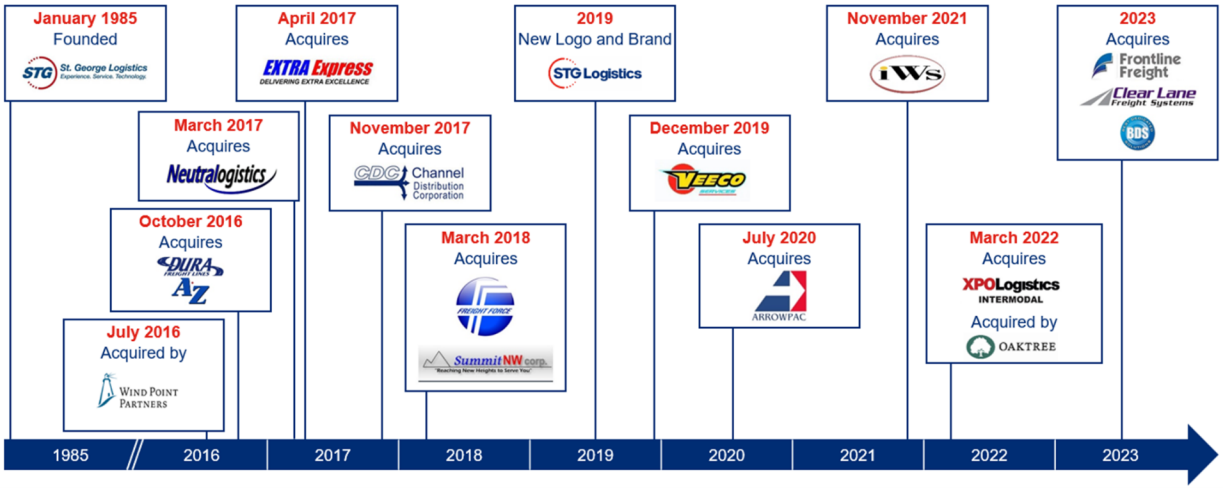
1. Corporate History.

The Company, formerly known as "St. George Warehouse," was founded in 1985 as a warehousing company headquartered in South Kearny, New Jersey. It was acquired by Wind Point in July 2016. Having found success in its core market in warehousing and CFS services, the Company explored strategic acquisitions to grow the Company further and bolster its third-party logistics, container drayage, warehousing, freight, and intermodal transport capabilities. In 2019, after several acquisitions that included Channel Distribution Corporation and Summit NW Corporation, the Company's brand was launched to integrate operations under the "STG Logistics" banner.

By March 2022, STG had quadrupled in size since Wind Point's initial acquisition. To build on its success, the Company continued to pursue strategic acquisitions that expanded its operational footprint and service offerings. To that end, STG acquired XPO Intermodal, a leading intermodal and national drayage provider with a network of 48 locations, approximately 11,000 intermodal containers, and long-term rail partnerships with Class I railroads,[~~12~~14] providing seamless intermodal solutions across North America. As part of this acquisition, STG was recapitalized by Wind Point as well as Oaktree/Duration, resulting in the Company's current equity ownership. Additionally, the Company expanded its intermodal container fleet to a total of 15,000 by 2023. In 2023, STG acquired Frontline Carrier Systems (USA), Inc. and Clear Lane Freight Systems, LLC, as well as Debtor Best Dedicated Solutions, LLC ("BDS"), which expanded STG's service offerings to include deferred LTL and over-the-road truck brokerage capabilities.

[~~12~~14] For regulatory purposes, the Surface Transportation Board categorizes rail carriers into three classes: Class I, Class II, and Class III. The classes are based on the carrier's annual operating revenues. For 2024, the most recent year calculated, the threshold for Class I carriers is $1,074,600,816. *Economic Data*, Surface Transp. Bd., (Jan. 8, 2026 at 09:46 ET), https://www.stb.gov/reports-data/economic-data/.

Throughout its history, STG has a proven track record of providing tailored logistics solutions that promote sustainability and supply chain resilience, all while helping its customers grow their businesses. For example, STG was a recipient of the 2025 Top Supply Chain Projects Award for its sustainability initiative, "Green Haul Solution."~~13~~15



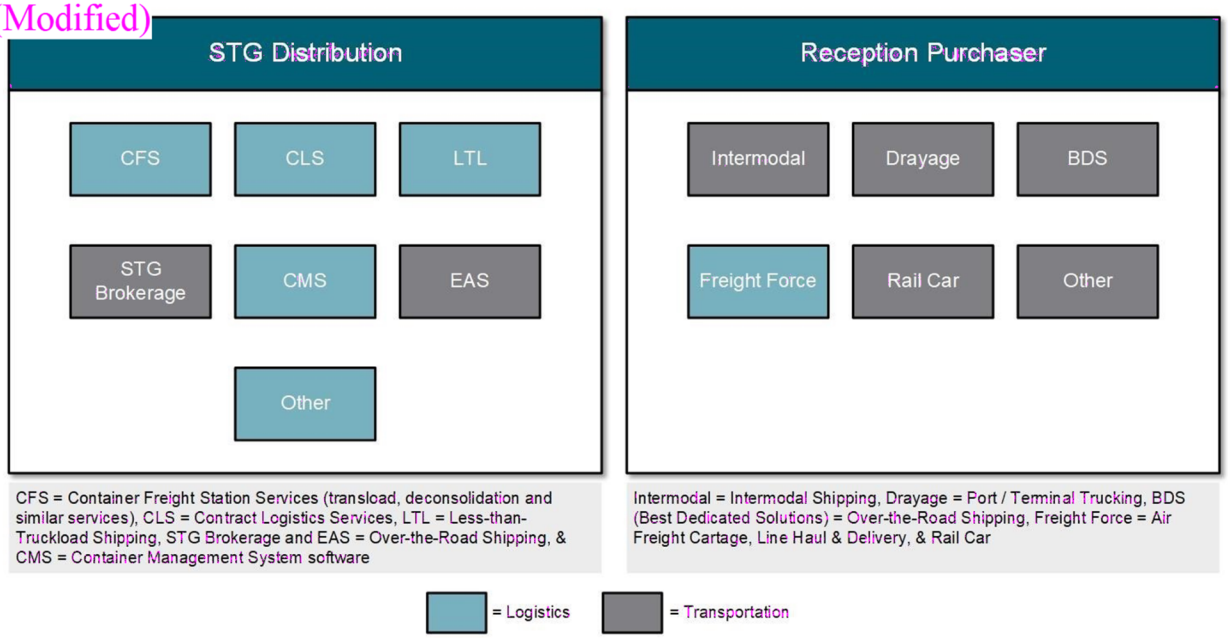
2. Business Operations.

Over the past 40 years, STG has pursued targeted strategic acquisitions to expand its service portfolio and market share, generating approximately $1.6 billion in annual revenue in 2024. Today, STG's customers have access to its vast transportation network and logistics service offerings, which includes approximately 130 leased and partnership facilities, approximately 15,000 intermodal containers, approximately 2,150 drivers, and access to thousands of third-party carriers.

The Company organizes its business into two divisions: Transportation and Logistics. For the twelve (12) month period following October 2024, the Transportation division—which includes STG's intermodal, drayage, and over-the-road business segments—accounted for approximately $721 million, $257 million, and $84 million of the Company's revenue, respectively. The Logistics division—which includes STG's CFS and transloading, contracts logistics, LTL, and Freight Force, Inc. business segments—accounted for approximately $243 million, $77 million, $36 million, and $12 million of the Company's revenue, respectively.

~~13~~15 Mayer, Marina, *Top Supply Chain Projects Award: Collaboration is Key*, Food Logistics (June 16, 2025), https://www.foodlogistics.com/transportation/3pl-4pl/article/22938222/top-supply-chain-projects-award-collaboration-is-key; Mayer, Marina, *Top Supply Chain Projects Award: Collaboration is Key*, Supply & Demand Chain Exec. (June 16, 2025), https://www.sdcexec.com/awards/top-supply-chain-projects/article/22938222/top-supply-chain-projects-award-collaboration-is-key.

(Modified)



3. Transportation.

Intermodal. STG operates one of the largest independent intermodal networks in North America. Following its acquisition of XPO Intermodal, STG controls a vast asset-based platform utilizing its domestic containers and chassis. These resources, coupled with long-standing partnerships with Class I railroads, enable STG to integrate rail transportation with its over-the-road trucking services for long-haul containerized freight. Intermodal services offer shippers a reliable, cost-efficient, and sustainable alternative to exclusively trucking-based transport.

Drayage. STG is one of the largest U.S. drayage providers, offering the critical first- and last-mile connections between ports, rail ramps, warehouses, and distribution centers. The Company executes hundreds of thousands of container moves each year through its fleet of drivers and international chassis. STG operates in more than 40 strategically located terminal locations with comprehensive coverage at all major port and rail gateways. These services ensure the efficient flow of cargo inland and mitigate congestion at critical gateways, an indispensable function for U.S. ports and rail systems.

Over-the-Road. STG's over-the-road services—provided by Debtor STG Transportation Solutions, LLC, which includes BDS and Debtor Explore Airtrans Services, LLC—encompass full truckload ("FTL") shipments and LTL freight shipments. FTL shipments contain a single shipper's freight, which fills an entire trailer and is delivered from point to point (*i.e.*, from port to customer). By contrast, LTL shipments consolidate multiple shippers' partial loads, allowing smaller volumes of freight to move cost-effectively across the country. As a freight broker, STG leverages technology and relationships with third-party carriers to arrange for the nationwide transportation of our customers' domestic shipments.

4. Logistics.

CFS & Transloading. Through its nationwide network of CFS and transloading facilities, STG offers bonded devanning, cargo consolidation, drayage, and customs bonded services. STG is the largest provider of CFS in the U.S., operating approximately twenty (20) warehouses and maintaining partnerships with roughly 60 facilities at nearly all major ports and inland hubs. These locations, which contribute to the approximately 3 million square feet of transload, consolidation, and warehousing space the Company maintains, allow STG to break down import containers into smaller shipments for multiple consignees, consolidate exports, and transload international freight into domestic containers and trailers for intermodal or truckload transport. This capability enhances supply chain resilience and streamlines cargo processing from ocean or air carriers into the domestic distribution system.

Contract Logistics. STG provides comprehensive contract logistics services, including warehousing, inventory management, distribution, and e-commerce fulfillment. These offerings enable shippers to outsource inventory management and supply chain execution, reducing costs and improving efficiency. STG's operations extend across approximately 2 million square feet of warehousing space at approximately ten (10) retail and food-grade chilled facilities. STG's contract logistics services offer its customers seamless door-to-door and port-to-door movement, a leading warehouse management system, and real-time tracking updates on pickups and deliveries.

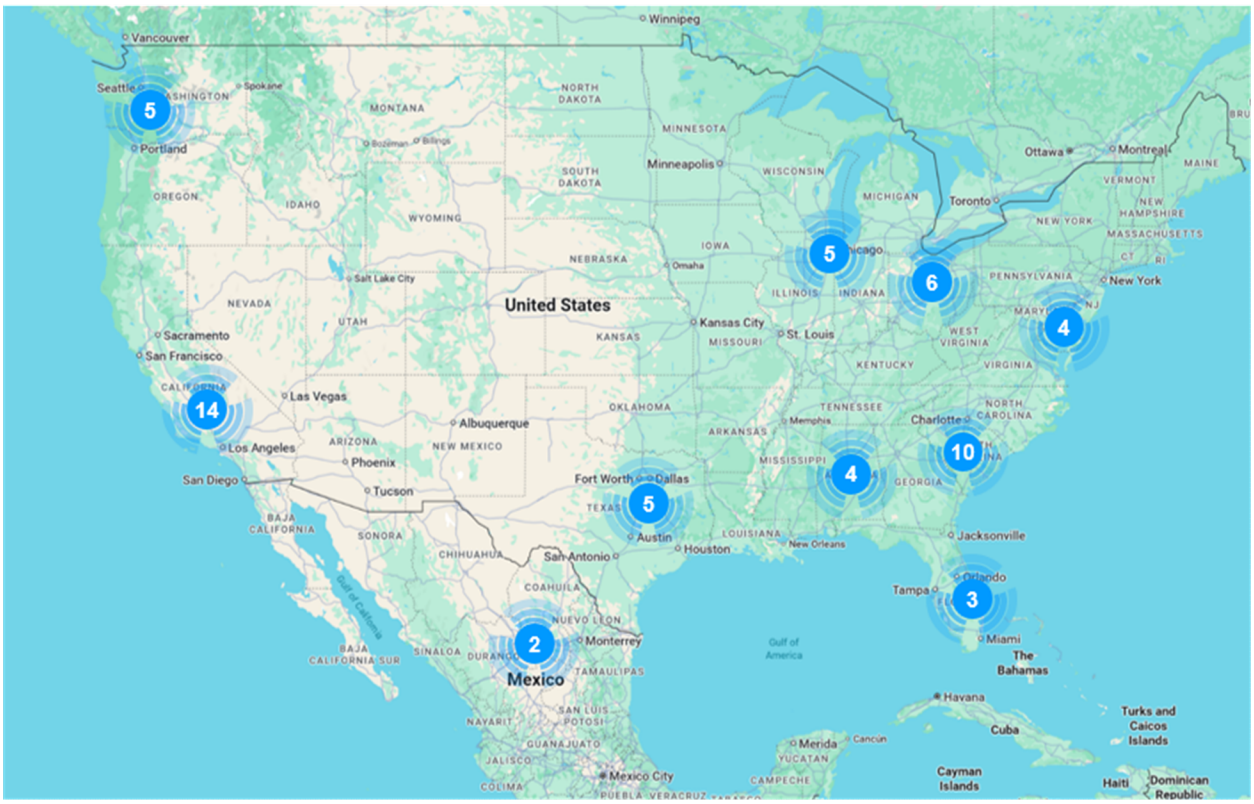
LTL Logistics. As discussed above, LTL shipments consolidate multiple shippers' partial loads into a single container or truck, providing STG's customers with an efficient logistics service. STG typically relies on its strategically placed hubs in a hub-and-spoke cross-dock network to facilitate its LTL shipments, but STG also offers deferred LTL shipments that allow for consolidated shipping on a more deliberate timeline. STG utilizes its specialized LTL services—freight class expertise, advanced booking technology, special handling, real-time tracking to monitor cargo, and a wide range of transit time options—to offer its customers cost-effective logistics solutions.

Freight Force, Inc. Freight Force is a cartage and truckload provider with a network of approved motor carriers providing pickup, long haul, and delivery services in more than 65 cities in the U.S. These services provide customers with a comprehensive solution for nationwide cartage, middle-mile, and last-mile delivery requirements. Freight Force addresses almost any specific customer needs or projects with its capabilities, which include, but are not limited to, airline container loading and unloading, residential delivery services, and white glove service for specialized handling of deliveries.

Cargo Management Systems ("CMS"). STG also maintains a proprietary platform that provides real-time inventory management and allows cargo owners to make decisions to rapidly fill or redirect orders across the entire ecosystem of shipment recipients. STG's CMS technology streamlines the shipping process and provides customers with greater transparency and cost savings. All of STG's major logistics services utilize CMS technology, including CFS, contract logistics, and LTL Logistics, and the Company provides licenses to third parties to utilize the platform as well.

5. Geographic Footprint.

As noted above, the Company initially expanded through a series of strategic acquisitions that focused on developing a network of localized expertise. STG's national footprint was greatly expanded by its acquisition of XPO Intermodal. Today, the Company's network includes approximately 60 leased sites nationwide, as illustrated below:



Imagery ©2025 , Map Data ©2025 Google, INEGI

B. The Debtors' Prepetition Corporate and Capital Structure.

1. STG's Corporate Structure.

As set forth in the structure chart attached hereto as **Exhibit C**, Debtor Reception Holdings, L.P. ("Reception Holdings") wholly owns, directly or indirectly, each of the Debtors.

2. STG's Prepetition Capital Structure.

As described in greater detail below, the Debtors' current capital structure is the product of the October 2024 Refinancing, which created two distinct funded debt silos. As of the Petition Date, the Debtors had approximately $1.2 billion in aggregate principal amount of funded debt obligations (excluding the Intercompany Term Loans (as defined below)). The table below summarizes the Debtors' prepetition capital structure:

Funded Debt	Maturity	Approximate Principal Amount Outstanding
STG Distribution, LLC Debt		
FLFO Term Loans	October 2029	$209 million
STG Distribution RCF	October 2029	$25 million

FLSO Term Loans	October 2029	$669 million
FLTO Term Loans	October 2029	$101 million
Capital Leases / Equipment Financing	Various	$2 million
Total STG Distribution, LLC Debt		**$1,005 million**
Reception Purchaser, LLC Debt		
Reception Purchaser RCF	March 2027	$2 million
Reception Purchaser Term Loan Facility	March 2028	$56 million
Capital Leases / Equipment Financing	Various	$96 million
Total Reception Purchaser, LLC Debt (excl. the Intercompany Guaranty and Intercompany Term Loans)		**$154 million**
Total Debt		**$1,159 million**

a. Reception Purchaser Facilities.

To finance its acquisition of XPO Intermodal, certain of the Debtors became party to that certain Credit Agreement dated March 24, 2022 (as amended through and most recently by that certain Seventh Amendment to Credit Agreement, dated as of December 6, 2024, and as may otherwise be amended, restated, amended and restated, supplemented, or otherwise modified from time to time) (the "Reception Purchaser Credit Agreement," and the loans issued thereunder, the "Reception Purchaser Loans"), by and among Debtor Reception Purchaser, LLC ("Reception Purchaser"), as borrower, Debtor Reception Mezzanine Holdings, LLC and certain of its direct and indirect subsidiaries, as guarantors (together, with Reception Purchaser, the "Reception Purchaser Loan Parties"), Antares Capital LP, as collateral agent and disbursing agent (in such capacity, the "Reception Purchaser Agent"), and the lender parties thereto (the "Reception Purchaser Lenders"). The Reception Purchaser Credit Agreement provides for the Reception Purchaser RCF and the Reception Purchaser Term Loan Facility (collectively, the "Reception Purchaser Facilities"). The Reception Purchaser Loans accrue interest at a rate per annum of the Base Rate or Adjusted Term SOFR (each as defined in the Reception Purchaser Credit Agreement), as applicable, *plus* an applicable margin of either 5.00 percent or 6.00 percent, respectively. The Reception Purchaser Loans are secured by a first priority lien on substantially all of the assets of the Reception Purchaser Loan Parties, including, but not limited to, certain intangible assets of Debtor STG Logistics, Inc. ("Reception Purchaser Collateral").[~~14~~16]

(i) Reception Purchaser RCF.

The Reception Purchaser Credit Agreement provides the Debtors with a senior secured revolving credit facility. The initial aggregate principal amount of the facility was approximately $60 million (the "Reception Purchaser RCF," and the loans thereunder, the "Reception Purchaser RCF Loans"). The Reception Purchaser RCF matures on March 24, 2027. After the October 2024 Refinancing, the vast majority of Reception Purchaser RCF Loans were assigned to STG Distribution as lender. As of the Petition Date, approximately $2 million is outstanding and owed to the Non-Participating Holders under the Reception Purchaser RCF.

[~~14~~16] The Reception Purchaser Collateral includes certain contracts, registered trademarks, subsidiary equity interests of subsidiaries, cash, bank accounts, tax assets, and prepayments and proceeds related to insurance policies, among others.

(ii) Reception Purchaser Term Loan Facility.

The Reception Purchaser Credit Agreement provides the Debtors with a senior secured term loan facility in an aggregate principal amount of approximately $56 million (the "Reception Purchaser Term Loan Facility," and the loans thereunder, the "Reception Purchaser Term Loans"). The Reception Purchaser Term Loan Facility matures on March 24, 2028. As of the Petition Date, approximately $56 million is outstanding under the Reception Purchaser Term Loan Facility.

b. October 2024 Refinancing Facilities.

As described herein, to address the Company's imminent need for additional liquidity, the Debtors consummated the October 2024 Refinancing through a new money financing and Reception Purchaser Term Loan exchange. Pursuant to the October 2024 Refinancing, certain collateral previously encumbered by the Reception Purchaser Facilities was transferred to newly formed Debtor STG Distribution, LLC ("STG Distribution") and Debtor STG Distribution Holdings, LLC ("STG Distribution Holdings"), and the following loans were issued.

(i) STG Distribution Facilities.

As part of the October 2024 Refinancing, certain of the Debtors became party to that certain Credit Agreement dated October 3, 2024 (as amended through and most recently by that certain First Amendment to Credit Agreement, dated as of December 6, 2024, and as may otherwise be amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "STG Distribution Credit Agreement," and the loans thereunder, the "STG Distribution Loans"), by and among STG Distribution, as borrower, STG Distribution Holdings and Reception Purchaser, as holdings and guarantors, Debtor Reception Mezzanine Holdings, LLC and certain of its direct and indirect subsidiaries, as guarantors (together, with Reception Purchaser, STG Distribution Holdings, and STG Distribution, the "STG Distribution Loan Parties"), Wilmington Savings Fund Society, as collateral agent and administrative agent (in such capacity, the "STG Distribution Agent"), and the lender parties thereto (the "STG Distribution Lenders").[~~15~~17] The STG Distribution Credit Agreement provides for the STG Distribution RCF and the STG Distribution Term Loan Facility (collectively, the "STG Distribution Facilities"). The STG Distribution Facilities mature on October 3, 2029, with a springing maturity date of December 24, 2027, if the Reception Purchaser Facilities (other than any Reception Purchaser RCF commitments held by STG Distribution) are not terminated on or before December 23, 2027. The STG Distribution Facilities are secured by a first priority lien on substantially all of the assets of the STG Distribution Loan Parties and Reception Purchaser Loan Parties (the "STG Distribution Collateral").[~~16~~18] The STG Distribution Term Loans are also secured by a guarantee of payment pursuant to that certain Guaranty and Security Agreement, dated as of October 3, 2024 (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Guaranty and Security Agreement") made by the Guarantors (as defined in the Guaranty and Security Agreement) in favor of the STG Distribution Agent, for the benefit of the STG Distribution Lenders. The guaranty provided pursuant to the foregoing is supported by and among the Reception Purchaser Loan Parties, as grantors, and the STG Distribution Agent, which guarantee is supported by a first lien on substantially all of the assets of the Reception Purchaser Loan Parties. With respect to the Reception Purchaser Loan Parties,

[~~15~~17] Relatedly, Exhibit D to the First Day Declaration is a true and correct copy of the First Lien Pari Passu Intercreditor Agreement dated as of October 3, 2024.

[~~16~~18] STG Distribution Collateral includes certain equipment and other fixed assets, equipment leases, and patents, among other security.

the STG Distribution Facilities are secured on a *pari passu* basis with the liens securing the Reception Purchaser Facilities.

(A) STG Distribution RCF.

The STG Distribution Credit Agreement provided the Debtors with a senior secured first lien "first out" revolving credit facility to be used for the issuance of letters of credit only in an aggregate amount not to exceed $40 million, plus applicable fees, costs, expenses, and premiums (the "STG Distribution RCF"). As of the Petition Date, there are approximately $25 million in issued and undrawn letters of credit under the STG Distribution RCF.

(B) STG Distribution Term Loan Facility.

The STG Distribution Credit Agreement provides the Debtors with three separate tranches of term loans, each with first priority liens on the STG Distribution Collateral (the "STG Distribution Term Loan Facility," and the loans thereunder, the "STG Distribution Term Loans"). The "first out" tranche (the "FLFO Term Loans") initially provided an aggregate principal amount of approximately $191 million, comprised of approximately $137 million of new money, approximately $9 million in transaction-related fees, and exchanged Reception Purchaser Term Loans in an aggregate principal amount of approximately $45 million. The "second out" and "third out" tranches (the "FLSO Term Loans" and "FLTO Term Loans," respectively) were initially comprised of Reception Purchaser Term Loans exchanged by the Participating Lenders in an aggregate principal amount of approximately $615 million and $93 million, respectively. The STG Distribution Term Loans accrue interest at a rate per annum of the Base Rate or adjusted Term SOFR (each as defined in the STG Distribution Credit Agreement) *plus* an applicable margin that varies depending on the type and tranche of STG Distribution Loan and method of payment (*e.g.*, payment-in-kind versus cash). As of the Petition Date, there are approximately $209 million, $669 million, and $101 million outstanding FLFO Term Loans, FLSO Term Loans, and FLTO Term Loans, respectively.

(ii) Intercompany Term Loans.

As part of the October 2024 Refinancing, certain of the Debtors entered into a secured intercompany loan on a first lien basis pursuant to that certain Intercompany Credit Agreement dated as of October 3, 2024 (as may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Intercompany Credit Agreement," and the loans thereunder, the "Intercompany Term Loans"), by and among Reception Purchaser, as borrower, Debtor Reception Mezzanine Holdings, LLC, as holdings, Wilmington Savings Fund Society, FSB, as administrative agent and collateral agent (in such capacity, the "Intercompany Term Loan Agent"), and STG Distribution, as lender (the "Intercompany Term Loan Lender"). The Intercompany Term Loans were extended on the same terms as, and have the same amounts outstanding as, the STG Distribution Term Loans.

c. Equipment Financings.

The Company is party to certain equipment leases and financings (the "Equipment Financings") that it enters into, as lessee or borrower in relation to the equipment subject thereto, with certain banks and finance companies. The equipment subject to the leases include the Company's approximately 11,500 financed or leased intermodal containers as well as certain forklifts, trucks, racking, and other miscellaneous warehousing equipment which the Company uses every day to support its customer's

freight, logistics, and transportation needs. As of the Petition Date, the Company owes an aggregate of approximately $98 million on account of the Equipment Financings.[~~17~~19]

d. Preferred Equity Interests.

As of the Petition Date, approximately 533,200 of Reception Holdings' Class A preferred equity units (the "Class A Preferred Units"), 30,000 of Reception Holdings' Class A-1 preferred equity units (the "Class A-1 Preferred Units"), and 50,000 of its Class A-2 preferred equity units (the "Class A-2 Preferred Units" and together with the Class A Preferred Units and the Class A-1 Preferred Units, collectively, the "Preferred Units") were issued and outstanding. As of the Petition Date, (a) all of the Class A-2 Preferred Units were held by the Consenting Sponsors and were issued in connection with the $50 million new equity contribution provided by the Consenting Sponsors in connection with the October 2024 Refinancing, and (b) the majority of the Class A-1 Preferred Units were held by the Consenting Sponsors and were issued in connection with the Fifth Amendment Transactions. Certain of the now outstanding Class A Preferred Units were issued in March 2022 in connection with STG's acquisition of XPO Intermodal and the related recapitalization of the Company by the Consenting Sponsors (the "2022 Recapitalization"). Certain of the Class A Preferred Units were primarily held by former employees and members of management who "rolled over" their equity interests in connection with the 2022 Recapitalization.

The Preferred Units are the most senior class of equity interests issued by Reception Holdings and, depending on the class of Preferred Unit, the Preferred Units have different distribution requirements, which are determined in accordance with the Limited Partnership Agreement of Reception Holdings. The differing distribution requirements with respect to each class of Preferred Units are primarily driven by accrued but unpaid amounts (based on a respective "yield" rate for such Preferred Units) along with the respective unreturned capital contribution thresholds for such Preferred Units.

e. Common Equity Interests.

As of the Petition Date, Reception Holdings had two series of common equity interests, including approximately 11,000,000 Class B common units issued and outstanding (the "Class B Common Units") and approximately 1,300,000 Class C common (incentive) units issued and outstanding (together with the Class B Common Units, the "Common Units"). The Common Units are not listed on a national securities exchange. All the vested and unvested Common Units are held by the Consenting Sponsors, current and former employees, current and former members of the Board, and current and former members of management.

Reception Holdings also had three additional series of stock issued on account of incentive programs and/or sales bonuses. This includes approximately 9,500 Class D (sales bonus) units issued and outstanding held by current management and employees, approximately 10,000,000 Class E (incentive) units issued and outstanding by current management and employees, and approximately 375,000 Class F (incentive) units issued and outstanding held by current members of the Board.

V. EVENTS PRECEDING THE CHAPTER 11 CASES.

STG experienced tremendous growth during the COVID-19 pandemic—during which time revenue increased dramatically—and significantly expanded its capacity and portfolio of service

[~~17~~19] This amount reflects the rounded sum of the Equipment Financing obligations owed by the STG Distribution silo and the Reception Purchaser silo.

offerings via the XPO Intermodal acquisition, amongst others. However, demand downshifted after peaking in 2021, and the "Great Freight Recession" deepened industry woes. Despite the liquidity and runway generated by the Fifth Amendment Transactions and the October 2024 Refinancing, the slower-than-anticipated market recovery strained operations and related costs and significantly tightened liquidity. To navigate these ongoing challenges, the Company implemented a number of proactive efforts to bolster liquidity and navigate the challenging freight industry environment.

A. Business Challenges.

1. Economic and Operational Headwinds.

The "Great Freight Recession". As described above, since March 2022, the U.S. surface transportation industry, a key sector in which STG operates, has faced one of its longest and deepest downturns in history. The "Great Freight Recession" has left the freight industry in a persistent slowdown for over three years due to collapsing freight rates in the aftermath of the COVID-19 boom fueled by high freight rates, cheap credit, and government stimulus. In addition, unforeseen supply and demand pressures have prolonged the Great Freight Recession. While capacity was projected to normalize as smaller fleets—unable to operate at current pricing—exited the market, STG's competitors have pursued operational improvements and cost rationalization opportunities to maintain operating ratios despite the declining rate environment to maintain market share in the saturated, post-COVID world. In addition to the over-abundance of supply, freight demand has remained unpredictable as the key drivers—consumer spending, industrial production, and construction/housing activity—remain muted. Softening freight demand, along with lingering excess capacity in the market, has led to a declining rate environment and further strained STG's performance for the past three years; the Company's consolidated revenues decreased by approximately $65 million between 2023 and 2024 and is projected to decline $162 million between 2024 and 2025.

Tariffs and Inflation. In the midst of the Great Freight Recession and the Company's declining performance, tariffs began to impact the freight and logistics industry. Beginning in January 2025, tariffs began to shift on a moment's notice, ranging anywhere from 10 to 145 percent depending on the country from which goods are imported to the U.S. Indeed, due to the fluctuating tariffs, import volumes are forecasted to decline by approximately 14 percent year over year in the second half of 2025.[~~18~~20] Against this landscape, the Company's 2025 volume is expected to be 7 percent lower than 2024 in its Logistics division largely driven by tariff-driven import declines. In addition, persistent inflation has increased the Company's expenses, including, among others, insurance costs. Between 2023 and 2025, the Company's insurance and claims expenses are projected to increase by approximately 48 percent largely as a result of inflationary pressures.

Increased Market Competition and Consolidation. STG faces additional volume loss arising from structural changes in the marketplace that have altered competitive dynamics and pressured revenue generation. Specifically, the trucking industry faces high price-based competition arising from market oversaturation and a trend of large shippers internalizing trucking operations. Many companies—such as Dollar General, Chick-Fil-A, and Home Depot—have begun to grow private in-house fleets.[~~19~~21] Today,

[~~18~~20] *With Shelves Stocked, Imports Should See Slowdown in November and December*, Nat'l Retail Fed'n (Nov. 7, 2025), https://nrf.com/media-center/press-releases/with-shelves-stocked-imports-should-see-slowdown-in-november-and-december.

[~~19~~21] Shcedrina, Krystyna, *Private fleets cut mileage, boost safety, adopt new leasing, maintenance trends: NPTC*, (Aug. 23, 2024), https://www.trucknews.com/transportation/private-fleets-cut-mileage-boost-safety-adopt-new-leasing-maintenance-trends-nptc/1003188291/.

private fleets now handle an all-time high of 70 percent of outbound shipments in the U.S.[~~20~~22] This has left an oversaturated market competing for dwindling demand, which has reduced shipping rates and incentivized large vendors to renegotiate contracts.

The logistics industry also faces intense price competition and volume loss arising from market consolidation that has stunted STG's profit growth. Customers are increasingly turning to in-house logistics or a single carrier for their logistics needs. Large third-party logistics providers have benefited from these customer trends. The four largest companies in the third-party logistics industry now account for approximately 85 percent of total market share.[~~21~~23] The pressure from large carriers and overall market softness has led to increased price competition and aggressive pricing at both the local and regional levels in a battle to consolidate market share.

As a result of these shifts, the leverage of large carriers in the market has grown, and left smaller and mid-sized third-party logistics providers, like STG, with lower freight demand and volume, diminished bargaining power, and reduced profitability.

Growing Regulatory Uncertainty. Furthermore, the trucking sector, already beset by the Great Freight Recession, must contend with growing and uncertain regulatory oversight in the U.S., including evolving California Air Resources Board regulation requirements impacting transportation and warehousing, as well as classification of drivers as independent contractors under the Fair Labor Standards Act and state equivalents, among others. This slew of regulatory oversight raises operating and compliance costs, which is expected to dampen profits through 2030.[~~22~~24] International regulations also have a large impact on the movement of goods through the international supply chain system. Despite the Company's national platform and diversified service offerings, STG's operations and bottom line have been impacted by an industry recession, abrupt shifts in supply and demand, heightened competition, trade disputes, and regulatory uncertainty.

2. Litigation Overhang.

The Company's recovery in the face of these macroeconomic pressures has also been impeded by ongoing litigation. The Company is involved in certain ongoing disputes, including, but not limited to, employment-related claims, contract disputes, and certain personal injury and property damage claims arising primarily from motor vehicle collisions. The Non-Participating Holder Litigation has added additional strain on management focus and the Company's operational efficiency and financial condition.

B. Proactive Approach to Address Financial and Operational Issues.

1. Fifth Amendment Transactions and October 2024 Refinancing.

Against the backdrop of these complex market challenges and distracting litigation, the Company, in consultation with its advisors, determined that approaching its existing stakeholders for much-needed liquidity and covenant relief was necessary to best position the Company for long-term success. Following months of arm's-length negotiations, STG and the Required Lenders entered into the

[~~20~~22] *Benchmarking Survey Report 2025*, Nat'l Priv. Truck Council (2025).

[~~21~~23] Lee, Seth, *Third Party Logistics in the US* at 21, IBIS World (May 2025).

[~~22~~24] Samorajski, Oliwier, *Local Freight Trucking in the US* at 10, IBIS World (Apr. 2025).

Fifth Amendment Transactions, which, in addition to executing the Fifth Amendment to the Credit Agreement, included a vital equity commitment of $30 million from the Consenting Sponsors.

Although the additional liquidity provided meaningful short-term relief, it soon became clear that a more long-term solution would be required. The Company proceeded to effectuate the October 2024 Refinancing through a new money financing and Reception Purchaser Term Loan exchange in which the Company received over $327 million in critical value, including $137 million in new money "first out" term loans, over $140 million in cash interest savings (exclusive of fees), and $50 million of equity capital from the Consenting Sponsors, which altered the Company's entire capital structure. Over 93 percent of holders of Reception Purchaser Term Loans and 97 percent of holders of Reception Purchaser RCF Loans participated in the October 2024 Refinancing. The Company also renegotiated terms with existing lessors, generating approximately $30 million of incremental liquidity.

The October 2024 Refinancing included, among other steps, entry into that certain Sixth Amendment to Credit Agreement and Second Amendment to Guaranty and Security Agreement dated as of October 3, 2024, and the designation of certain entities as unrestricted subsidiaries not subject to certain restrictive covenants in the Reception Purchaser Credit Agreement. This transaction extended the Company's liquidity runway, providing necessary breathing room for the Company to address operational challenges head on and offer critical support to assist in navigating through the downturn in the transportation logistics market. For example, the Company was able to utilize this transaction to renegotiate its large number of container financings that were previously agreed to at peak-market pricing. All Reception Purchaser Lenders accepted this offer, except for the Non-Participating Holders. The Non-Participating Holders initiated the Non-Participating Holder Litigation, which seeks to unwind the October 2024 Refinancing.

The October 2024 Refinancing occurred against the backdrop of expected recovery in the market, which ultimately has not materialized as anticipated. Inflation affected the Company's expenses for insurance and real estate, amongst others. For example, inflation is a key driver in increasing the Company's insurance and claims expenses, which are projected to rise to $32 million in 2025, a 48 percent increase since 2023. Furthermore, market forecasts pre-dating the October 2024 Refinancing predicted the market would begin to recover in 2025, and the Company anticipated adjusted EBITDA margins would normalize followed by a stronger snapback as supply and demand stabilized. These rebounds failed to materialize, and the forecasted growth did not provide the support the Company needed. Notwithstanding the optimistic market predictions and the Company's proactive steps to secure favorable refinancing, the market declined rather than deliver the heavily forecasted upward trajectory.

2. Operational Changes.

In mid-2025, the Company's management set out to implement a series of aggressive EBITDA improvement initiatives to reduce costs and manage cash flow more efficiently in 2025 and thereafter. To that end, the Company executed staff reductions, rationalized its real estate portfolio, eliminated empty miles by improving overall network balance, and reduced IT expenses, among other actions. Projections indicate an approximately 200 basis point improvement in adjusted EBITDA percentage margin from 2024 to 2026 largely driven by the implementation of the EBITDA improvement initiatives.

The Company's value-nurturing approach contemplated roughly $68 million of run-rate operational initiatives that continue to be the primary driving force behind an anticipated increase in adjusted EBITDA margin in the coming years. The largest components of the projected margin improvement include: (a) $26 million of purchased transportation reductions; (b) $21 million of operating expense streamlining; (c) $12 million of selling, general and administrative expense, and organizational rightsizing; (d) $5 million of equipment rationalization; and (e) $4 million of commercial optimization initiatives. Included in the aforementioned, the Company performed a headcount reduction

of 242 employees between May 2025 and July 2025 across its transportation, logistics, and corporate sectors, resulting in approximately $22 million of gross savings before volume effects. All the foregoing initiatives, amongst others, were set in motion to ultimately boost liquidity and steer the Company towards a positive financial progression in a challenging freight industry environment.

3. Hiring of Restructuring Professionals.

In May 2025, the Debtors reengaged K&E as restructuring counsel. In addition, STG engaged both AlixPartners LLP ("AlixPartners") and PJT Partners LP ("PJT") in July 2025 as its financial advisor and investment banker, respectively.[~~23~~25] Since that time, the Debtors' professionals have worked diligently with the Company and its key stakeholders in relation to these chapter 11 cases, DIP financing, and a value-maximizing turnaround.

For example, professionals from AlixPartners have operated alongside the Company to perform a comprehensive review and analysis of the Company's books and records to, among other things, assist in the preparation of the First Day Pleadings. Meanwhile, K&E engaged various stakeholders, including the secured lenders, the Consenting Sponsors, litigation counterparties, and other key stakeholders regarding, amongst other things, settlement discussions, operational matters, and the path forward for these chapter 11 cases. PJT solicited proposals from parties inside and outside of the existing capital structure regarding postpetition financing. Each of AlixPartners, K&E, and PJT have been actively involved in the preparation of customary "first day" relief to help the Company transition into chapter 11 and launch its operational restructuring initiatives as seamlessly as possible.

4. Governance Changes.

Through all of the aforementioned discussions with Consenting Sponsors, the Ad Hoc Group, and other lenders, and well before the commencement of the October 2024 Refinancing and these current restructuring discussions, the Company ensured implementation of a robust and comprehensive governance process. The Company typically holds quarterly meetings of its board of supervisors of Reception Holdings (the "Board") but temporarily increased the frequency of such meetings in August 2024 to allow for fulsome engagement and discussion among the Board related to the October 2024 Refinancing. Additionally, on August 2, 2024, Reception Holdings appointed Mr. Keshav Lall to the Board as a disinterested supervisor and established a special committee composed solely of Mr. Lall (the "2024 Special Committee"). The Board delegated to the 2024 Special Committee, among other things, (a) exclusive authority to review, discuss, consider, negotiate, approve, authorize and act upon any conflict matter, and (b) authority to take any and all actions with respect to any strategic, restructuring, financing, and/or sale transaction or series of such transactions. Following its own fulsome diligence process, the 2024 Special Committee ultimately approved the Company's consummation of the October 2024 Refinancing.

Similarly, the Company has ensured independent and disinterested representation on the Board, to ensure a thorough and fair process with respect to the Debtors' review of their restructuring alternatives. On July 31, 2025, Reception Holdings appointed David Barse to the Board as a disinterested supervisor, and, on August 5, 2025, established a special committee (the "Reception Holdings Special Committee") comprised solely of Mr. Barse. On September 21, 2025, Mr. Barse was also appointed a disinterested manager and sole member of the newly created special

[~~23~~25] AlixPartners was initially engaged by the Company from February 2022 through July of 2023 to assist with diligence, pre-planning and post-merger integration for the XPO Intermodal acquisition.

committees of Debtors Reception Mezzanine Holdings, LLC and Reception Purchaser (such special committees, together with the Reception Holdings Special Committee, the "2025 Special Committee").

The Board delegated to the 2025 Special Committee, among other things, (a) exclusive authority to review, discuss, consider, negotiate, approve, authorize and act upon (i) the Company's entry into and consummation of a transaction and (ii) matters relating to a transaction in which a conflict of interest exists or is reasonably likely to exist between the Company or its stakeholders and the Board under applicable law (a "Conflict Matter"), (b) authority to investigate and determine, in the 2025 Special Committee's business judgment, whether any matter related to a transaction constitutes a Conflict Matter and that any such determination shall be binding on the Company, and (c) exclusive authority to conduct an independent investigation and assess the merits and potential value of any potential claims and causes of action held by the Company.

The 2025 Special Committee, with the assistance of its independent counsel, White & Case, conducted an initial assessment prior to the Petition Date and continued after the filing of these Chapter 11 Cases to actively assess (a) the existence of any potential Claims or Causes of Action that the Debtors may hold—including, without limitation—against certain insiders and other affiliated entities and (b) whether the Debtors should retain, release, or seek to settle any such potential Claims or Causes of Action.

Since its formation, the 2025 Special Committee scheduled weekly meetings with the Company's advisors (or more frequently on an as-needed basis) to consider transactional options and stakeholder feedback, consider any potential Conflict Matters in connection therewith, and provide guidance to STG's management team and advisors regarding the 2025 Special Committee's position on such options. After this thorough process, the 2025 Special Committee ultimately recommended[24] the Company's entry into the Restructuring Support Agreement, the DIP Facility, and the filing of these chapter 11 cases to the full Board.

C. Entry into the Restructuring Support Agreement.

1. The Restructuring Support Agreement.

Since the pivot to restructuring discussions, the Debtors, with the assistance of their advisors and the support of the Consenting Sponsors, diligently engaged in frequent, detailed turnaround discussions and hard-fought, arm's-length negotiations with the Ad Hoc Group and the Supporting Lenders. These efforts culminated in the Restructuring Support Agreement, which put the Debtors in a position to (a) pursue and consummate the transactions contemplated by the Restructuring Support Agreement in a manner that maximizes the value of the Debtors' estates, (b) resolve Company liabilities in a manner that maintains the Debtors' ability to deliver their valuable services to their customer base, and (c) provide DIP financing to support the Company during the chapter 11 proceedings and as a going-concern.

On January 12, 2026, the Debtors, the Ad Hoc Group, the Supporting Lenders, and the Consenting Sponsors executed the Restructuring Support Agreement. Under the Restructuring Support Agreement, the Consenting Stakeholders and the Debtors agreed to support, subject to the terms and conditions thereof, the Recapitalization Transaction that will allow the Debtors to successfully emerge from chapter 11 with a rightsized balance sheet or the Sale Transaction(s) to the highest or otherwise best bidder. The Debtors are committed to consummating the comprehensive recapitalization transactions

[24] ~~The 2025 Special Committee made this recommendation after it already had drawn initial conclusions from the Investigation. The Investigation remains ongoing and further details regarding the Investigation will be provided in connection with confirmation of the Plan.~~

embodied in the Restructuring Support Agreement and Plan and emerging from these chapter 11 cases with a stronger balance sheet and the financial flexibility to continue providing their customers with top-tier service on a go-forward basis. This transaction is supported by creditors throughout the Debtors' capital structure and will allow the Debtors to emerge quickly from chapter 11. As previously mentioned, the Debtors will continue to pursue value maximizing alternatives including a sale of some or all of its assets to the highest or otherwise best bidder after a thorough market check. It is critical that the Debtors move through their chapter 11 process as efficiently as possible to limit the administrative cost and burden on the Debtors' business imposed by the chapter 11 process. To that end, the Restructuring Support Agreement contemplated the initial milestones:

- not later than January 12, 2026, the Petition Date shall have occurred;
- not later than 3 days following the Petition Date, the Interim DIP Order shall have been entered;
- not later than 14 days following the Petition Date, the Debtors shall have filed a motion seeking approval of the Disclosure Statement;
- not later than 40 days following the Petition Date, the Bankruptcy Court shall have entered the Final DIP Order;
- not later than 75 days following the Petition Date, the Bankruptcy Court shall have entered an order approving the Disclosure Statement; provided that if the Bid Deadline is extended, this Milestone and subsequent Milestones shall be extended in parallel with the extension to the Bid Deadline;
- not later than 115 days following the Petition Date, the Bankruptcy Court shall have entered the Confirmation Order; and
- not later than 125 days following the Petition Date, the Plan Effective Date shall have occurred.

The Debtors worked closely with their key stakeholders, including the Committee, on modified Sale milestones under the Bidding Procedures Order [Docket No. 351]. The modified Sale milestones are as follows:

Event	Date
Bid Deadline	April ~~17~~22, 2026, at 4:00 p.m., prevailing Eastern Time
Auction	April 2~~4~~9, 2026, at 10:00 a.m., prevailing Eastern Time
Notice of Successful Bidder	Within two (2) days of the conclusion of the Auction
Sale Objection Deadline	~~April 29~~May 4, 2026, at 4:00 p.m., prevailing Eastern Time
Sale Hearing	May 18, 2026, at 10:00 a.m., prevailing Eastern Time

The Restructuring Support Agreement is the product of good faith, arm's-length negotiations with the Consenting Stakeholders and that the terms thereof provide the best restructuring option currently available to the Debtors and their estates. The transactions contemplated in the Restructuring Support Agreement will substantially deleverage the Debtors, position the Company to navigate the current business and operational environment, and maximize value for all of the Debtors' stakeholders.

VI. MATERIAL DEVELOPMENTS AND ANTICIPATED EVENTS OF THE CHAPTER 11 CASES.

A. First Day and Second Day Relief and Other Case Matters.

On the Petition Date, the Debtors filed the First Day Pleadings designed to facilitate the administration of the Chapter 11 Cases and minimize disruption to the Debtors' operations, by among other things, easing the strain on the Debtors' relationships with employees, vendors, and customers following the commencement of the Chapter 11 Cases. A brief description of each of the First Day Pleadings and the evidence in support thereof is set forth in the First Day Declaration. At a hearing on January 13, 2026 (the "First Day Hearing"), the Bankruptcy Court granted all of the interim relief requested in the First Day Pleadings, and ultimately granted all final relief following expiration of the relevant notice periods.[~~25~~26]

The Debtors also filed several other motions after the Petition Date to further facilitate a smooth and efficient administration of these Chapter 11 Cases and ease administrative burdens, including certain retention applications seeking to retain certain professionals postpetition pursuant to sections 327 and 328 of the Bankruptcy Code. The Debtors requested retention of AlixPartners LLP; Cole Schotz P.C.; Epiq Corporate Restructuring, LLC; Gordon Brothers Realty Services, LLC; Kirkland & Ellis LLP and Kirland & Ellis International LLP; KPMG LLP; and PJT Partners LP. Further, the Debtors filed the following motions and proposed orders, each of which were entered by the Bankruptcy Court:

- *Debtors' Motion for Entry of an Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court* [Docket No. 132], with an order entered by the Bankruptcy Court on February 10, 2026 [Docket No. 233];

- *Debtors' Motion for Entry of an Order Authorizing Employment and Payment of Professionals Utilized in the Ordinary Course of Business* [Docket No. 133], with an order entered by the Bankruptcy Court on February 10, 2026 [Docket No. 242];

- *Debtors' Motion for Entry of an Order (I) Authorizing and Approving Procedures to Reject Executory Contracts and Unexpired Leases and (II) Granting Related Relief* [Docket No. 135], with an order entered by the Bankruptcy Court on February 10, 2026 [Docket No. 243]; and

- *Debtors' Motion for Entry of an Order (I) Authorizing and Establishing Procedures for the Compromise and Settlement of De Minimis Claims and (II) Approving the Form and Manner of the Notice of Settlement* [Docket No. 136], with an order entered by the Bankruptcy Court on February 10, 2026 [Docket No. 239].

In addition, on February 11, 2026, the Bankruptcy Court entered the *Amended Order (I) Setting Bar Dates for Submitting Proofs of Claim, Including Requests for Payment Under Section 503(b)(9), (II) Establishing an Amended Schedules Bar Date and a Rejection Damages Bar Date, (III) Approving the Form, Manner, and Procedures for Filing Proofs of Claim, (IV) Approving Notice Thereof, and (V) Granting Related Relief* [Docket No. 254] (the "Bar Date Order"). The Bar Date Order established bar dates as follows:

[~~25~~26] *See* final orders at Docket Nos. 236, 237, 238, 240, 241, 244, 245, 246, 247 & 248.

- **General Bar Date**: March 12, 2026, at 5:00 p.m., prevailing Eastern Time;

- **Governmental Bar Date**: July 13, 2026, at 5:00 p.m., prevailing Eastern Time;

- **Amended Schedules Bar Date**: in the event that the Debtors amend or supplement their Schedules, the later of (a) the General Bar Date or the Governmental Bar Date, as applicable, to such claim, and (b) 11:59 p.m., prevailing Eastern Time, on the date that is 30 days from the date on which the Debtors provide notice of the amendment to the Schedules; and

- **Rejection Damages Bar Date**: in the event that an order authorizing the rejection of an executory contract or unexpired lease is entered, except as otherwise set forth in such order, the later of (i) the General Bar Date, (ii) 11:59 p.m., prevailing Eastern Time, on the date that is 30 days after the later of (A) entry of an order approving the rejection of any executory contract or unexpired lease of the Debtors or (B) the effective date of a rejection of any executory contract or unexpired lease of the Debtors pursuant to operation of any Bankruptcy Court order.

B. Approval of the DIP Facility.

On January 13, 2026, the Bankruptcy Court entered an order [Docket No. 84] approving, on an interim basis, the relief requested in the *Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* (the "Interim DIP Order"), and on February 10, 2026, the Bankruptcy Court entered an order [Docket No. 248] approving such relief on a final basis. The DIP Facility is a delayed draw priming debtor-in-possession term loan financing facility in an aggregate principal amount of up to $293,750,000 consisting of: (i) "new money" superpriority DIP term loans in an aggregate principal amount equal to up to $150 million ($85 million of which was made available upon entry of the Interim DIP Order, $40 million of which was made available upon entry of the Final DIP Order, and up to $25 million of which may be made available immediately prior to the Effective Date in the form of incremental term loans), and (ii) a "roll-up" of $143,750,000 in the collective aggregate principal amount of FLFO Term Loan Claims and FLSO Term Loan Claims.

The Final DIP Order provides for a reservation of rights in favor of the Non-Participating Holders. The Final DIP Order further provides for a reservation of rights that provides that the stipulations, admissions, and waivers contained in the DIP Orders, including the Roll-Up Obligations (as defined in the Final DIP Order), shall be binding upon all other parties in interest, unless and to the extent that a party in interest with proper standing granted by order of the Bankruptcy Court (or other court of competent jurisdiction) has timely and properly filed an adversary proceeding or contested matter under the Bankruptcy Rules by the earlier of (i) the date of the confirming of the Debtors' chapter 11 plan of reorganization and (ii) March 15, 2026 or, in the case of the Committee, April 28, 2026 (or such later date agreed by and between the Committee and the Required DIP Lenders, without the need for further order of the Bankruptcy Court). As discussed below, on February 4, 2026, the Non-Participating Holders commenced an adversary proceeding with respect to the Non-Participating Holder Litigation.

C. Sale Process and Bidding Procedures.

Immediately following the Petition Date, the Debtors, with the assistance of their proposed investment banker PJT, launched an extensive marketing process (the "Marketing Process") to engage interested third parties in the Sale. Through the Marketing Process, the Debtors have contacted approximately sixty-three (63) Potential Purchasers (as defined in the Bidding Procedures Motion) and entered into forty (40) non-disclosure agreements. Potential Purchasers which entered into non-disclosure agreements with the Debtors were granted access to a virtual data room containing volumes of information regarding the Debtors' business operations, finances, and material contracts and were permitted to request additional information and due diligence access from the Debtors.

The Debtors filed their Bidding Procedures Motion [Docket No. 199] on January 28, 2026, requesting authorization to, among other things, conduct the Marketing Process along the timeline described therein, set procedures for conduction of the Sale, and, if necessary, conduct an auction (the "Auction") to determine the highest or otherwise best bid. The Bidding Procedures provide the Debtors with optionality to pursue the Sale if that option proves to be more value maximizing than the Recapitalization Transaction. The Bidding Procedures will also expedite resolution of these Chapter 11 Cases, reduce associated expenses, and allow the Debtors emerge as quickly and as smoothly as possible. On March 3, 2026, the Bankruptcy Court entered the Bidding Procedures Order [Docket No. 351] containing a reservation of rights in favor of the Non-Participating Holders. Unless otherwise amended or modified, the Bidding Procedures Order contemplates the following Sale timeline:

Event	Date
Bid Deadline	April ~~17~~22, 2026, at 4:00 p.m., prevailing Eastern Time
Auction	April 2~~4~~9, 2026, at 10:00 a.m., prevailing Eastern Time
Notice of Successful Bidder	Within two (2) days of the conclusion of the Auction
Sale Objection Deadline	~~April 29~~May 4, 2026, at 4:00 p.m., prevailing Eastern Time
Sale Hearing	May 18, 2026, at 10:00 a.m., prevailing Eastern Time

D. Appointment of Unsecured Creditors' Committee.

On January 28, 2026, the U.S. Trustee filed the *Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 198] appointing the Committee. The Committee has filed applications seeking to retain McDermott, Will & Schulte [Docket No. 334] and Kelley Drye & Warran, LLP [Docket No. 335] as its legal counsel and Province, LLC [Docket No. 336] as its financial advisor. ~~The Committee is comprised of the following entities:~~ On March 12, 2026, the U.S. Trustee filed the *Amended and Reconstituted Notice of Appointment of Official Committee of Unsecured Creditors* [Docket No. 394].

~~• Star Accurate Intermodal Inc.;~~

~~• Infosys Limited; and~~

~~• ProDrivers Staffing, Inc.~~

Immediately after the Committee's appointment, the Debtors began sharing diligence with the Committee, which has been substantial. The Debtors ~~have~~ also proactively engaged the Committee regarding the key components of these Chapter 11 Cases, including the Sale, the Final DIP Order, and the

Bidding Procedures Order. ~~As a result of such discussions, information transfer and dialogue between the Debtors and the Committee remains robust and ongoing.~~

E. Filing of Schedules.

On February 9, 2026, the Debtors filed their Schedules, which include, collectively, the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases, and statements of financial affairs.

F. Litigation Matters.

On February 4, 2026, the Debtors and the Non-Participating Holders agreed to the *Debtors' Application in Lieu of Motion in Support of Entry of Stipulation and Agreed Order by and Among the Debtors, the Non-Debtor Stipulating Parties, Axos Financial, Inc., And Siemens Financial Services, Inc.* [Docket No. 215] (the "Litigation Stipulation") which sets out an agreed schedule for resolution of the Non-Participating Holder Litigation. In accordance with the Litigation Stipulation, on February 4, 2026, the Non-Participating Holders commenced ~~an adversary proceeding (~~the ~~"~~Adversary Proceeding~~")~~ seeking resolution of the Non-Participating Holder Litigation. The Litigation Stipulation contemplates a final hearing regarding resolution of the Adversary Proceeding on May 18, 2026, subject to Bankruptcy Court availability.

Discovery in the Adversary Proceeding is underway. On February 13, 2026, the Non-Participating Holders filed a *Memorandum of Law in Support of Motion of Plaintiffs Axos Financial, Inc. and Siemens Financial Services, Inc. to Compel Defendants to Respond to Plaintiffs' Document Requests and Interrogatories* [Adv. Pro. Docket No. 12] (the "Motion to Compel"). Following a status conference and a hearing, on February 25, 2026, the Bankruptcy Court entered its order denying the Motion to Compel [Adv. Pro. Docket No~~,~~. 54]. The parties to the Adversary Proceeding collectively have noticed twenty depositions. To date, ~~seven~~nineteen fact depositions have been taken, and all fact depositions are scheduled to be completed by April ~~7~~16, 2026.

Additionally, on February 18, 2026, certain of the non-debtor defendants in the Adversary Proceeding~~s~~ filed partial motions to dismiss the Non-Participating Holders' Complaint [Adv. Pro. Docket Nos. 28, 31] (together, the "Motions to Dismiss"), which the Bankruptcy Court will hear on March 19, 2026. Finally, on March 10, 20~~1~~26, the Bankruptcy Court granted the Unsecured Creditors' Committee's intervention in the Adversary Proceeding pursuant to the terms of the parties' *Stipulation Between and Among the Debtors, the Adversary Plaintiffs, the Adversary Defendants, and the Committee Governing Participation of the Committee in the Adversary Proceeding* [Adv. Pro. Docket No. 74].

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] (the "Mediation Order") directing the Debtors, the Non-Participating Holders, the Ad Hoc Group, and the Committee to mediate regarding (a) the dispute at issue in the Adversary Proceeding, (b) the October 2024 Refinancing and the prepetition litigation related thereto, and (c) the Plan, including treatment of general unsecured claims therein. The mediation commenced on April 6, 2026, and was further extended to, and including, April 9, 2026.

As summarized in the *Mediator's Report* [Adv. Docket No. 111], the Mediation Parties (as defined in the Mediation Order) reached an impasse with respect to settlement of Adversary Proceeding and Non-Participating Holder Litigation. However, the Committee, the Debtors, and the Ad Hoc Group successfully reached a global settlement in principle of all Committee issues in the Chapter 11 Cases, including treatment of general unsecured claims against the Debtors. Pursuant to the settlement in

principle with the Committee, and as reflected in the Disclosure Statement Order, after the conclusion of its Investigation (as defined in the Final DIP Order), the Committee has agreed to waive and release claims, causes of action, adversary proceedings, or other litigation against the Prepetition Secured Parties (as defined in the Final DIP Order), and the Debtors and the Committee agreed to the expiration of the Challenge Period (as defined in the Final DIP Order) related thereto.

In the event that the Non-Participating Holders are successful, in whole or in part, in the Non-Participating Holder Litigation or the related Adversary Proceeding, recoveries under the Plan may need to be reallocated. Such a ruling may impact the recoveries of several classes, including but not limited to classes 3B, 3C, and 4. The Bankruptcy Court may determine that resolicitation of the Plan is necessary, which may delay the timeline of the Chapter 11 Cases, increase costs, and result in a failure to obtain the votes requisite for Confirmation. Such a ruling may also modify the amount of Secured Claims under the Reception Purchaser Credit Agreement and the STG Distribution Credit Agreement, including the Intercompany Notes Claims. Further, such a ruling may result in a failure to meet the Litigation Condition under the Restructuring Support Agreement. Such result may lead to termination of the Restructuring Support Agreement which, in turn, may require additional engagement with stakeholders to renegotiate Plan terms.

G. The 2025 Special Committee's Independent Investigation.

As described in the First Day Declaration, prior to the Petition Date, the 2025 Special Committee~~'s Investigation remains ongoing. Thus far,~~commenced the Investigation~~ has~~. The Investigation focused on examining potential Estate Claims and Causes of Action that the Debtors may hold or otherwise be able to assert against insiders, affiliated entities, and certain other parties.

As part of the Investigation, the 2025 Special Committee ~~will~~ reviewed and assessed, among other things, all potential Claims and Causes of Action contemplated to be released under the Plan, such as (a) the Company's acquisition of XPO Intermodal in March 2022, (b) the October 2024 Refinancing, and (c) certain prepetition transfers from the Company to the Sponsors and to other insiders. Counsel to the 2025 Special Committee has taken ~~or will take~~ various steps to analyze potential Estate Claims and Causes of Action including, but not limited to, ~~avoidance of~~ fraudulent ~~conveyances~~ and preferential transfers, unlawful dividends, breach of fiduciary duty, unjust enrichment, recharacterization, disallowance, breach of contract, tortious interference with contract, deepening insolvency, fraud, and equitable subordination, as applicable.

~~The 2025 Special Committee is investigating the Released Parties and their Related Parties. Subject to finalization of the Investigation and any conclusions drawn by the 2025 Special Committee regarding the propriety of releases, the Plan currently contemplates the release of the Released Parties under the Plan.~~

As part of the Investigation, counsel to the 2025 Special Committee has taken various steps, including, but not limited to: (a) reviewing over 116,396 corporate documents, including organizational documents, budget forecasts, email correspondence, transaction and debt documents, Board and 2025 Special Committee minutes and materials, advisor and lender presentations, and director and officer liability insurance policies; and (b) conducting ~~nine~~ten interviews with individuals with relevant knowledge~~ and scheduling others~~.

The 2025 Special Committee also investigated the Released Parties and their Related Parties. Through its independent decision-making process, the 2025 Special Committee has concluded that the release provisions contained in the Plan are appropriate. The 2025 Special Committee's conclusions with respect to the Investigation into potential Claims against the Released Parties are based on the facts and circumstances as identified and known by the 2025 Special Committee as of the date hereof.

Accordingly, to the extent the Investigation uncovers additional facts with respect to potential Claims or Causes of Action prior to confirmation, the 2025 Special Committee may recommend that the Debtors amend and narrow the scope of the proposed Released Parties or remove such Claims or Causes of Action entirely in order to allow such Claims or Causes of Action to be preserved.

~~The initial conclusions drawn from the Investigation supported the 2025 Special Committee's recommendation that the Debtors enter into the Restructuring Support Agreement and file these chapter 11 cases.~~ Further detail regarding the Investigation will be provided in connection with confirmation of the Plan.

H. Proposed Confirmation Schedule.

Under the Restructuring Support Agreement, the Debtors agreed to certain milestones to ensure an orderly and timely implementation of the Restructuring Transactions. The Debtors intend to proceed swiftly to confirmation of the Plan and emergence from these Chapter 11 Cases to mitigate uncertainty among employees, customers, and vendors, minimize disruptions to the Company's business, and curtail professional fees and administrative costs. To that end, the Debtors have proposed the following case timeline, subject to Court approval and availability:

Event	Date
Disclosure Statement Objection Deadline	April 3, 2026, at 5:00 p.m., prevailing Eastern Time
Voting Record Date	~~Two (2) business days prior to the Conditional Disclosure Statement Hearing Date~~April 8, 2026
Conditional Disclosure Statement Hearing Date	April 10, 2026, at 10:00 a.m., prevailing Eastern Time
Solicitation Packages Mailing Deadline	Three (3) business days following entry of the Disclosure Statement Order (or as soon as reasonably practicable thereafter)
Publication Deadline	Three (3) business days following entry of the Disclosure Statement Order (or as soon as reasonably practicable thereafter)
~~Voting and Opt Out~~Initial Plan Supplement Deadline	May 8, 2026, at 11:5~~:00~~9 p.m.~~(~~, prevailing Eastern Time~~)~~
~~Confirmation Objection~~Voting and Opt-Out Deadline	May ~~8~~15, 2026, at 5:00 p.m. (prevailing Eastern Time)
~~Initial Plan Supplement~~Confirmation Objection Deadline	May 1~~0~~5, 2026, at ~~11~~5:~~59~~00 p.m.~~,~~ (prevailing Eastern Time)
Voting Report Deadline	May 1~~4~~8, 2026, at 11:59 p.m., prevailing Eastern Time
Confirmation Brief and Objection Reply Deadline	~~May 14, 2026~~Two calendar days prior to the Confirmation Hearing Date, at 11:59 p.m., prevailing Eastern Time

Event	Date
Confirmation Hearing Date	May ~~18~~22, 2026, at 10:00 a.m., prevailing Eastern Time or such other date as may be scheduled by the Court[27]

VII. SUMMARY OF THE PLAN.

The Plan contemplates the following key terms described below. In addition, the Plan contains additional detail, including descriptions of the provisions governing distributions under the Plan, the procedures for resolving contingent, unliquidated, and disputed claims, and provisions related to modification, revocation, or withdrawal of the Plan, among others.

A. General Settlement of Claims, Interests, and Intercompany Interests.

To the greatest extent permissible under the Bankruptcy Code and the Bankruptcy Rules, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims, Equity Interests, Intercompany Interests, and controversies released, settled, compromised, discharged, satisfied, or otherwise resolved pursuant to the Plan. The Plan shall be deemed a motion to approve the good faith compromise and settlement of all such Claims, Equity Interests, Intercompany Interests, and controversies, and the entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of such compromise and settlement under section 1123 of the Bankruptcy Code, as well as a finding by the Bankruptcy Court that such settlement and compromise is fair, equitable, reasonable, and in the best interests of the Debtors and their Estates and Holders of Claims, Equity Interests, and Intercompany Interests. Subject to Article VI of the Plan, all distributions made to Holders of Allowed Claims, Equity Interests, and Intercompany Interests, as applicable, in any Class are intended to be and shall be final.

Certain Claims and Causes of Action may exist between one or more of the Debtors and one or more of its Affiliates, which Claims and Causes of Action (other than any such Claims and Causes of Action that are not released pursuant to Article IX.C of the Plan, including any obligations arising under business or commercial agreements or arrangements among the Released Parties and any non-Debtor Entity) have been settled, and such settlement is reflected in the treatment of the Intercompany Claims, Intercompany Interests, and the Claims against, and Equity Interests and Intercompany Interests in, each Debtor. The Plan shall be deemed a motion to approve the good faith compromise and settlement of such Claims and Causes of Action pursuant to Bankruptcy Rule 9019.

In connection with the Committee's support for the transactions contemplated in the Plan, on the Effective Date, the Debtors shall establish and fund the Convenience Claim Reserve with Cash equal to the Convenience Claims Cash Pool. The Convenience Claims Reserve shall be maintained in trust solely for the Holders of Allowed Convenience Claims and Holders of Allowed General Unsecured Claims who make the Convenience Claim Election. Such funds shall not be considered property of the Estates of the Debtors or the Post-Effective Date Debtors, as applicable. The distribution to Holders of Allowed Convenience Claims shall be paid in Cash to such Holders from the Convenience Claims Escrow Account as soon as reasonably practicable after such Convenience Claims are Allowed. When all

[27] The Debtors may adjourn the Confirmation Hearing Date, any related dates and deadlines from time to time, without notice to the parties in interest other than announcement of such adjournment in open court, or by posting such notice of adjournment on the Claims and Noticing Agent's website, and/or filing a notice of adjournment with the Court and serving such notice on the 2002 List.

Allowed Convenience Claims have been paid in full, any remaining amount in the Convenience Claims Reserve shall promptly be paid to the Post-Effective Date Debtors without any further notice to, action, order, or approval of the Bankruptcy Court. Additionally, the Debtors shall utilize the remaining funds, if any, allocated pursuant to that certain *Final Order (I) Authorizing the Debtors to Pay Prepetition Claims of Certain Critical Vendors, Foreign Vendors, 503(b)(9) Claimants, and Lien Claimants, (II) Granting Administrative Expense Priority to All Undisputed Obligations on Account of Outstanding Orders, and (III) Granting Related Relief* [Docket No. 246] in accordance with the terms thereof.

B. Restructuring Transactions.

The Debtors shall pursue the Recapitalization Transaction unless the Toggle Trigger Event occurs. If a Sale occurs, the Debtors and Purchaser(s) shall be authorized to take all actions as may be deemed necessary or appropriate to consummate the Sale pursuant to the terms of the Purchase Agreement(s) and the Sale Order. To the extent a Sale occurs, the Debtors shall consummate the Sale, and among other things, all of the Debtors' property other than the Excluded Liabilities (as defined in the applicable Purchase Agreement) shall be transferred to and vest in the Purchaser(s) free and clear of all Liens, charges, or other encumbrances.

Before, on, and after the Effective Date, the Debtors or the Post-Effective Date Debtors shall consummate the Restructuring Transactions and may take all actions as may be necessary or appropriate to effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan that are consistent with and pursuant to the terms and conditions of the Plan, including, as applicable: (i) the execution and delivery of any appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, formation, organization, dissolution, or liquidation containing terms that are consistent with the terms of the Plan and the other Definitive Documents; (ii) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of the Plan, and the other Definitive Documents; (iii) the execution, delivery, and filing, if applicable, of appropriate certificates or articles of incorporation, formation, reincorporation, merger, consolidation, conversion, or dissolution pursuant to applicable state Law; (iv) the implementation of the Management Incentive Plan and any reservation or distribution of MIP Equity; (v) if the Recapitalization Transaction occurs, the issuance and distribution of the Reorganized Equity as set forth in the Plan, the execution of any Takeback Term Loan Facility Documents, the Exit RCF Facility Documents, Takeback Equipment Financing Agreements, including the granting of any security interests and Liens pursuant to the terms thereof, the execution and delivery of the New Governance Documents and any certificates or articles of incorporation, bylaws, or such other applicable formation documents (if any) of each Post-Effective Date Debtor (including all actions to be taken, undertakings to be made, obligations to be incurred, and fees and expenses to be paid by the Debtors and/or the Post-Effective Date Debtors, as applicable); (vi) if the Wind Down occurs, the execution and delivery of appropriate documentation and taking of such other actions as may be necessary to implement the Wind Down; (vii) if the Sale occurs, all actions necessary or appropriate to close the Sale under the applicable Purchase Agreement and Sale Order, including the execution of any transition services agreements in connection with such Sale(s), if any; (viii) such other transactions that, in the reasonable business judgment of the Debtors or the Post-Effective Date Debtors, as applicable, are required to effectuate the Restructuring Transactions; and (ix) all other actions that the applicable Entities determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law.

The Confirmation Order shall and shall be deemed to, pursuant to both section 1123 and section 363 of the Bankruptcy Code, authorize, among other things, Post-Effective Date Debtors, and the Consenting Stakeholders, as applicable, to take all actions as may be necessary or appropriate to

effectuate any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan.

C. Director and Officer Liability Insurance.

After the Effective Date, the Post-Effective Date Debtors shall not terminate or otherwise reduce the coverage under any D&O Liability Insurance Policy in effect or purchased as of or following the execution date of the Restructuring Support Agreement (including any tail policy), and any members, managers, directors, and officers of the Debtors who served in such capacity at any time before the Effective Date and any other individuals, in each case, covered by such existing insurance policies, shall be entitled to the full benefits of such policy, to the extent of the terms and limitations of such policy, for the full term of such policy regardless of whether such members, managers, directors, officers, or other individuals remain in such positions after the Effective Date.

Notwithstanding anything in the Plan to the contrary, the Debtors or Post-Effective Date Debtors, as applicable, shall retain the ability to supplement such D&O Liability Insurance Policies as the Debtors or Post-Effective Date Debtors deem necessary, including by purchasing any tail coverage (including a tail policy).

D. Employment Obligations.

All Assumed Plans shall be assumed by the Post-Effective Date Debtors as of the Effective Date and shall remain in place. The Post-Effective Date Debtors shall continue to honor their obligations under such Assumed Plans; *provided* that (i) the Assumed Plans shall not include any equity or equity-based programs and awards in effect as of the Petition Date such awards and rights described in the foregoing subsections (i) shall be terminated as of the Effective Date for no consideration. Notwithstanding the foregoing, the Debtors or Post-Effective Date Debtors shall not assume any Assumed Plan that constitutes an employment agreement in favor of certain of the Debtors' existing employees that have been identified on the schedule distributed by the Debtors' counsel to the Ad Hoc Group via email on January 6, 2026, if the Toggle Trigger Event occurs.

E. Cancellation of Notes, Instruments, Certificates, and Other Documents.

Except for the purpose of evidencing a right to a distribution under the Plan, on the Effective Date, except as otherwise specifically provided for in the Plan or the Plan Supplement: (1) the obligations of any Debtor under all certificates, shares, notes, bonds, indentures, purchase rights, or other instruments or documents, directly or indirectly evidencing or creating any indebtedness or obligations of or ownership interest, equity, or portfolio interest in the Debtors or any warrants, options, or other securities exercisable or exchangeable for, or convertible into, debt, equity, ownership, or profits interests in the Debtors giving rise to any Claim, Equity Interest, or Intercompany Interest shall be cancelled and deemed surrendered to the Debtors without any need for a Holder to take further action with respect thereto, and the Debtors shall not have any continuing obligations thereunder and Holders of or parties to such cancelled instruments, certificates, and other documentation will have no rights arising from or relating to such instruments, certificates, and other documentation, or the cancellation thereof, except the rights, distributions, and treatment provided for pursuant to the Plan or the Confirmation Order; and (2) the obligations of the Debtors pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificates or articles of incorporation or similar documents governing the shares, certificates, notes, bonds, indenture, purchase rights, options, warrants, or other instruments or documents evidencing or creating any indebtedness or obligation of the Debtors shall be fully released, settled, compromised and discharged.

Notwithstanding the foregoing or anything to the contrary in the Plan or in the Confirmation Order, the Prepetition Debt Documents shall continue in effect solely for the purposes of: (a) allowing Holders of Funded Debt Claims and the Agents to (i) receive and accept distributions under the Plan on account of such Claims, (ii) appear and be heard in the Chapter 11 Cases or in any proceeding in the Bankruptcy Court or any other court, including to enforce any obligation under the Plan or the Confirmation Order owed to the Agents or Holders of such Claims, and (iii) receive compensation and reimbursement for any reasonable and documented fees and expenses incurred in connection with the implementation, consummation, and defense of the Plan and the Confirmation Order; (b) allowing and preserving the rights of the Agents to (i) receive and make distributions on account of such Claims, (ii) maintain, enforce, and exercise any right to compensation, indemnification, expense reimbursement, priority of payment, immunity, exculpation, contribution, or any other claim or entitlement that the Agents may have under the Prepetition Debt Documents; *provided* that, subject to the terms of the Plan, any such indemnification or contribution rights under the Prepetition Debt Documents shall be limited to rights with respect to Persons other than the Debtors, and (iii) assert or maintain any rights the Agents have against any money or property distributable or allocable to Holders of such claims for amounts not paid or required to be paid hereunder; and (c) in each case, allowing Holders of Funded Debt Claims and the Agents to perform any functions that are necessary to effectuate the foregoing.

F. Section 1146 Exemption.

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a Post-Effective Date Debtor, as applicable, or to any other Person) of property under the Plan or pursuant to: (i) the issuance, Reinstatement, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Post-Effective Date Debtors, as applicable, including the Reorganized Equity; (ii) the Restructuring Transactions; (iii) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, or other security interest, or the securing of additional indebtedness by such or other means; (iv) the making, assignment, or recording of any lease or sublease; or (v) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, personal property transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other Person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146 of the Bankruptcy Code, shall forego the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

G. The Recapitalization Transaction.

If the Recapitalization Transaction occurs, the following provisions shall govern, except for the provisions in Article IV.G.12 through and including Article IV.G.15 of the Plan (which shall occur only if the Debtors determine, in the exercise of their reasonable business judgment, to effectuate a wind down in connection with the Recapitalization Transaction).

1. The Post-Effective Date Debtors.

On the Effective Date, the New Board shall be established, and each Post-Effective Date Debtor shall adopt its New Governance Documents, subject in all respects to the consent rights of the Required Consenting FLFO Term Lenders. The Post-Effective Date Debtors shall be authorized to adopt any other agreements, documents, and instruments and to take any other actions contemplated under the Plan as necessary to consummate the Plan.

2. Sources of Consideration for Plan Distributions.

Except if a Sale occurs, the Debtors shall fund or make distributions under the Plan, as applicable, with: (i) the Reorganized Equity; (ii) the Debtors' Cash on hand; (iii) the Convenience Claim Reserve (iv) the Takeback Term Loans; (~~iv~~v) the Exit RCF Facility; and (~~v~~vi) the Takeback Equipment Financing Debt. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments or other documents evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance. The issuance, distribution, or authorization, as applicable, of certain Securities in connection with the Plan, including the Reorganized Equity, is expected to be exempt from U.S. federal registration requirements under the Securities Act Blue-Sky Laws, and any other applicable securities laws, as described more fully in Article IV.G.7 of the Plan.

(a) Issuance of the Reorganized Equity.

Except if a Sale occurs, the Post-Effective Date STG shall be authorized to issue a certain amount of Reorganized Equity on account of the Claims as set forth in Article II and Article III of the Plan, pursuant to its New Governance Documents as well as any options or other equity awards, if any, reserved for the Management Incentive Plan. The issuance of the Reorganized Equity shall be authorized without the need for any further corporate action. On the Effective Date, the Reorganized Equity shall be issued and distributed pursuant to, and in accordance with, the Plan.

All Reorganized Equity issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, including the New Governance Documents, which terms and conditions shall bind each Entity receiving such distribution or issuance. Any Entity's acceptance of Reorganized Equity shall be deemed to constitute its agreement to the New Governance Documents, as the same may be amended or modified from time to time following the Effective Date in accordance with their terms, without the need for execution by any party thereto other than the applicable Post-Effective Date Debtor(s). The Reorganized Equity will not be registered or listed under the Securities Act or on any securities exchange as of the Effective Date.

(b) Takeback Term Loan Facility and Exit RCF Facility.

Except if a Sale occurs, on the Effective Date, Post-Effective Date STG (including any Post-Effective Date Debtors that are to be borrowers or guarantors under the Takeback Term Loans and the Exit RCF Facility) shall issue the Takeback Term Loans on the terms set forth in the Takeback Term Loan Facility Documents and enter into the Exit RCF Facility on the terms set forth in the Exit RCF Facility Documents. To the extent not already approved, the Confirmation Order shall be deemed approval of the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents, as applicable, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by Post-Effective Date STG in connection therewith, including the payment of all fees, indemnities, expenses, and other payments provided for therein and authorization of Post-Effective Date STG to enter into and execute the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents as may be required to effectuate the Takeback Term Loans and the Exit RCF Facility.

On the Effective Date, all of the Liens and security interests to be granted in accordance with the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents, to the extent applicable: (a) shall be deemed to be granted; (b) shall be legal, binding, automatically perfected, non-avoidable, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents; (c) shall be deemed automatically perfected on or prior to the Effective Date, subject only to such Liens and security interests as may be permitted under the respective Takeback Term Loan Facility Documents and the Exit RCF Facility Documents; and (d) shall not be subject to avoidance, recharacterization, or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers, fraudulent transfers, or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

Post-Effective Date STG and the Entities granting such Liens and security interests to secure the obligations under the Takeback Term Loan Facility Documents and the Exit RCF Facility Documents shall be authorized to enter into all agreements and make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, federal, or other law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required), and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

(c) Takeback Equipment Financing Debt.

Except if a Sale occurs, on the Effective Date, the Post-Effective Date Debtors shall enter into the Takeback Equipment Financing Agreements. To the extent applicable, Confirmation of the Plan shall be deemed to be (a) approval of the Takeback Equipment Financing Debt (including the transactions and related agreements contemplated thereby and all actions to be taken, undertakings to be made, and obligations to be incurred and fees and expenses to be paid by the Debtors or Post-Effective Date Debtors, as applicable, in connection therewith), to the extent not approved by the Bankruptcy Court previously and (b) authorization for the Debtors or the Post-Effective Date Debtors, as applicable, to, without further notice to or order of the Bankruptcy Court, (i) execute and deliver those documents and agreements necessary or appropriate to enter into the Takeback Equipment Financing Agreements, and incur any pay any fees and expenses in connection therewith, and (ii) act or take action under applicable Law, regulation, order, or rule or vote, consent, authorization, or approval of any person, subject to such

modifications as the Debtors or the Post-Effective Date Debtors, as applicable, may deem necessary to issue the Takeback Equipment Financing Debt.

As of the Effective Date, upon the granting of Liens in accordance with the Takeback Equipment Financing Agreements, all of the Liens and security interests, if any, to be granted in accordance with the Takeback Equipment Financing Agreements shall (a) be deemed to be granted, (b) be legal, binding, automatically perfected, non-avoidable, and enforceable Liens on, and security interests in, the applicable collateral in accordance with the respective terms of the Takeback Equipment Financing Agreements, (c) be deemed perfected on or prior to the Effective Date, subject only to such Liens and security interests, if any, as may be permitted under the Takeback Equipment Financing Agreements, and (d) not be subject to avoidance, recharacterization, or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers, fraudulent transfers, or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law.

To the extent provided in the applicable Takeback Equipment Financing Agreements, the Holder(s) of Liens, if any, under the Takeback Equipment Financing Agreements are authorized to file with the appropriate authorities mortgages, financing statements, and other documents and to take any other action in order to evidence, validate, and perfect such Liens or security interests. The guarantees, mortgages, pledges, Liens, and other security interests, if any, granted to secure the obligations arising under the Takeback Equipment Financing Agreements have been granted in good faith, for legitimate business purposes, and for reasonably equivalent value as an inducement to the lenders thereunder to extend credit thereunder and shall be deemed not to constitute a fraudulent conveyance or fraudulent transfer and shall not otherwise be subject to avoidance, recharacterization, or subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy Law, and the priorities of such Liens and security interests, if any, shall be as set forth in the Takeback Equipment Financing Agreements.

The Post-Effective Date Debtors and the Persons and Entities granted such Liens and security interests, if any, shall be authorized to make all filings and recordings, and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests, if any, under the provisions of the applicable state, federal, or other Law that would be applicable in the absence of the Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order and any such filings, recordings, approvals, and consents shall not be required) and will thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable Law to give notice of such Liens and security interests, if any, to third parties.

3. Corporate Existence.

Except as otherwise provided in the Plan or the Definitive Documents, each Debtor shall continue to exist after the Effective Date as a separate corporate Entity, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which such Debtor is incorporated or formed and pursuant to the certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended under the Plan or otherwise, and to the extent such documents are amended, such documents are deemed to be amended pursuant to the Plan and require no further action or approval (other than any requisite filings required under applicable state, provincial, or federal Law). On or after the Effective Date, the respective certificate of incorporation and bylaws (or other formation documents) of one or more of the Post-Effective Date Debtors may be amended or modified on the terms therein without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy

Rules. On or after the Effective Date, one or more of the Post-Effective Date Debtors may be disposed of, dissolved, wound down, or liquidated without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

4. Vesting of Assets in the Post-Effective Date Debtors.

Unless a Sale occurs, except as otherwise provided in the Plan or in any agreement, instrument, or other document incorporated in the Plan, on the Effective Date, all property in each Debtor's Estate, all Retained Causes of Action belonging to the Debtors or the Estates, and any property acquired by any of the Debtors under the Plan shall vest in each respective Post-Effective Date Debtor, free and clear of all Liens, Claims, charges, or other encumbrances (except for Liens securing Other Secured Claims that are Reinstated pursuant to the Plan, as applicable). On and after the Effective Date, except as otherwise provided in the Plan or in the Confirmation Order, each Post-Effective Date Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Equity Interests, Intercompany Interests, or Retained Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

5. Corporate Action.

Upon the Effective Date, all actions contemplated by the Plan and Definitive Documents shall be deemed authorized and approved by the Bankruptcy Court in all respects without any further corporate or equity holder action, including, as applicable, in each case subject to any applicable consent rights in the Restructuring Support Agreement: (a) the implementation of the Restructuring Transactions; (b) selection of the directors, officers, or managers for the Post-Effective Date Debtors; (c) the distribution of the Reorganized Equity; (d) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date); (e) adoption of the New Governance Documents; (f) the rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; and (g) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transactions (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Post-Effective Date Debtors, and any corporate action required by the Debtors or the Post-Effective Date Debtors, as applicable, in connection with the Plan shall be deemed to have occurred and shall be in effect, without any requirement of further action by the equity security Holders, directors, officers, or managers of the Debtors or the Post-Effective Date Debtors, as applicable. On or (as applicable) prior to the Effective Date, the appropriate officers of the Debtors or the Post-Effective Date Debtors, as applicable, shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Post-Effective Date Debtors, including the Reorganized Equity, the New Governance Documents, and any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by Article IV.G.5 of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

6. New Governance Documents.

Unless a Sale occurs, on or immediately prior to the Effective Date, the New Governance Documents shall be adopted or amended in a manner acceptable to the Debtors, as may be necessary to effectuate the transactions contemplated by the Plan. With respect to provisions of the New Governance Documents that relate to the releases, exculpation, injunction, indemnification, or directors' and officers' liability insurance provisions related to any Consenting Sponsor, or that would materially, directly, and adversely impact any Consenting Sponsor in a manner inconsistent with the Restructuring Support Agreement, such provisions are subject to the consent of the applicable Consenting Sponsor as

incorporated by Article I.H of the Plan. To the extent required under the Plan or applicable non-bankruptcy law, each of the Post-Effective Date Debtors will file its New Governance Documents with the applicable Secretaries of State and/or other applicable authorities in its respective state, province, or country of incorporation or formation in accordance with the corporate laws of the respective state, province, or country of incorporation or formation to the extent such filing is required for each such document. The New Governance Documents will prohibit the issuance of non-voting equity securities to the extent required under section 1123(a)(6) of the Bankruptcy Code. For the avoidance of doubt, the New Governance Documents shall be included in the Plan Supplement. After the Effective Date, each Post-Effective Date Debtor may amend and restate its constituent and governing documents as permitted by the Laws of its jurisdiction of incorporation or formation and the terms of such documents, and the Post-Effective Date Debtors may file such amended certificates or articles of incorporation, bylaws, or other applicable formation and constituent documents as permitted by the Laws of the applicable states, provinces, or countries of incorporation or formation and the New Governance Documents. For the avoidance of doubt, any claimant's acceptance of the Reorganized Equity shall be deemed to constitute its agreement to be bound by the New Governance Documents without the need for execution by any party other than the Post-Effective Date Debtors.

7. Directors and Officers of the Post-Effective Date Debtors.

On the Effective Date, the term of the current Governing Body, including any special committee formed by the current Governing Body, of the Debtors shall expire, and the directors for the initial term of the New Board shall be appointed, subject in all respects to the consent rights of the Required Consenting FLFO Term Lenders. The initial directors of the New Board will be identified in the Plan Supplement, to the extent known at the time of filing. Except to the extent that a current director on the board of directors of STG is designated to serve as a director, manager, or sole manager of a Post-Effective Date Debtor, the current directors on the board of directors of STG prior to the Effective Date, in their capacities as such, have no continuing obligations to STG and such director shall be deemed to have resigned or shall otherwise cease to be a director of STG on the Effective Date. Each such member and officer of the Post-Effective Date Debtors shall serve from and after the Effective Date pursuant to the terms of the New Governance Documents and other constituent documents of the Post-Effective Date Debtors.

8. Effectuating Documents; Further Transactions.

On and after the Effective Date, the Post-Effective Date Debtors and the New Board are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan and the Definitive Documents, including the Securities issued pursuant to the Plan, in the name of and on behalf of the Post-Effective Date Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to the Plan.

9. Certain Securities Law Matters.

As discussed herein, the Plan provides for the offer, sale, issuance, and distribution of Reorganized Equity to certain Holders of prepetition Claims against the Debtors. The Debtors believe that the Reorganized Equity will be "securities" as defined in Section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and any applicable state securities laws.

The Debtors further believe that the issuance of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) after the Petition Date pursuant to the Restructuring Transactions under the Plan is, and the subsequent transfer of such Reorganized Equity by

the holders thereof that are not "underwriters" (which definition includes "Controlling Persons) should be, exempt from U.S. federal, state, and local securities registration requirements under section 1145 of the Bankruptcy Code, Securities Act, Blue-Sky Laws, and any applicable similar U.S. federal, state, or local laws described in more detail below, except in limited circumstances.

Pursuant to section 1145 of the Bankruptcy Code, or, to the extent that section 1145 of the Bankruptcy Code is either not permitted or not applicable, Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, it is expected that the offering, issuance, and distribution of the Reorganized Equity as contemplated in the Plan shall be exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. federal, state, or local laws requiring registration prior to the offering, issuance, distribution, or sale of securities.

The Reorganized Equity to be issued under the Plan on account of Allowed Claims in accordance with, and pursuant to, section 1145 of the Bankruptcy Code will be freely transferable under the Securities Act by the recipients thereof, subject to: (a) the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an "underwriter" in section 2(a)(11) of the Securities Act, compliance with any applicable state or non-U.S. securities laws, if any, and the rules and regulations of the United States Securities and Exchange Commission, if any, applicable at the time of any future transfer of such Securities or instruments; and (b) any restrictions on the transferability of the Reorganized Equity as set forth in the New Governance Documents. The Debtors currently expect that all of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) issued after the Petition Date in exchange for the Claims described above should satisfy the requirements of section 1145(a) of the Bankruptcy Code.

In addition, any Reorganized Equity, including any Reorganized Equity underlying the Management Incentive Plan that may be issued pursuant to the exemption from registration set forth in Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, will be deemed "restricted securities," as defined in Rule 144(a)(3) under the Securities Act, and may not be resolved, exchanged, assigned, or otherwise transferred unless they are registered, or an exemption from registration applies, under the Securities Act, and any securities laws, or the laws of any other jurisdiction, and will bear customary legends and transfer restrictions, as set forth in Article XII of this Disclosure Statement entitled "Certain Securities Law Matters," and may not be transferred except pursuant to an effective registration statement or under an available exemption from the registration requirements of the Securities Act.

The Post-Effective Date Debtors need not provide any further evidence other than the Plan or the Confirmation Order to any Entity (including DTC and any transfer agent for the Reorganized Equity) with respect to the treatment of the Reorganized Equity to be issued under the Plan under applicable securities laws. Should the Post-Effective Date Debtors elect on or after the Effective Date to reflect any ownership of the Reorganized Equity through the facilities of DTC, DTC shall be required to accept and conclusively rely upon the Plan and the Confirmation Order in lieu of a legal opinion regarding whether the Securities to be issued under the Plan are exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services. Notwithstanding anything to the contrary in the Plan, no Entity (including, for the avoidance of doubt, DTC or any transfer agent for Securities) may require a legal opinion regarding the validity of any transaction contemplated by the Plan, including, for the avoidance of doubt, whether the Securities to be issued under the Plan are exempt from registration and/or eligible for book-entry delivery, settlement, and depository services (to the extent applicable).

10. Management Incentive Plan.

On or within thirty (30) days following the Effective Date, the New Board shall adopt and implement the Management Incentive Plan to be used to incentivize and compensate employees, directors, consultants, and other services providers of the Post-Effective Date Debtors, which Management Incentive Plan will include the ability to grant restricted stock units, options, Reorganized Equity, or other rights exercisable, exchangeable, or convertible into Reorganized Equity (or equivalent Cash value thereof) in accordance with the Restructuring Support Agreement.

11. Preservation of Retained Causes of Action.

In accordance with section 1123(b) of the Bankruptcy Code, but subject to Article IX of the Plan, all Causes of Action shall vest in the Post-Effective Date Debtors as Retained Causes of Action. For the avoidance of doubt, any Cause of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including Article IX of the Plan, shall not be considered a Retained Cause of Action. The Post-Effective Date Debtors shall have the exclusive right, authority, and discretion to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment such Retained Causes of Action, as appropriate, in accordance with the best interests of the Post-Effective Date Debtors and no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Retained Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. For the avoidance of doubt, any Claims or Causes of Action against the Consenting Stakeholders and/or their Affiliates and/or advisors shall not be Retained Causes of Action~~, subject to the 2025 Special Committee's ongoing Investigation~~. The Released Preference Actions shall not be Retained Causes of Action.

No Person or Entity may rely on the absence of a specific reference in the Schedule of Retained Causes of Action, the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or Post-Effective Date Debtors, as applicable, will not pursue any and all available Retained Causes of Action against it. The Debtors and Post-Effective Date Debtors expressly reserve all rights to prosecute any and all Retained Causes of Action against any Person or Entity, except as otherwise expressly provided in the Plan, including Article IX of the Plan.

The Post-Effective Date Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (x) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court, and (y) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement to file motions or substitutions of parties or counsel in each such matter.

12. The Wind Down.

If a wind down occurs in connection with the Recapitalization Transaction, on and after the Effective Date, Post-Effective Date Debtors will be authorized and directed to implement the Plan and any applicable orders of the Bankruptcy Court in accordance with Article VII of the Plan, and the Post-Effective Date Debtors shall have the power and authority to take any action necessary to wind down and dissolve the Debtors' Estates.

As soon as practicable after the Effective Date, the Post-Effective Date Debtors shall: (a) to the extent applicable, file a certificate of dissolution or equivalent document, together with all other necessary corporate and company documents, to effect the dissolution of the Debtors under the applicable laws of their state of incorporation or formation (as applicable); and (b) take such other

actions as the Post-Effective Date Debtors may determine to be necessary or desirable to carry out the purposes of the Plan with the reasonable consent of the Required Consenting FLFO Term Lenders. Any certificate of dissolution or equivalent document may be executed by the Post-Effective Date Debtors without need for any action or approval by the shareholders, board of directors or managers, or Governing Body of any Debtor. From and after the Effective Date, except with respect to the Post-Effective Date Debtors as set forth in the Plan, the Debtors (a) for all purposes shall be deemed to have withdrawn their business operations from any state in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action in order to effectuate such withdrawal, (b) shall be deemed to have canceled pursuant to the Plan all Equity Interests and Intercompany Interests, and (c) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date. Notwithstanding the Debtors' dissolution, the Debtors shall be deemed to remain intact solely with respect to the preparation, filing, review, and resolution of applications for Professional Fee Claims.

13. Wind Down Debtors.

On and after the Effective Date, certain of the Debtors shall continue in existence for purposes of: (a) winding down the Debtors' business and affairs as expeditiously as reasonably possible; (b) resolving Disputed Claims; (c) making distributions on account of Allowed Claims as provided hereunder; (d) funding distributions; (e) enforcing and prosecuting claims, interests, rights, and privileges under the Retained Causes of Action on the Schedule of Retained Causes of Action in an efficacious manner and only to the extent the benefits of such enforcement or prosecution are reasonably believed to outweigh the costs associated therewith; (f) filing appropriate tax returns; (g) complying with any continuing obligations under the DIP Orders; and (h) administering the Plan in an efficient manner. Such Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (x) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court and DIP Orders (as applicable) and (y) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

14. The Wind Down Debtor Account.

On or prior to the Effective Date and if the Debtors, with the consent of the Required Consenting FLFO Term Lenders, elect to pursue a wind down in connection with the Recapitalization Transaction, the Debtors shall establish the Wind Down Debtor Account by depositing Cash on hand in the amount of the Wind Down Amount into the Wind Down Debtor Account. The Wind Down Debtor Account shall be used by the Post-Effective Date Debtors to (a) fund the estimated fees, costs, and expenses necessary to fully administer and wind down the Debtors' Estates, including the fees, costs, and expenses of the Post-Effective Date Debtors to wind down the Debtors' Estates, and (b) pay in full in Cash all Claims required to be paid under the Bankruptcy Code and Plan in order for the Effective Date to occur or otherwise assumed or required to be paid under the terms of the Plan, in each case to the extent not liquidated and paid in full in Cash on the Effective Date; *provided* that all costs and expenses associated with such wind down and the storage of records and documents shall constitute expenses of the Wind Down Debtors and shall be paid from the Wind Down Debtor Account. Any amount remaining in the Wind Down Debtor Account after the dissolution of the Wind Down Debtors shall be distributed on account of unpaid Claims, Equity Interests, and Intercompany Interests in accordance with the priorities and treatment set forth in Article III of the Plan until such Claims, Equity Interests, and Intercompany Interests are paid in full.

15. Vesting of Assets in the Wind Down Debtors.

Except as otherwise provided in the Plan, the Confirmation Order, any order of the Bankruptcy Court, any agreement, instrument, or other document incorporated therein, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, the assets of the Debtors not transferred in connection with the Recapitalization Transaction shall vest in the Wind Down Debtors for the purpose of liquidating the Estates, free and clear of all Liens, Claims, charges, or other encumbrances; *provided* that (x) after funding the Professional Fee Escrow Account, the collateral, or proceeds of sales of such collateral, of the Wind Down Debtors securing the DIP Claims shall remain subject to the liens and claims of the DIP Lenders to the same extent as such liens and claims were enforceable against the Debtors and the Debtors' assets until such DIP Claims are repaid in full pursuant to Article II of the Plan and (y) the RCF Reserve Account (and any amounts in the RCF Reserve Account) shall remain subject to the Liens and Claims of the Consenting FLFO RCF Lenders until the FLFO RCF Claims held by such Consenting FLFO RCF Lenders are paid in full in Cash or treated in accordance with the Exit RCF Documents, and shall not be used to fund the Wind Down Amount or otherwise available for any use or purpose other than as expressly provided in the DIP Orders; *provided* that the RCF Reserve Account (and any amounts therein) shall be released to the reorganized Debtors if they establish the Exit RCF Facility. On and after the Effective Date, except as otherwise provided for in the Plan and the DIP Orders, the Debtors and the Wind Down Debtors may operate their business and use, acquire, or dispose of property, and compromise or settle any Claims, Equity Interests, Intercompany Interests, or Retained Causes of Action.

16. Closing the Chapter 11 Cases.

On or following the Effective Date, the Post-Effective Date Debtors shall be permitted, subject to the Filing of appropriate motion by the Post-Effective Date Debtors, to close all of the Chapter 11 Cases except one, and all contested matters relating to any Post-Effective Date Debtor, including objections to Claims, shall be administered and heard in such remaining Chapter 11 Case.

When all Disputed Claims have become Allowed or Disallowed and all distributions have been made in accordance with the Plan, the Post-Effective Date Debtors may seek authority to close any remaining Chapter 11 Cases in accordance with the Bankruptcy Code and the Bankruptcy Rules.

H. The Sale.

If the Sale occurs, the following provisions shall govern.

1. The Wind Down.

If the Sale occurs, on and after the Effective Date, the Plan Administrator will be authorized and directed to implement the Plan and any applicable orders of the Bankruptcy Court in accordance with Article VII of the Plan, and the Plan Administrator shall have the power and authority to take any action necessary to wind down and dissolve the Debtors' Estates.

As soon as practicable after the Effective Date, the Plan Administrator shall: (a) to the extent applicable, file a certificate of dissolution or equivalent document, together with all other necessary corporate and company documents, to effect the dissolution of the Debtors under the applicable laws of their state of incorporation or formation (as applicable); and (b) take such other actions as the Plan Administrator may determine to be necessary or desirable to carry out the purposes of the Plan. Any certificate of dissolution or equivalent document may be executed by the Plan Administrator without need for any action or approval by the shareholders, board of directors or managers, or Governing Body of any Debtor. From and after the Effective Date, except with respect to the Post-Effective Date Debtors

as set forth in the Plan, the Debtors (a) for all purposes shall be deemed to have withdrawn their business operations from any state in which the Debtors were previously conducting, or are registered or licensed to conduct, their business operations, and shall not be required to file any document, pay any sum, or take any other action in order to effectuate such withdrawal, (b) shall be deemed to have canceled pursuant to the Plan all Equity Interests and Intercompany Interests, and (c) shall not be liable in any manner to any taxing authority for franchise, business, license, or similar taxes accruing on or after the Effective Date. Notwithstanding the Debtors' dissolution, the Debtors shall be deemed to remain intact solely with respect to the preparation, filing, review, and resolution of applications for Professional Fee Claims.

2. Wind Down Debtors.

On and after the Effective Date, the Wind Down Debtors shall continue in existence for purposes of: (a) winding down the Debtors' business and affairs as expeditiously as reasonably possible; (b) resolving Disputed Claims; (c) making distributions on account of Allowed Claims as provided hereunder; (d) funding distributions; (e) enforcing and prosecuting claims, interests, rights, and privileges under the Retained Causes of Action on the Schedule of Retained Causes of Action in an efficacious manner and only to the extent the benefits of such enforcement or prosecution are reasonably believed to outweigh the costs associated therewith; (f) filing appropriate tax returns; (g) complying with any continuing obligations under the DIP Orders; and (h) administering the Plan in an efficient manner. The Wind Down Debtors shall be deemed to be substituted as the party-in-lieu of the Debtors in all matters, including (x) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court and DIP Orders (as applicable) and (y) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.

3. The Wind Down Debtor Account.

On or prior to the Effective Date, the Debtors shall establish the Wind Down Debtor Account by depositing Cash on hand in the amount of the Wind Down Amount into the Wind Down Debtor Account. The Wind Down Debtor Account shall be used by the Post-Effective Date Debtors to (a) fund the estimated fees, costs, and expenses necessary to fully administer and Wind Down the Debtors' Estates, including the fees, costs, and expenses of the Plan Administrator to Wind Down the Debtors' Estates, and (b) pay in full in Cash all Claims required to be paid under the Bankruptcy Code and Plan in order for the Effective Date to occur or otherwise assumed or required to be paid under the terms of the Plan, in each case to the extent not liquidated and paid in full in Cash on the Effective Date; *provided* that all costs and expenses associated with the Wind Down and the storage of records and documents shall constitute expenses of the Wind Down Debtors and shall be paid from the Wind Down Debtor Account. Any amount remaining in the Wind Down Debtor Account after the dissolution of the Wind Down Debtors shall be distributed on account of unpaid Claims, Equity Interests, and Intercompany Interests in accordance with the priorities and treatment set forth in Article III of the Plan until such Claims, Equity Interests, and Intercompany Interests are paid in full. In no event shall the Plan Administrator be required or permitted to use its personal funds or assets for such purposes.

4. Vesting of Assets in the Wind Down Debtors.

Except as otherwise provided in the Plan, the Confirmation Order, the Purchase Agreement(s) (if any), and/or the Sale Order (if any), any order of the Bankruptcy Court approving a Sale, or any agreement, instrument, or other document incorporated therein, or any agreement, instrument, or other document incorporated in the Plan or the Plan Supplement, on the Effective Date, the assets of the Debtors shall vest in the Wind Down Debtors for the purpose of liquidating the Estates, free and clear of all Liens, Claims, charges, or other encumbrances; *provided* that (x) after funding the Professional Fee

Escrow Account, the collateral, or proceeds of sales of such collateral, of the Wind Down Debtors securing the DIP Claims shall remain subject to the liens and claims of the DIP Lenders to the same extent as such liens and claims were enforceable against the Debtors and the Debtors' assets until such DIP Claims are repaid in full pursuant to Article II of the Plan and (y) the RCF Reserve Account (and any amounts in the RCF Reserve Account) shall remain subject to the Liens and Claims of the Consenting FLFO RCF Lenders until the FLFO RCF Claims held by such Consenting FLFO RCF Lenders are paid in full in Cash or treated in accordance with the Exit RCF Documents, and shall not be used to fund the Wind Down Amount or otherwise available for any use or purpose other than as expressly provided in the DIP Orders. On and after the Effective Date, except as otherwise provided for in the Plan and the DIP Orders, the Debtors and the Wind Down Debtors may operate their business and use, acquire, or dispose of property, and compromise or settle any Claims, Equity Interests, Intercompany Interests, or Retained Causes of Action.

5. Sources of Consideration for Plan Distributions.

In the event of a Sale, the Sale Payment Amount, the RCF Reserve Account (and any amounts in the RCF Reserve Account), Net Distributable Cash, the Convenience Claim Reserve, and any remaining amounts in the Wind Down Debtor Account (if any, after completion of the Wind Down and payment in full of all amounts required to be paid by the amounts deposited in the Wind Down Debtor Account) will fund distributions under the Plan. Notwithstanding anything to the contrary in the Plan or in the Purchase Agreement, on the Effective Date, any Retained Cause of Action not settled, released, discharged, enjoined, or exculpated under the Plan on or prior to the Effective Date shall vest in the Wind Down Debtors and shall be subject to administration by the Plan Administrator.

6. Dissolution and Governing Bodies of the Debtors.

As of the Effective Date, the Governing Body of each Debtor shall be dissolved without any further action required on the part of the Debtors or the Debtors' officers, directors, managers, shareholders, members, or Governing Bodies, and any remaining officers, directors, managers, or managing members of any Debtor shall be dismissed without any further action required on the part of any such Debtor, the equity holders of the Debtors, the officers, directors, managers, or Governing Body, as applicable, of the Debtors, or the members of any Debtor. Subject in all respects to the terms of the Plan, the Debtors shall be dissolved as soon as practicable on or after the Effective Date, but in no event later than the closing of the Chapter 11 Cases.

As of the Effective Date, the Plan Administrator shall act as the sole officer, director, manager, and Governing Body, as applicable, of the Debtors with respect to its affairs. Subject in all respects to the terms of the Plan, the Plan Administrator shall have the power and authority to take any action necessary to effectuate the Wind Down and dissolve any of the Debtors, including those powers set forth in Article VII.C of the Plan.

The filing by the Plan Administrator of any of the Debtors' certificate of dissolution shall be authorized and approved in all respects without further action under applicable law, regulation, order, or rule, including any action by the stockholders, members, board of directors, or board of managers.

7. Release of Liens.

Except as otherwise expressly provided in the Plan or in the Confirmation Order, on the Effective Date, all Liens on any property of any Debtors or the Wind Down Debtors shall automatically terminate, all property subject to such Liens shall be automatically released, and all guarantees of any Debtors or the Wind Down Debtors shall be automatically discharged and released; *provided* that notwithstanding anything to the contrary set forth in this Plan, (x) all security interests and Liens in favor of the Holders

of FLFO RCF Claims in the RCF Reserve Account (and any amounts in the RCF Reserve Account) shall remain valid, binding, and in full effect on and after the Effective Date and (y) the proceeds of the RCF Reserve Account (and any amounts in the RCF Reserve Account) shall remain subject to the Liens and Claims of the Holders of FLFO RCF Claims to the same extent as such Liens and Claims were enforceable against the Debtors and the Debtors' assets until the Holders of FLFO RCF Claims receive their distributions or other treatment in accordance with Article III of the Plan; *provided*, *further*, that notwithstanding anything to the contrary set forth in the Plan, subject to the funding of the Professional Fee Escrow Account, (a) all Liens of the DIP Agent or the DIP Lenders, as applicable, on any property of any Debtors or the Wind Down Debtors shall remain valid, binding, and in full effect on and after the Effective Date, (b) all property of the Debtors and Wind Down Debtors shall remain subject to the Liens and claims of the DIP Agent or DIP Lenders, as applicable, and shall continue to secure all Obligations (as defined in the DIP Credit Agreement) owing to the or the DIP Agent or the DIP Lenders, as applicable, (c) all guarantees of any Debtors or the Wind Down Debtors in favor of the DIP Lenders shall be reaffirmed and remain in full force and effect, and (d) the proceeds of sales of any collateral of the Wind Down Debtors securing the DIP Claims shall remain subject to the liens and claims of the DIP Agent or the DIP Lenders to the same extent as such liens and claims were enforceable against the Debtors and the Debtors' assets, in each case of (a)-(d) until the DIP Agent or the DIP Lenders, as applicable, receive their distributions or other treatment in accordance with Article II of the Plan. Notwithstanding anything to the contrary in the Plan, the release of Liens and Claims in favor of the DIP Secured Parties or Holders of FLFO RCF Claims, as applicable, shall be subject to the terms of a payoff letter ~~or~~, the Sale Order, or the DIP Orders, as applicable, subject in all respects to the consent of the Required DIP Lenders or Required Consenting FLFO RCF Lenders, as applicable.

8. Corporate Action.

Upon the Effective Date, all actions contemplated under the Plan, regardless of whether taken before, on, or after the Effective Date, shall be deemed authorized and approved in all respects, including: (a) consummation of the Wind Down; and (b) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan or deemed necessary or desirable by the Debtors before, on, or after the Effective Date involving the corporate structure of the Debtors or the Wind Down Debtors, and any corporate action required by the Debtors or the Wind Down Debtors in connection with the Plan or corporate structure of the Debtors or Wind Down Debtors, shall be deemed to have occurred and shall be in effect on the Effective Date, without any requirement of further action by the security holders, directors, managers, or officers of the Debtors or the Wind Down Debtors. Before, on, or after the Effective Date, the appropriate officers of the Debtors or the Wind Down Debtors, as applicable, shall be authorized to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Wind Down Debtors. The authorizations and approvals contemplated by Article IV.I of the Plan shall be effective notwithstanding any requirements under non-bankruptcy law.

9. Effectuating Documents; Further Transactions.

Prior to the Effective Date, the Debtors are, and on and after the Effective Date, the Wind Down Debtors, the Plan Administrator, and the officers and members thereof are, authorized to and may issue, execute, deliver, file, or record to the extent not inconsistent with any provision of the Plan such contracts, securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, without the need for any approvals, authorizations, notice, or consents, except for those expressly required pursuant to the Plan.

10. Preservation of Retained Causes of Action.

Unless any Cause of Action against a Person or an Entity is expressly acquired pursuant to the Purchase Agreement, waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, in accordance with section 1123(b) of the Bankruptcy Code, the Debtors shall convey to the Plan Administrator all rights to commence, prosecute, or settle, as appropriate, any and all Retained Causes of Action, including any action specifically enumerated in the Schedule of Retained Causes of Action, whether arising before or after the Petition Date, which shall vest in the Plan Administrator pursuant to the terms of the Plan. The Plan Administrator may enforce all rights to commence, prosecute, or settle, as appropriate, any and all Retained Causes of Action, whether arising before or after the Petition Date, and the Plan Administrator's rights to commence, prosecute, or settle such Retained Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Plan Administrator may, in its reasonable business judgment, pursue such Retained Causes of Action and may retain and compensate professionals in the analysis or pursuit of such Retained Causes of Action to the extent the Plan Administrator deems appropriate, including on a contingency fee basis. No Person or Entity may rely on the absence of a specific reference in the Plan or the Disclosure Statement to any Cause of Action against them as any indication that the Debtors or the Plan Administrator will not pursue any and all available Retained Causes of Action against them. The Debtors and the Plan Administrator expressly reserve all rights to prosecute any and all Retained Causes of Action against any Person or Entity, except as otherwise expressly provided in the Plan; *provided* that the Wind Down Debtors, in consultation with the Plan Administrator after the Effective Date, may prosecute any such Retained Cause of Action against any party only in connection with their objection to and resolution of any Claim asserted by such party. Unless any Cause of Action against an Entity is expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or a Final Order, the Plan Administrator expressly reserves all Retained Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Retained Causes of Action upon, after, or as a consequence of the Confirmation or Consummation. The Plan Administrator shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Retained Causes of Action, or to decline to do any of the foregoing, without the consent or approval of any third party or any further notice to, or action, order, or approval of, the Bankruptcy Court. The Released Preference Actions shall not be Retained Causes of Action.

11. Closing the Chapter 11 Cases.

On or following the Effective Date, the Plan Administrator shall be permitted to close all of the Chapter 11 Cases except for one of the Chapter 11 Cases as determined by the Plan Administrator and the Wind Down Debtors and all contested matters relating to each of the Debtors, including objections to Claims, shall be administered and heard in such Debtor's Chapter 11 Case.

VIII. OTHER KEY ASPECTS OF THE PLAN.

A. Treatment of Executory Contracts and Unexpired Leases.

1. Assumption and Rejection of Executory Contracts and Unexpired Leases.

If the Recapitalization Transaction occurs, except as otherwise provided in the Plan or otherwise agreed to by the Debtors and the counterparty to an Executory Contract or Unexpired Lease, subject in all respects to the consent rights of the Required Consenting FLFO Term Lenders, on the Effective Date each Executory Contract and Unexpired Lease, not previously assumed, assumed and assigned, or rejected shall be deemed automatically assumed, pursuant to sections 365 and 1123 of the Bankruptcy

Code, unless such Executory Contract or Unexpired Lease: (i) is identified on the Rejected Executory Contracts and Unexpired Leases List as of the Effective Date, in which case such Executory Contract of Unexpired Lease shall be rejected as of the Effective Date; (ii) previously expired or terminated pursuant to its own terms; (iii) is the subject of a motion to reject Filed on or before the Effective Date; or (iv) is an Insurance Policy (which shall be treated in accordance with Article V.E of the Plan). The assumption of Executory Contracts and Unexpired Leases hereunder may include the assignment of certain of such contracts to Affiliates. The Plan constitutes a motion for approval of the foregoing assumptions and assignments, and the Confirmation Order will constitute an order of the Bankruptcy Court granting such motion.

If a Sale occurs, on the Effective Date, except as otherwise provided in the Plan, all Executory Contracts and Unexpired Leases that are not otherwise assumed, assumed and assigned, or rejected shall be deemed automatically rejected by the applicable Wind Down Debtor or the Plan Administrator, as applicable, pursuant to sections 365 and 1123 of the Bankruptcy Code, other than those that: (a) are identified on the Assumed Executory Contracts and Unexpired Leases List; (b) previously expired or terminated pursuant to their own terms; (c) have been previously assumed or rejected by the Debtors pursuant to a Final Order; (d) are the subject of a motion to assume that is pending on the Effective Date; (e) have an ordered or requested effective date of rejection that is after the Effective Date; (f) are to be assumed by the Debtors or assumed by the Debtors and assigned to another third party, as applicable through the Purchase Agreement in connection with the Sale; or (g) is an Insurance Policy (which shall be treated in accordance with Article V.E of the Plan).

Notwithstanding anything to the contrary in the Plan, the Debtors and the Post-Effective Date Debtors, as applicable, reserve the right to alter, amend, modify, or supplement, as applicable, the Assumed Executory Contracts and Unexpired Leases List or the Rejected Executory Contracts and Unexpired Leases List (i) to add or remove any Executory Contract or Unexpired Lease to or from the Assumed Executory Contracts and Unexpired Leases List and the Rejected Executory Contracts and Unexpired Leases List at any time prior to the Effective Date, and (ii) to add any Executory Contract or Unexpired Lease to the Assumed Executory Contracts and Unexpired Leases List or the Rejected Executory Contract and Unexpired Leases List not otherwise identified on the Assumed Executory Contracts and Unexpired Leases List or the Rejected Executory Contracts and Unexpired Leases List at any time prior to the Effective Date, the modifications thereto shall constitute assumption or rejection of such Executory Contract or Unexpired Lease as of the date of such modification, notwithstanding anything contained in Article V.A of the Plan. The Debtors shall provide notice of any amendments to the Assumed Executory Contracts and Unexpired Leases List or the Rejected Executory Contracts and Unexpired Leases List to the counterparties to the Executory Contracts or Unexpired Leases affected thereby.

Except as otherwise provided in the Plan or agreed to by the Debtors and the applicable counterparty, each assumed Executory Contract or Unexpired Lease shall include all modifications, amendments, supplements, restatements, or other agreements related thereto, and all rights related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests. Modifications, amendments, supplements, and restatements of Executory Contracts and Unexpired Leases executed during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease or the validity, priority, or amount of any Claims that may arise in connection therewith.

Except as set forth in Article IV.D of the Plan, to the maximum extent permitted by law, to the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired

Lease (including any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the non-Debtor party thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

2. Indemnification Obligations.

Consistent with applicable law, all Indemnification Obligations shall continue on terms no less favorable to such officers, directors, individual managers, members, partners, supervisors, agents, or employees than the Indemnification Obligations in place on the execution date of the Restructuring Support Agreement; *provided* that the Debtors shall not indemnify such officers, directors, individual managers, members, partners, supervisors, agents, or employees of the Debtors for any claims or Causes of Action for which indemnification is barred under applicable law, the Debtors' organization documents, or applicable agreements governing the Indemnification Obligations; *provided*, *further*, that such Indemnification Obligations will only continue as to former officers, directors, individual managers, members, partners, supervisors, agents, or employees to the extent such former officers, directors, individual managers, members, partners, supervisors, agents, or employees are or were, at the time of such service, affiliated with any Consenting Sponsor or designated to such role by a Consenting Sponsor. All Indemnification Obligations shall continue as obligations of the Post-Effective Date Debtors. Any Claim based on the Debtors' obligations thereunder shall be an Allowed Claim. For the avoidance of doubt, this section shall not apply to any obligations as to any sponsor or other equity owner of any of the Debtors in its capacity as such, but this section shall only apply to any representatives or appointees of such sponsor or other equity owner if they are the Debtors' current or former officers, directors, individual managers, members, partners, supervisors, agents, or employees, in each case in their capacities as such.

In the event of a Wind Down, the Plan Administrator and all professionals retained by the Plan Administrator, each in their capacities as such, shall be deemed exculpated and indemnified, except for breach of fiduciary duty, willful misconduct, or gross negligence, in all respects by the Wind Down Debtors; *provided* that all indemnification provisions in the agreements not listed on the Schedule of Assumed Executory Contracts and Unexpired Leases will not be assumed and such provisions will not constitute Indemnification Obligations of the Wind Down Debtors. For the avoidance of doubt, nothing in the Plan shall expand any of the Debtors' Indemnification Obligations in place as of the Petition Date.

3. Claims Based on Rejection of Executory Contracts or Unexpired Leases.

Counterparties to Executory Contracts or Unexpired Leases deemed rejected shall be served with a notice of rejection of their Executory Contracts and Unexpired Leases via service of the Confirmation Order and the Plan Supplement. Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, if any, must be Filed with the Bankruptcy Court within the earliest to occur of (i) thirty (30) days after the date of service of notice on the affected claimant of entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection, which notice shall set forth the date by which such Proofs of Claim must be filed, or (ii) thirty (30) days after service of notice on the affected claimant of any rejection that occurs after the Effective Date.

Any Claims arising from the rejection of an Executory Contract or Unexpired Lease with respect to which a Proof of Claims is not Filed with the Claims and Noticing Agent within such time will be automatically Disallowed and forever barred from assertion and shall not be enforceable against the Debtors, the Post-Effective Date Debtors, the Estates, or their property without the need for any objection by the Debtors or the Post-Effective Date Debtors, as applicable, or further **notice to, action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of the Executory Contract or Unexpired Lease**

shall be deemed fully satisfied, released, and discharged and shall be subject to the permanent injunction set forth in Article IX.F of the Plan, notwithstanding anything in a Proof of Claim to the contrary.

All Claims arising from the rejection of any Executory Contract or Unexpired Lease shall be treated as a General Unsecured Claim as set forth in Article III.B of the Plan and may be objected to in accordance with the provisions of Article VIII of the Plan and the applicable provisions of the Bankruptcy Code and Bankruptcy Rules.

4. Cure of Defaults for Assumed Executory Contracts and Unexpired Leases.

The Post-Effective Date Debtors shall pay all Cure Claims, if any, on the Effective Date. Unless otherwise agreed upon in writing by the parties to the applicable Executory Contract or Unexpired Lease, any objection by a counterparty to a proposed assumption, including pursuant to the Plan, or related Cure amount must be Filed, served, and actually received by counsel to the Debtors and the U.S. Trustee no later than ~~thirty~~fourteen (~~30~~14) days after the Effective Date or any other deadline that may be set by the Bankruptcy Court. Any such request that is not timely Filed shall be Disallowed and forever barred, estopped, and enjoined from assertion and shall not be enforceable against any Post-Effective Date Debtor without the need for any objection by the Post-Effective Date Debtors or any other party in interest or any further notice to or action, order, or approval of the Bankruptcy Court. Any Cure shall be deemed fully satisfied, released, and discharged upon payment by the Debtors or the Post-Effective Date Debtors, as applicable, of the Cure; *provided* that nothing in the Plan shall prevent the Post-Effective Date Debtors from paying any Cure despite the failure of the relevant counterparty to File such request for payment of such Cure. The Post-Effective Date Debtors may also settle any Cure without any further notice to or action, order, or approval of the Bankruptcy Court. Any such objection will be scheduled to be heard by the Bankruptcy Court at the Debtors' or the Post-Effective Date Debtors', as applicable, first scheduled omnibus hearing, or such other setting as requested by the Debtors or the Post-Effective Date Debtors, as applicable, with respect to which such objection is timely Filed. Any counterparty to an Executory Contract or Unexpired Lease that fails to timely object to the proposed assumption of any Executory Contract or Unexpired Lease will be deemed to have consented to such assumption.

If there is any dispute regarding any Cure, the ability of the Post-Effective Date Debtors, or any assignee to provide "adequate assurance of future performance" within the meaning of section 365 of the Bankruptcy Code, or any other matter pertaining to assumption, then payment of Cure shall occur as soon as reasonably practicable after entry of a Final Order resolving such dispute, approving such assumption (and, if applicable, assignment), or as may be agreed upon by the Debtors or the Post-Effective Date Debtors, as applicable, and the counterparty to the Executory Contract or Unexpired Lease.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise and full payment of any applicable Cure pursuant to Article V.D of the Plan shall result in the full release and satisfaction of any Cures, Claims, or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. **Any Proofs of Claim based upon Executory Contracts or Unexpired Leases that have been assumed in the Chapter 11 Cases, including pursuant to the Confirmation Order, and for which any Cure has been fully paid pursuant to Article V.D of the Plan, shall be deemed Disallowed and expunged as of the Effective Date without the need for any objection thereto or any further notice to or action, order, or approval of the Bankruptcy Court**.

5. Insurance Policies.

Notwithstanding anything to the contrary in the Definitive Documents, any bar date order or notice or claim objection, any other document related to any of the foregoing or any other order of the Bankruptcy Court (including, without limitation, any other provision that purports to be preemptory or supervening, grants an injunction, discharge or release, purports to limit or impact a setoff or recoupment right, confers Bankruptcy Court jurisdiction, or requires a party to opt out of any releases):

(a) on the Effective Date, the Post-Effective Date Debtors, shall be deemed to have assumed all Insurance Policies that (i) are listed on the Assumed Executory Contracts and Unexpired Leases List prior to the Confirmation Hearing, (ii) are D&O Liability Insurance Policies, and (iii) identify one or more of the Debtors as first named insured or counterparty thereto pursuant to sections 105 and 365 of the Bankruptcy Code;

(b) on and after the Effective Date, the Post-Effective Date Debtors shall remain liable in full for all of their and the Debtors' obligations under the Insurance Policies, regardless of whether any such obligations arise or become due before, on, or after the Effective Date, without the need or requirement for Insurers to file or serve any objection to a notice of proposed Cure amount (or lack of such notice) or file or serve a request, motion, or application for payment of such obligations, or Proof of Claim, Cure amount, or Administrative Claim;

(c) nothing (i) alters, modifies, or otherwise amends the terms and conditions of (or the coverage provided by) any Insurance Policy; or (ii) alters or modifies the duty, if any, of the Insurers to pay claims covered by such Insurance Policies and their right to seek payment or reimbursement from the Debtors (or after the Effective Date, the Post-Effective Date Debtors) or draw on any collateral or security therefor; and

(d) the automatic stay of Bankruptcy Code section 362(a) and the injunctions set forth in Article IX of the Plan, if and to the extent applicable, shall be deemed lifted without further order of the Bankruptcy Court, solely to permit: (I) claimants with valid workers' compensation claims or direct action claims against Insurers under applicable non-bankruptcy law to proceed with their claims; (II) Insurers to administer, handle, defend, settle, and/or pay, in the ordinary course of business and without further order of this Bankruptcy Court, (A) workers' compensation claims, (B) claims where a claimant asserts a direct claim against an Insurer under applicable non-bankruptcy law, or an order has been entered by the Bankruptcy Court granting a claimant relief from the automatic stay or the injunctions set forth in Article IX of the Plan to proceed with its claim, and (C) all costs in relation to each of the foregoing; (III) Insurers to draw against any or all of the collateral or security provided by or on behalf of the Debtors (or the Post-Effective Date Debtors, as applicable) at any time and to hold the proceeds thereof as security for the obligations of the Debtors (and the Post-Effective Date Debtors, as applicable) and/or apply such proceeds to the obligations of the Debtors (and the Post-Effective Date Debtors, as applicable) under the Insurance Policies, in such order as the applicable Insurer may determine; and (IV) Insurers to cancel any Insurance Policy, and take other actions relating to the Insurance Policies (including effectuating a setoff or recoupment) to the extent permissible under applicable non-bankruptcy law, and in accordance with the terms of the Insurance Policies.

6. Preexisting Obligations to the Debtors Under Executory Contracts and Unexpired Leases.

Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of preexisting obligations owed to the Debtors or the Post-Effective Date Debtors, as applicable, under such Executory Contracts or Unexpired Leases. In particular, notwithstanding any non-bankruptcy law to the contrary, the Debtors and the Post-Effective Date Debtors

expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties or continued maintenance obligations with respect to goods previously purchased by the Debtors pursuant to rejected Executory Contracts or Unexpired Leases.

7. Collective Bargaining Agreement.

The Collective Bargaining Agreement and any agreements, documents, or instruments relating thereto, are treated as and deemed to be Executory Contracts under the Plan.

If the Recapitalization Transaction occurs, on the Effective Date, the Post-Effective Date Debtors, as applicable, shall be deemed to have assumed the Collective Bargaining Agreement and any agreements, documents, and instruments related thereto. All Proofs of Claim Filed for amounts due under the Collective Bargaining Agreement shall be considered satisfied by the agreement and obligation to assume and Cure in the ordinary course as provided in the Plan. On the Effective Date, any Proofs of Claim Filed with respect to the Collective Bargaining Agreement shall be deemed Disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court. The occurrence of the Effective Date shall not be deemed to result in an accelerated payment event or a "good reason" or other constructive termination event for purposes of any Debtor compensation or benefit plans, but such exception shall not apply in respect of any employment agreements.

If a Sale occurs, to the extent the Collective Bargaining Agreement has not already been assumed and assigned to the Purchaser, terminated, or otherwise expired, the Collective Bargaining Agreement shall terminate in accordance with its terms as of or after the Effective Date. To the extent any such termination constitutes rejection of the Collective Bargaining Agreement, such rejection shall be made in accordance with sections 1113 and 1114 of the Bankruptcy Code.

8. Modifications, Amendments, Supplements, Restatements, or Other Agreements.

Unless otherwise provided in the Plan, each Executory Contract or Unexpired Lease that is assumed shall include all modifications, amendments, supplements, restatements, or other agreements that in any manner affect such Executory Contract or Unexpired Lease, and all Executory Contracts and Unexpired Leases related thereto, if any, including all easements, licenses, permits, rights, privileges, immunities, options, rights of first refusal, and any other interests, unless any of the foregoing agreements has been previously rejected or repudiated or is rejected or repudiated under the Plan.

Modifications, amendments, supplements, and restatements to prepetition Executory Contracts and Unexpired Leases that have been executed by the Debtors during the Chapter 11 Cases shall not be deemed to alter the prepetition nature of the Executory Contract or Unexpired Lease, or the validity, priority, or amount of any Claims that may arise in connection therewith.

9. Reservation of Rights.

Nothing contained in the Plan shall constitute an admission by the Debtors that any contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Debtors or the Post-Effective Date Debtors have any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Post-Effective Date Debtors, as applicable, shall have forty-five (45) days following entry of a Final Order resolving such dispute to alter the treatment of such contract or lease under the Plan.

10. Nonoccurrence of Effective Date.

In the event that the Effective Date does not occur, the Bankruptcy Court shall retain jurisdiction with respect to any request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code.

11. Contracts and Leases Entered Into After the Petition Date.

Contracts and leases entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the applicable Debtors or the Post-Effective Date Debtors liable thereunder in the ordinary course of their business. Accordingly, such contracts and leases (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by entry of the Confirmation Order.

IX. RISK FACTORS.

BEFORE TAKING ANY ACTION WITH RESPECT TO THE PLAN, HOLDERS OF CLAIMS AGAINST THE DEBTORS WHO ARE ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN SHOULD READ AND CONSIDER CAREFULLY THE RISK FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT, THE PLAN, AND THE DOCUMENTS DELIVERED TOGETHER HEREWITH, REFERRED TO, OR INCORPORATED BY REFERENCE INTO THIS DISCLOSURE STATEMENT, INCLUDING OTHER DOCUMENTS FILED WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES. THE RISK FACTORS SHOULD NOT BE REGARDED AS CONSTITUTING THE ONLY RISKS PRESENT IN CONNECTION WITH THE DEBTORS' BUSINESS OR THE RESTRUCTURING AND CONSUMMATION OF THE PLAN. EACH OF THE RISK FACTORS DISCUSSED IN THIS DISCLOSURE STATEMENT MAY APPLY EQUALLY TO THE DEBTORS AND THE POST-EFFECTIVE DATE DEBTORS, AS APPLICABLE AND AS CONTEXT REQUIRES.

A. Bankruptcy Law Considerations.

The occurrence or non-occurrence of any or all of the following contingencies, and any others, could affect distributions available to Holders of Allowed Claims under the Plan but will not necessarily affect the validity of the vote of the Impaired Classes to accept or reject the Plan or necessarily require a re-solicitation of the votes of Holders of Claims in such Impaired Classes.

1. The Debtors Will Consider All Available Restructuring Alternatives if the Restructuring Transactions are Not Implemented, and Such Alternatives May Result in Lower Recoveries for Holders of Claims Against and Intercompany Interests and Equity Interests in the Debtors.

If the Restructuring Transactions are not implemented, the Debtors will consider all available restructuring alternatives, including filing an alternative chapter 11 plan, converting to a chapter 7 plan, and any other transaction that would maximize the value of the Debtors' estates. The terms of any alternative restructuring proposal may be less favorable to Holders of Claims against and Equity Interests or Intercompany Interests in the Debtors than the terms of the Plan as described in this Disclosure Statement.

Any material delay in the confirmation of the Plan, the Chapter 11 Cases, or the threat of rejection of the Plan by the Bankruptcy Court, would add substantial expense and uncertainty to the process.

The uncertainty surrounding a prolonged restructuring would have other adverse effects on the Debtors. For example, it would adversely affect:

- the Debtors′ ability to raise additional capital;
- the Debtors′ liquidity;
- how the Debtors′ business is viewed by regulators, investors, lenders, and credit ratings agencies;
- the Debtors′ enterprise value; and
- the Debtors′ business relationship with customers and vendors.

2. Parties in Interest May Object to the Plan's Classification of Claims, Intercompany Interests, and Equity Interests.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of the Claims, Intercompany Interests, and Equity Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created Classes of Claims, Intercompany Interests, and Equity Interests each encompassing Claims, Intercompany Interests, or Equity Interests, as applicable, that are substantially similar to the other Claims, Intercompany Interests, or Equity Interests, as applicable, in each such Class. Nevertheless, there can be no assurance that the Bankruptcy Court will reach the same conclusion.

3. The Restructuring Support Agreement May Be Terminated.

As more fully set forth in the Restructuring Support Agreement, the Restructuring Support Agreement may be terminated upon the occurrence of certain events, including, among others, the Debtors' failure to meet specified milestones relating to the filing, confirmation, and consummation of the Plan, and breaches by the Debtors and/or the Consenting Stakeholders of their respective obligations under the documents. In the event that the Restructuring Support Agreement is terminated, the Debtors may seek a non-consensual restructuring alternative, including a potential liquidation of their assets.

4. The Conditions Precedent to the Effective Date of the Plan May Not Occur.

As more fully set forth in Article X of the Plan, Effective Date of the Plan is subject to a number of conditions precedent. If such conditions precedent are not waived or not met, the Effective Date of the Plan will not take place. In the event that the Effective Date does not occur, the Debtors may seek Confirmation of a new plan. If the Debtors do not secure sufficient working capital to continue their operations or if the new plan is not confirmed, however, the Debtors may be forced to liquidate their assets.

5. The Debtors May Fail to Satisfy Vote Requirements.

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors intend to seek, as promptly as practicable thereafter, Confirmation of the Plan. In the event that sufficient votes are not received, the Debtors may need to seek to confirm an alternative chapter 11 plan or transaction, subject to the terms of the Restructuring Support Agreement. There can be no assurance that the terms of any such alternative chapter 11 plan or other transaction would be similar or as favorable to the Holders of Equity Interests, Intercompany Interests, and Allowed Claims as those proposed in the Plan and the Debtors do not believe that any such transaction exists or is likely to exist that would be more beneficial to the Estates than the Plan.

6. The Debtors May Not Be Able to Secure Confirmation of the Plan.

Section 1129 of the Bankruptcy Code sets forth the requirements for confirmation of a chapter 11 plan, and requires, among other things, a finding by the Bankruptcy Court that: (a) such plan "does not unfairly discriminate" and is "fair and equitable" with respect to any non-accepting classes; (b) confirmation of such plan is not likely to be followed by a liquidation or a need for further financial reorganization unless such liquidation or reorganization is contemplated by the plan; and (c) the value of distributions to non-accepting holders of claims or equity interests within a particular class under such plan will not be less than the value of distributions such holders would receive if the debtors were liquidated under chapter 7 of the Bankruptcy Code.

There can be no assurance that the requisite acceptances to confirm the Plan will be received. Even if the requisite acceptances are received, there can be no assurance that the Bankruptcy Court will confirm the Plan. A non-accepting Holder of an Allowed Claim might challenge either the adequacy of this Disclosure Statement or whether the balloting procedures and voting results satisfy the requirements of the Bankruptcy Code or Bankruptcy Rules. Even if the Bankruptcy Court determines that this Disclosure Statement, the balloting procedures, and voting results are appropriate, the Bankruptcy Court could still decline to confirm the Plan if it finds that any of the statutory requirements for Confirmation are not met. If a chapter 11 plan of reorganization is not confirmed by the Bankruptcy Court, it is unclear whether the Debtors will be able to reorganize their business and what, if anything, Holders of Equity Interests, Intercompany Interests, and Allowed Claims against them would ultimately receive.

The Debtors, subject to the terms and conditions of the Plan and the Restructuring Support Agreement, reserve the right to modify the terms and conditions of the Plan as necessary for Confirmation. Any such modifications could result in less favorable treatment of any non-accepting class of Claims, Intercompany Interests, or Equity Interests, as well as any class junior to such non-accepting class, than the treatment currently provided in the Plan. Such a less favorable treatment could include a distribution of property with a lesser value than currently provided in the Plan or no distribution whatsoever under the Plan.

7. The Debtors May Not Be Successful in the Non-Participating Holder Litigation or the Related Adversary Proceeding.

In the event that the Non-Participating Holders are successful, in whole or in part, in the Non-Participating Holder Litigation or the related Adversary Proceeding, recoveries under the Plan may need to be reallocated. Such a ruling may impact the recoveries of several classes, including but not limited to classes 3B, 3C, and 4. The Bankruptcy Court may determine that resolicitation of the Plan is necessary, which may delay the timeline of the Chapter 11 Cases, increase costs, and result in a failure to obtain the votes requisite for Confirmation. Such a ruling may also modify the amount of Secured Claims under the Reception Purchaser Credit Agreement and the STG Distribution Credit Agreement, including the Intercompany Notes Claims. Further, such a ruling may result in a failure to meet the

Litigation Condition under the Restructuring Support Agreement. Such result may lead to termination of the Restructuring Support Agreement which, in turn, may require additional engagement with stakeholders to renegotiate Plan terms.

8. ~~7.~~ **The Debtors May Not Be Able to Secure Nonconsensual Confirmation Over Certain Impaired Non-Accepting Classes**.

In the event that any impaired class of claims or interests does not accept a chapter 11 plan, a bankruptcy court may nevertheless confirm a plan at the proponents' request if at least one impaired class (as defined under section 1124 of the Bankruptcy Code) has accepted the plan (with such acceptance being determined without including the vote of any "insider" in such class), and, as to each impaired class that has not accepted the plan, the bankruptcy court determines that the plan "does not discriminate unfairly" and is "fair and equitable" with respect to the dissenting impaired class(es). The Debtors believe that the Plan satisfies these requirements, and the Debtors may request such nonconsensual Confirmation in accordance with subsection 1129(b) of the Bankruptcy Code. Nevertheless, there can be no assurance that the Bankruptcy Court will reach this conclusion. In addition, the pursuit of nonconsensual Confirmation or Consummation of the Plan may result in, among other things, increased expenses relating to professional compensation.

9. ~~8.~~ **Even if the Restructuring Transactions are Successful, the Debtors Will Face Continued Risk Upon Confirmation**.

Even if the Plan is consummated, the Debtors will continue to face a number of risks, including certain risks that are beyond their control, such as further deterioration or other changes in economic conditions, changes in the industry, potential revaluing of their assets due to chapter 11 proceedings, changes in demand for the Debtors' services, and increasing expenses. See Article IX.C of this Disclosure Statement, entitled "Risks Related to the Debtors' and the Post-Effective Date Debtors' Business." Some of these concerns and effects typically become more acute when a case under the Bankruptcy Code continues for a protracted period without indication of how or when the case may be completed. As a result of these risks and others, there is no guarantee that a chapter 11 plan of reorganization reflecting the Plan will achieve the Debtors' stated goals.

In addition, at the outset of the Chapter 11 Cases, the Bankruptcy Code provides the Debtors with the exclusive right to propose the Plan and prohibits creditors and others from proposing a plan. The Debtors will have retained the exclusive right to propose the Plan upon filing their Petitions. If the Bankruptcy Court terminates that right, however, or the exclusivity period expires, there could be a material adverse effect on the Debtors' ability to achieve confirmation of the Plan in order to achieve the Debtors' stated goals.

Furthermore, even if the Debtors' debts are reduced and/or discharged through the Plan, the Debtors may need to raise additional funds through public or private debt or equity financing or other various means to fund the Debtors' business after the completion of the proceedings related to the Chapter 11 Cases. Adequate funds may not be available when needed or may not be available on favorable terms.

10. ~~9.~~ **The Chapter 11 Cases May Be Converted to Cases under Chapter 7 of the Bankruptcy Code**.

If the Bankruptcy Court finds that it would be in the best interest of creditors and/or the debtor in a chapter 11 case, the Bankruptcy Court may convert a chapter 11 bankruptcy case to a case under chapter 7 of the Bankruptcy Code. In such event, a chapter 7 trustee would be appointed or elected to liquidate the debtor's assets for distribution in accordance with the priorities established by the

Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in significantly smaller distributions being made to creditors than those provided for in a chapter 11 plan because of (a) the likelihood that the assets would have to be sold or otherwise disposed of in a disorderly fashion over a short period of time, rather than reorganizing or selling the business as a going concern at a later time in a controlled manner, (b) additional administrative expenses involved in the appointment of a chapter 7 trustee, and (c) additional expenses and Claims, some of which would be entitled to priority, that would be generated during the liquidation, including Claims resulting from the rejection of Unexpired Leases and other Executory Contracts in connection with cessation of operations.

11. ~~10.~~ The Debtors May Object to the Amount or Classification of a Claim.

Except as otherwise provided in the Plan, the Debtors reserve the right to object to the amount or classification of any Claim under the Plan, subject to the terms of the Restructuring Support Agreement. The estimates set forth in this Disclosure Statement cannot be relied upon by any Holder of a Claim where such Claim is subject to an objection. Any Holder of a Claim that is subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

12. ~~11.~~ Risk of Non-Occurrence of the Effective Date.

Although the Debtors believe that the Effective Date may occur quickly after the Confirmation Date, there can be no assurance as to such timing or as to whether the Effective Date will, in fact, occur.

13. ~~12.~~ Contingencies Could Affect Votes of Impaired Classes to Accept or Reject the Plan.

The distributions available to Holders of Allowed Claims under the Plan can be affected by a variety of contingencies, including, without limitation, whether the Bankruptcy Court orders certain Allowed Claims to be subordinated to other Allowed Claims. The occurrence of any and all such contingencies, which could affect distributions available to Holders of Allowed Claims under the Plan, will not affect the validity of the vote taken by the Impaired Classes to accept or reject the Plan or require any sort of revote by the Impaired Classes.

The estimated Claims and creditor recoveries set forth in this Disclosure Statement are based on various assumptions, and the actual Allowed amounts of Claims may significantly differ from the estimates. Should one or more of the underlying assumptions ultimately prove to be incorrect, the actual Allowed amounts of Claims may vary from the estimated Claims contained in this Disclosure Statement. Moreover, the Debtors cannot determine with any certainty at this time, the number or amount of Claims that will ultimately be Allowed. Such differences may materially and adversely affect, among other things, the percentage recoveries to Holders of Allowed Claims under the Plan.

14. ~~13.~~ Release, Injunction, and Exculpation Provisions May Not Be Approved.

Article IX of the Plan provides for certain releases, injunctions, and exculpations, including a release of liens and third-party releases that may otherwise be asserted against the Debtors, Post-Effective Date Debtors, or Released Parties, as applicable. The releases, injunctions, and exculpations provided in the Plan are subject to ~~completion of the 2025 Special Committee's Investigation and~~ objection by parties in interest and may not be approved. If the releases are not approved, certain Released Parties may withdraw their support for the Plan.

The releases provided to the Released Parties and the exculpation provided to the Exculpated Parties are necessary to the success of the Debtors' reorganization because the Released Parties and Exculpated Parties have made significant contributions to the Debtors' reorganizational efforts and have

agreed to make further contributions, but only if they receive the full benefit of the Plan's release and exculpation provisions. The Plan's release and exculpation provisions are an inextricable component of the Restructuring Support Agreement and Plan and the significant deleveraging and financial benefits that they embody.

B. Risks Related to Recoveries Under the Plan.

1. Certain Significant Holders of Reorganized Equity May Have Substantial Influence Over the Post-Effective Date Debtors Following the Effective Date.

Assuming that the Effective Date occurs, holders of Claims who receive distributions representing a substantial percentage of the outstanding Reorganized Equity may be in a position to influence matters requiring approval by the holders of Reorganized Equity, including, among other things, the election of directors and the approval of a change of control of the Post-Effective Date Debtors. The holders may have interests that differ from those of the other holders of Reorganized Equity and may vote in a manner adverse to the interests of other holders of Reorganized Equity. This concentration of ownership may facilitate or may delay, prevent, or deter a change of control of the Post-Effective Date Debtors and consequently impact the value of the Reorganized Equity. In addition, a holder of a significant amount of Reorganized Equity may sell all or a large portion of its Reorganized Equity within a short period of time, which sale may adversely affect the trading price of the Reorganized Equity. A holder of a significant amount of Reorganized Equity may, on its own account, pursue acquisition opportunities that may be complementary to the Post-Effective Date Debtors' business, and as a result, such acquisition opportunities may be unavailable to the Post-Effective Date Debtors. Such actions by holders of a significant amount of Reorganized Equity may have a material adverse impact on the Post-Effective Date Debtors' business, financial condition, and operating results.

2. Estimated Valuations of the Takeback Term Loan Facility, the Exit RCF Facility, and Reorganized Equity, and Estimated Recoveries to Holders of Allowed Claims, Intercompany Interests, and Equity Interests Are Not Intended to Represent Potential Market Values.

The Debtors' estimated recoveries to Holders of Allowed Claims, Intercompany Interests, and Equity Interests are not intended to represent the market value of the Debtors' Securities. The estimated recoveries are based on numerous assumptions (the realization of many of which will be beyond the control of the Debtors), including: (a) the successful reorganization of the Debtors; (b) an assumed date for the occurrence of the Effective Date; (c) the Debtors' ability to maintain adequate liquidity to fund operations; (d) the assumption that capital and equity markets remain consistent with current conditions; and (e) the Debtors' ability to maintain critical existing customer relationships, including customer relationships with key customers.

3. The Post-Effective Date Debtors May Not Be Able to Generate or Receive Sufficient Cash to Service Their Debt and May Be Forced to Take Other Actions to Satisfy their Obligations, Which May Not Be Successful.

The Post-Effective Date Debtors' ability to make scheduled payments on their debt obligations depends on their financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business, and other factors beyond the Post-Effective Date Debtors' control. The Post-Effective Date Debtors may not be able to maintain a level of cash flow sufficient to permit them to pay the principal, premium, if any, and interest on their debt, including the Takeback Term Loan Facility.

If cash flows and capital resources are insufficient to fund the Post-Effective Date Debtors' debt obligations, they could face substantial liquidity problems and might be forced to reduce or delay investments and capital expenditures, or to dispose of assets or operations, seek additional capital or restructure or refinance debt, including the Takeback Term Loan Facility. These alternative measures may not be successful, may not be completed on economically attractive terms, or may not be adequate to satisfy their debt obligations when due.

Further, if the Post-Effective Date Debtors suffer or appear to suffer from a lack of available liquidity, the evaluation of their creditworthiness by counterparties and rating agencies and the willingness of third parties to do business with them could be adversely affected.

4. The Reorganized Equity is Subject to Dilution.

The ownership percentage represented by the Reorganized Equity distributed on the Effective Date under the Plan will be subject to dilution by the Reorganized Equity issued in connection with the conversion of any other options, warrants, convertible securities, exercisable securities, or other securities that may be issued post-emergence, including pursuant to the Management Incentive Plan.

5. The Terms of the Takeback Term Loan Facility Documents Are Subject to Change Based on Negotiation and the Approval of the Bankruptcy Court.

The terms of the Takeback Term Loan Facility Documents have not been finalized and are subject to negotiations between the Debtors and the Consenting Stakeholders. Holders of Claims that are not the Consenting Stakeholders will not participate in these negotiations, and the results of such negotiations may affect the rights of the holders of the Reorganized Equity following the Effective Date. As a result, the final terms of the Takeback Term Loan Facility Documents may be less favorable to Holders of Claims, Intercompany Interests, and Equity Interests than as described herein and in the Plan.

6. A Decline in the Post-Effective Date Debtors' Credit Ratings Could Negatively Affect the Debtors' Ability to Refinance Their Debt.

The Debtors' or the Post-Effective Date Debtors' credit ratings could be lowered, suspended, or withdrawn entirely, at any time, by the rating agencies, if, in each rating agency's judgment, circumstances warrant, including as a result of exposure to the credit risk and the business and financial condition of the Debtors or the Post-Effective Date Debtors, as applicable. Downgrades in the Post-Effective Date Debtors' long-term debt ratings may make it more difficult to refinance their debt and increase the cost of any debt that they may incur in the future.

7. Certain Tax Implications of the Plan May Increase the Tax Liability of the Post-Effective Date Debtors.

Holders of Allowed Claims should carefully review Article XIII of this Disclosure Statement, entitled "CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN," to determine how the tax implications of the Plan and the Chapter 11 Cases may adversely affect the Post-Effective Date Debtors and Holders of certain Claims.

8. The Closing Conditions of the Sale May Not be Satisfied.

It is possible that the Debtors may not satisfy the closing conditions of the Sale if the Debtors determine to pursue the Sale. A failure to satisfy any of the closing conditions of the Sale related thereto

could prevent the Sale and the Plan from being consummated, which could lead to the Chapter 11 Cases being converted to cases under chapter 7.

C. Risks Related to the Debtors' and the Post-Effective Date Debtors' Business.

1. The Post-Effective Date Debtors May Not Be Able to Generate Sufficient Cash to Service All of Their Indebtedness.

The Post-Effective Date Debtors' ability to make scheduled payments on, or refinance their debt obligations, depends on the Post-Effective Date Debtors' financial condition and operating performance, which are subject to prevailing economic, industry, and competitive conditions and to certain financial, business, legislative, regulatory, and other factors beyond the Post-Effective Date Debtors' control. The Post-Effective Date Debtors may be unable to maintain a level of cash flow from operating activities sufficient to permit the Post-Effective Date Debtors to pay the principal, premium, if any, and interest on their indebtedness, including, without limitation, potential borrowings under the Takeback Term Loan Facility and upon emergence.

2. The Debtors Will Be Subject to the Risks and Uncertainties Associated with the Chapter 11 Cases.

For the duration of the Chapter 11 Cases, the Debtors' ability to operate, develop, and execute a business plan, and continue as a going concern, will be subject to the risks and uncertainties associated with bankruptcy. These risks include the following: (a) ability to develop, confirm, and consummate the Restructuring Transactions specified in the Plan; (b) ability to obtain Bankruptcy Court approval with respect to motions Filed in the Chapter 11 Cases from time to time; (c) ability to maintain relationships with suppliers, vendors, service providers, customers, employees, and other third parties; (d) ability to maintain contracts that are critical to the Debtors' operations; (e) ability of third parties to seek and obtain Bankruptcy Court approval to terminate contracts and other agreements with the Debtors; (f) ability of third parties to seek and obtain Bankruptcy Court approval to terminate or shorten the exclusivity period for the Debtors to propose and confirm a chapter 11 plan, to appoint a chapter 11 trustee, or to convert the Chapter 11 Cases to chapter 7 proceedings; and (g) the actions and decisions of the Debtors' creditors and other third parties who have interests in the Chapter 11 Cases that may be inconsistent with the Debtors' plans.

These risks and uncertainties could affect the Debtors' business and operations in various ways. For example, negative events associated with the Chapter 11 Cases could adversely affect the Debtors' relationships with suppliers, service providers, customers, employees, and other third parties, which in turn could adversely affect the Debtors' operations and financial condition. Also, the Debtors will need the prior approval of the Bankruptcy Court for transactions outside the ordinary course of business, which may limit the Debtors' ability to respond timely to certain events or take advantage of certain opportunities. Because of the risks and uncertainties associated with the Chapter 11 Cases, the Debtors cannot accurately predict or quantify the ultimate impact of events that occur during the Chapter 11 Cases that may be inconsistent with the Debtors' plans.

3. Operating in Bankruptcy for a Long Period of Time May Harm the Debtors' Business.

The Debtors' future results will be dependent upon the successful confirmation and implementation of a plan of reorganization. A long period of operations under Bankruptcy Court protection could have a material adverse effect on the Debtors' business, financial condition, results of operations, and liquidity. So long as the proceedings related to the Chapter 11 Cases continue, senior management will be required to spend a significant amount of time and effort dealing with the

reorganization instead of focusing exclusively on business operations. A prolonged period of operating under Bankruptcy Court protection also may make it more difficult to retain management and other key personnel necessary to the success and growth of the Debtors' business. In addition, the longer the proceedings related to the Chapter 11 Cases continue, the more likely it is that customers and suppliers will lose confidence in the Debtors' ability to reorganize their business successfully and will seek to establish alternative commercial relationships.

So long as the proceedings related to the Chapter 11 Cases continue, the Debtors will be required to incur substantial costs for professional fees and other expenses associated with the administration of the Chapter 11 Cases. Furthermore, the Debtors cannot predict the ultimate amount of all settlement terms for the liabilities that will be subject to a plan of reorganization. Even after a plan of reorganization is approved and implemented, the Post-Effective Date Debtors' operating results may be adversely affected by the possible reluctance of prospective lenders and other counterparties to do business with a company that recently emerged from bankruptcy protection.

4. Financial Results May Be Volatile and May Not Reflect Historical Trends.

The Financial Projections attached hereto as **Exhibit E** are based on assumptions that are an integral part of the projections, including Confirmation and Consummation of the Plan in accordance with its terms, the anticipated future performance of the Debtors, industry performance, general business and economic conditions, and other matters, many of which are beyond the control of the Debtors and some or all of which may not materialize.

In addition, unanticipated events and circumstances occurring after the date hereof may affect the actual financial results of the Debtors' operations. These variations may be material and may adversely affect the value of the Reorganized Equity and the ability of the Debtors to make payments with respect to their indebtedness. Because the actual results achieved may vary from projected results, perhaps significantly, the Financial Projections should not be relied upon as a guarantee or other assurance of the actual results that will occur.

Further, during the Chapter 11 Cases, the Debtors expect that their financial results will continue to be volatile as restructuring activities and expenses, contract terminations and rejections, and claims assessments significantly impact the Debtors' consolidated financial statements. As a result, the Debtors' historical financial performance likely will not be indicative of their financial performance after the Petition Date. In addition, if the Debtors emerge from the Chapter 11 Cases, the amounts reported in subsequent consolidated financial statements may materially change relative to historical consolidated financial statements, including as a result of revisions to the Debtors' operating plans pursuant to a plan of reorganization. The Debtors also may be required to adopt fresh start accounting, in which case their assets and liabilities will be recorded at fair value as of the fresh start reporting date, which may differ materially from the recorded values of assets and liabilities on the Debtors' consolidated balance sheets. The Debtors' financial results after the application of fresh start accounting also may be different from historical trends.

Finally, the business plan was developed by the Debtors with the assistance of their advisors. There can be no assurances that the Debtors' business plan will not change, perhaps materially, as a result of decisions that the board of directors may make after fully evaluating the strategic direction of the Debtors and their business plan. Any deviations from the Debtors' existing business plan would necessarily cause a deviation.

5. The Debtors' Business is Subject to Various Laws and Regulations That Can Adversely Affect the Cost, Manner, or Feasibility of Doing Business.

The Debtors' operations are subject to various federal, state, and local laws and regulations, including occupational health and safety laws, employment laws, and evolving environmental standards. The Debtors may be required to make large expenditures to comply with such regulations. Failure to comply with these laws and regulations may result in the suspension or termination of operations and subject the Debtors to administrative, civil and criminal penalties, which could have a material adverse effect on the business, financial condition, results of operations and cash flows of the Post-Effective Date Debtors.

6. The Post-Effective Date Debtors May Be Adversely Affected by Potential Litigation, Including Litigation Arising Out of the Chapter 11 Cases.

In the future, the Post-Effective Date Debtors may become parties to litigation. In general, litigation can be expensive and time consuming to bring or defend against. Such litigation could result in settlements or damages that could significantly affect the Post-Effective Date Debtors' financial results. It is also possible that certain parties will commence litigation with respect to the treatment of their Claims under the Plan. It is not possible to predict the potential litigation that the Post-Effective Date Debtors may become party to, nor the final resolution of such litigation. The impact of any such litigation on the Post-Effective Date Debtors' business and financial stability, however, could be material.

7. The Loss of Key Personnel Could Adversely Affect the Debtors' Operations.

The Debtors' operations are dependent on a relatively small group of key management personnel. The Debtors' recent liquidity issues and the Chapter 11 Cases have created distractions and uncertainty for key management personnel and employees. As a result, the Debtors may experience increased levels of employee attrition. Because competition for experienced personnel can be significant, the Debtors may be unable to find acceptable replacements with comparable skills and experience, and the loss of such key management personnel could adversely affect the Debtors' ability to operate their business. In addition, a loss of key personnel or material erosion of employee morale could have a material adverse effect on the Debtors' ability to meet expectations, thereby adversely affecting the Debtors' business and the results of operations.

8. The Debtors May Not Be Able to Accurately Report Their Financial Results.

The Debtors have established internal controls over financial reporting. However, internal controls over financial reporting may not prevent or detect misstatements or omissions in the Debtors' financial statements because of their inherent limitations, including the possibility of human error, and the circumvention or overriding of controls or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. If the Debtors fail to maintain the adequacy of their internal controls, the Debtors may be unable to provide financial information in a timely and reliable manner within the time periods required under the terms of the agreements governing the Debtors' indebtedness. Any such difficulties or failure could materially adversely affect the Debtors' business, results of operations, and financial condition. Further, the Debtors may discover other internal control deficiencies in the future and/or fail to adequately correct previously identified control deficiencies, which could materially adversely affect the Debtors' business, results of operations, and financial condition.

9. Acquisitions of Companies, Products, or Technologies, or Internal Restructuring and Cost Savings Initiatives May Disrupt the Debtors' Ongoing Business.

The Debtors have acquired and may continue to acquire companies, products, equipment, and technologies that complement their strategic direction. Acquisitions involve significant risks and uncertainties, including:

- inability to successfully integrate the acquired technology and operations into the Debtors' business and maintain uniform standards, controls, policies, and procedures;
- inability to realize synergies expected to result from an acquisition;
- challenges retaining the key employees, customers, and other business partners of the acquired operation; and
- the internal control environment of an acquired entity may not be consistent with the Debtors' standards and may require significant time and resources to improve.

Acquisitions and divestitures are inherently risky. The Debtors' transactions may not be successful and may, in some cases, harm operating results or their financial condition. In addition, if the Debtors use debt to fund acquisitions or for other purposes, their interest expense and leverage may significantly increase. If the Debtors issue equity securities as consideration in an acquisition, current shareholders' percentage ownership and earnings per share may be diluted.

In addition, from time to time, the Debtors may undertake internal restructurings and other initiatives intended to reduce expenses. These initiatives may not lead to the benefits the Debtors expect, may be disruptive to the Debtors' personnel and operations, and may require substantial management time and attention. Moreover, the Debtors could encounter delays in executing their plans, which could entail further disruption and associated costs. If these disruptions result in a decline in productivity of the Debtors' personnel, negative impacts on operations, or if they experience unanticipated expenses associated with these initiatives, the Debtors' business and operating results may be harmed.

10. Cyberattacks or the Improper Disclosure or Control of Personal Information Could Result in Liability and Harm the Debtors' Reputation, Which Could Adversely Affect Its Business.

The Debtors are dependent on networks and systems to process, transmit, and store electronic information and to communicate among the Debtors' locations throughout North America, and they may be required to store sensitive or confidential client data in connection with the services they provide. As a result, the Debtors are subject to contractual terms and numerous U.S. and foreign laws and regulations designed to protect this information. Furthermore, data privacy is subject to frequently changing rules and regulations, which sometimes conflict among the various jurisdictions and countries in which the Debtors provide services. Although the Debtors have implemented appropriate policies and procedures to reduce the possibility of physical, logical, and personnel security breaches, no such measures can completely eliminate the risk of cybersecurity attacks, especially in light of advances in criminal capabilities (including cyber-attacks or cyber intrusions over the internet, malware, computer viruses and the like), discovery of new vulnerabilities, or attempts to exploit existing vulnerabilities in interconnected third party systems that are beyond the Debtors' control systems.

Unauthorized disclosure, either actual perceived, of sensitive or confidential client or customer data, whether through systems failure, system intrusion, employee negligence, fraud, or otherwise could

damage the Debtors' reputation and cause the Debtors to lose clients. Similarly, unauthorized access to or through the Debtors' information systems or those the Debtors develop for clients, whether by the Debtors' employees or third parties, could result in negative publicity, legal liability, and damage to the Debtors' reputation, business, financial condition, results of operations, and cash flows.

While the Debtors have not experienced a significant compromise, significant data loss, or material financial losses related to cyber security attacks that has had an adverse effect on the Debtors' operations to date, there is no assurance that there may not be a material adverse effect in the future. Although the Debtors maintain cyber liability insurance, such insurance may not adequately or timely compensate the Debtors for all losses they may incur as any of the Debtors' client contracts do not contain limitations of liability for such losses.

11. Freight Rates are Impacted by Global Policy and Macroeconomic Conditions, Including Tariff Policies, and May Change Materially.

Freight rates are fluid, can be volatile, and are subject to material impact from changes in global supply and demand for goods and other macroeconomic conditions. Current shifts in tariff and other policy have caused significant volatility in import and export volume which, in turn, has caused volatility in freight rates. Such volatility may continue, is outside of the Debtors' control, and could materially impact the Debtors' business, financial condition, results of operations, and cash flows.

12. The Wind Down Amount, If Any, May Change Materially.

On or prior to the Effective Date and if the Debtors elect to pursue the Wind Down, the Debtors shall establish the Wind Down Debtor Account by depositing Cash on hand in the amount of the Wind Down Amount into the Wind Down Debtor Account. The Wind Down Debtor Account shall be used by the Post-Effective Date Debtors to (a) fund the estimated fees, costs, and expenses necessary to fully administer and wind down the Debtors' Estates, including the fees, costs, and expenses of the Post-Effective Date Debtors to wind down the Debtors' Estates, and (b) pay in full in Cash all Claims required to be paid under the Bankruptcy Code and Plan in order for the Effective Date to occur or otherwise assumed or required to be paid under the terms of the Plan, in each case to the extent not liquidated and paid in full in Cash on the Effective Date; *provided* that all costs and expenses associated with such wind down and the storage of records and documents shall constitute expenses of the Wind Down Debtors and shall be paid from the Wind Down Debtor Account. Creditors should be aware that such numbers may change, potentially materially, and any changes to the actual expenses and revenues will ultimately impact the amount of Sale proceeds available to be paid to creditors under the Plan.

D. Risks Related to the Offer and Issuance of Securities Under the Plan.

1. The Debtors Do Not Intend to Register the Offer or Sale of Reorganized Equity and Certain Holders of Reorganized Equity May Be Restricted in Their Ability to Transfer or Sell Their Securities.

The Reorganized Equity will not be registered under the Securities Act or any Blue-Sky Laws. As summarized in Article XII of this Disclosure Statement, entitled "CERTAIN SECURITIES LAW MATTERS," certain of the Reorganized Equity may not be re-offered or resold except pursuant to an exemption from the registration requirements of the Securities Act and applicable Blue-Sky Laws. The Debtors do not intend currently to register the Reorganized Equity under the Securities Act. As a result, the Reorganized Equity may be transferred or resold only in transactions exempt from the securities registration requirements of federal and applicable state Laws.

The Debtors currently expect that all of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) issued after the Petition Date in exchange for the Claims described above should satisfy the requirements of section 1145(a) of the Bankruptcy Code. Accordingly, the Debtors believe that such Reorganized Equity (i) will not be "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (ii) will be freely tradeable and transferable without registration under the Securities Act in the United States by the recipients thereof that are not, and have not been within 90 days of such transfer, an "affiliate" of the Debtors as defined in Rule 144(a)(1) under the Securities Act, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 1145(b) of the Bankruptcy Code, and compliance with applicable securities laws and any rules and regulations of the SEC or Blue-Sky Laws, if any, applicable at the time of any future transfer of such securities or instruments.

Certain Reorganized Equity, including any Reorganized Equity underlying the Management Incentive Plan, may be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration, will be considered "restricted securities," and may not be sold, exchanged, assigned, or otherwise transferred except pursuant to an effective registration statement under the Securities Act or an available exemption therefrom, pursuant to applicable Blue-Sky Laws, and any other applicable securities laws. Holders of such restricted securities may not be entitled to have their restricted securities registered and are not permitted to resell them except in accordance with an available exemption from registration under the Securities Act. Generally, Rule 144 of the Securities Act provides a limited safe harbor for the public resale of restricted securities received by a Person if a specified holding period if current information regarding the issuer is publicly available and, under certain circumstances, volume limitations, manner of sale requirements and certain other conditions are met. These conditions vary depending on whether the issuer is a reporting issuer and whether the holder of the restricted securities is an "affiliate" of the issuer. Rule 144 defines an "affiliate" as "a person that directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer." A non-affiliate who has not been an affiliate of the issuer during the preceding three months may resell restricted securities of an issuer that does not file reports with the SEC pursuant to Rule 144 after a one-year holding period. An affiliate may resell restricted securities of an issuer that does not file reports with the SEC under Rule 144 after such holding period, as well as other securities without a holding period, but only if certain current public information regarding the issuer is available at the time of the sale and only if the affiliate also complies with the volume, manner of sale and notice requirements of Rule 144. The Debtors do not intend to make publicly available the requisite information regarding the Debtors, and, as a result, even after the holding period, Rule 144 may not be available for resales of such Reorganized Equity Interests by affiliates of the issuer. Restricted securities (as well as other securities held by affiliates) may be resold without holding periods under other exemptions from registration, including Rule 144A under the Securities Act and Regulation S under the Securities Act, but only in compliance with the conditions of such exemptions from registration.

In addition, in connection with resales of any Reorganized Equity offered, issued, and distributed pursuant to Regulation S under the Securities Act: (i) the offer or sale, if made prior to the expiration of the one-year distribution compliance period, may not be made to a U.S. person or for the account or benefit of a U.S. person (other than a distributor); and (ii) the offer or sale, if made prior to the expiration of the applicable one-year or six-month distribution compliance period, is made pursuant to the following conditions: (a) the purchaser (other than a distributor) certifies that it is not a U.S. person and is not acquiring the securities for the account or benefit of any U.S. person or is a U.S. person who purchased securities in a transaction that did not require registration under the Securities Act; and (b) the purchaser agrees to resell such securities only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration and agrees

not to engage in hedging transactions with regard to such securities unless in compliance with the Securities Act.

The Debtors make no representation regarding the right of any Holder of Reorganized Equity to freely resell such securities. *See* Article XII of this Disclosure Statement, entitled "CERTAIN SECURITIES LAW MATTERS."

2. A Liquid Trading Market for the Reorganized Equity May Not Develop.

The Reorganized Equity will be a new issuance of securities and is expected to include "restricted securities" under the Securities Act, and there is no established trading market for such securities. An active trading market for those securities may never develop or, if developed, may not be sustained. The Debtors do not expect to list the Reorganized Equity on any securities exchange as of the Effective Date and will not meet the eligibility requirements of the DTC. The Debtors make no assurance that a liquid trading market for any of the Reorganized Equity will develop. The liquidity of any market for Reorganized Equity will depend upon, among other things, the number of holders of Reorganized Equity, the Debtors' financial performance, and the market for similar securities, none of which can be determined or predicted. Accordingly, there can be no assurance that an active trading market for the Reorganized Equity will develop, nor can any assurance be given as to the liquidity or prices at which such securities might be traded. In the event an active trading market does not develop, the ability to transfer or sell Reorganized Equity may be substantially limited. The lack of an active market may also impair your ability to sell your Reorganized Equity at the time you wish to sell them or at a price you consider reasonable. The lack of an active market may also reduce the market price of your Reorganized Equity. Accordingly, you may be required to bear the financial risk of your ownership of the Reorganized Equity indefinitely. Further, transfers of the Reorganized Equity held by certain holders will be subject to transfer restrictions under applicable securities laws and/or the New Governance Documents.

In addition, the Post-Effective Date Debtors do not intend to be voluntarily subject to the reporting requirements of the Securities Act, and Holders of the Reorganized Equity will not be entitled to any information except as expressly required by the New Governance Documents. As a result, the information which the Debtors are required to provide in order to issue the Reorganized Equity may be less than the Debtors would be required to provide if the Reorganized Equity were registered. Among other things, the Debtors may not be required to provide: (a) separate financial information for any subsidiary; (b) selected historical consolidated financial data of STG Logistics; (c) selected quarterly financial data of STG Logistics; (d) certain information about the Debtors' disclosure controls and procedures and their internal controls over financial reporting; and (e) certain information regarding the Debtors' executive compensation policies and practices and historical compensation information for their executive officers. This lack of information could impair your ability to evaluate your ownership and impair the marketability of the Reorganized Equity.

3. Certain of the Reorganized Equity will be Subject to Resale Restrictions and May Not Be Resold or Otherwise Transferred Unless They Are Registered Under the Securities Act or an Exemption from Registration Applies.

Upon the Effective Date, to the extent permitted and available, the Reorganized Equity may be issued in reliance upon section 1145(a) of the Bankruptcy Code to exempt from registration under the Securities Act and Blue-Sky Laws the offer, issuance, and distribution of Reorganized Equity. Holders of Reorganized Equity who are deemed to be "underwriters" under section 1145(b) of the Bankruptcy Code will also be subject to restrictions under the Securities Act on their ability to resell those securities.

Holders of such restricted securities may not be entitled to have their "restricted securities" registered under the Securities Act and will be required to agree not to resell them except in accordance with an available exemption from registration under the Securities Act or applicable Securities Laws.

However, certain Reorganized Equity issued pursuant to the Plan, including pursuant to the Management Incentive Plan, are expected to be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, will be deemed "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and may not be sold, exchanged, assigned, or otherwise transferred unless they are registered, or an available exemption from registration applies, under the Securities Act, any state securities laws, or the laws of any other jurisdiction.

In addition, holders of Reorganized Equity issued pursuant to Section 1145(a) of the Bankruptcy Code who are deemed to be "underwriters" under Section 1145(b) of the Bankruptcy Code will also be subject to resale restrictions. Further, any Reorganized Equity issued pursuant to section 1145(a) of the Bankruptcy Code may be subject to additional restriction on resale pursuant to federal, state or local securities laws and regulations at the time of any future transfer of such Reorganized Equity, as applicable. See Article XII of this Disclosure Statement for a further discussion of the transfer restrictions applicable to the securities.

X. SOLICITATION AND VOTING PROCEDURES.

This Disclosure Statement, which is accompanied by a Ballot to be used for voting on the Plan, is being distributed to the Holders of Claims in those Classes that are entitled to vote to accept or reject the Plan.

A. Holders of Claims Entitled to Vote on the Plan.

Holders of Claims in Classes ~~3~~3A, ~~4A~~3B, ~~4B~~3C, ~~4C~~4, ~~5~~6, and ~~7~~7B (the "Voting Classes") are entitled to vote to accept or reject the Plan. The Holders of Claims in the Voting Classes are Impaired under the Plan and may, in certain circumstances, receive a distribution under the Plan. Accordingly, Holders of Claims in the Voting Classes have the right to vote to accept or reject the Plan. The Debtors are ***not*** soliciting votes from Holders of Claims, Intercompany Interests, or Equity Interests in Classes 1, 2, ~~6~~5, 7A, 8, 9, 10, or 11~~, or 12~~.

THE DISCUSSION OF THE SOLICITATION AND VOTING PROCESS SET FORTH IN THIS DISCLOSURE STATEMENT IS ONLY A SUMMARY.

PLEASE REFER TO THE DISCLOSURE STATEMENT ORDER AND SOLICITATION PROCEDURES FOR A MORE COMPREHENSIVE DESCRIPTION OF THE SOLICITATION AND VOTING PROCESS.

B. Voting on the Plan.

The Voting Deadline is **May ~~8~~15, 2026, at 5:00 p.m. (prevailing Eastern Time)**. In order to be counted as votes to accept or reject the Plan, all Ballots must be properly executed, completed, and delivered as directed, so that your ballot or the master ballot containing your vote is actually received by the Claims and Noticing Agent on or before the Voting Deadline. Ballots or master ballots returned by facsimile will not be counted.

C. Ballots Not Counted.

No ballot will be counted toward Confirmation if, among other things: (i) any Ballot that is illegible or contains insufficient information to permit the identification of the Holder of such Claim; (ii) any Ballot cast by any Entity that does not hold a Claim in a Voting Class; (iii) any Ballot cast for a Claim scheduled as unliquidated, contingent, or disputed for which no Proof of Claim was timely filed by the Voting Record Date (unless the applicable bar date has not yet passed, in which case such Claim shall be entitled to vote in the amount of $1.00); (iv) any unsigned Ballot; (v) any Ballot not marked to accept or reject the Plan or marked both to accept and reject the Plan; (vi) any Ballot sent to any of the Debtors, the Debtors' agents or representatives, or the Debtors' advisors (other than the Claims and Noticing Agent); and (vii) any Ballot submitted by any Entity not entitled to vote pursuant to the procedures described in the Disclosure Statement Order and the Solicitation Procedures attached thereto.

D. Votes Required for Acceptance by a Class.

Under the Bankruptcy Code, acceptance of a plan of reorganization by a class of claims or interests is determined by calculating the amount and, if a class of claims, the number, of claims and interests voting to accept, as a percentage of the allowed claims or interests, as applicable, that have voted. Acceptance by a class of claims requires an affirmative vote of more than one-half in number of total allowed claims that have voted and an affirmative vote of at least two-thirds in dollar amount of the total allowed claims that have voted. Acceptance by a class of interests requires an affirmative vote of at least two-thirds in amount of the total allowed interests that have voted.

E. Certain Factors to Be Considered Prior to Voting.

There are a variety of factors that all Holders of Claims entitled to vote on the Plan should consider prior to voting to accept or reject the Plan. These factors may impact recoveries under the Plan and include, among other things:

- unless otherwise specifically indicated, the financial information contained in this Disclosure Statement has not been audited and is based on an analysis of data available at the time of the preparation of the Plan and the Disclosure Statement;
- although the Debtors believe that the Plan complies with all applicable provisions of the Bankruptcy Code, the Debtors can neither assure such compliance nor that the Bankruptcy Court will confirm the Plan;
- the Debtors may request Confirmation without the acceptance of the Plan by all Impaired Classes in accordance with section 1129(b) of the Bankruptcy Code; and
- any delays of either Confirmation or Consummation could result in, among other things, increased Administrative Claims and Professional Fee Claims.

While these factors could affect distributions available to Holders of Allowed Claims and Allowed Equity Interests and Intercompany Interests under the Plan, the occurrence or impact of such factors may not necessarily affect the validity of the vote of the Voting Classes or necessarily require a re-solicitation of the votes of Holders of Claims in the Voting Classes pursuant to section 1127 of the Bankruptcy Code.

For a further discussion of risk factors, please refer to "Risk Factors" described in Article IX of this Disclosure Statement.

F. Solicitation Procedures.

1. Claims and Noticing Agent.

The Debtors have retained Epiq Corporate Restructuring, LLC to act as, among other things, the Claims and Noticing Agent in connection with the solicitation of votes to accept or reject the Plan.

2. Solicitation Package.

The following materials constitute the solicitation package distributed to Holders of Claims in the Voting Classes (collectively, the "Solicitation Package"): (a) the Solicitation Procedures; (b) the applicable forms of Ballots, together with detailed voting instructions and instructions on how to submit the Ballots; (c) the Cover Letter, which describes the contents of the Solicitation Package and urges Holders of Claims in the Voting Classes to vote to accept the Plan; (d) the Confirmation Hearing Notice; (e) this Disclosure Statement (and the exhibits hereto, including the Plan); (f) the Disclosure Statement Order (without exhibits, except for the Solicitation Procedures); (g) a pre-addressed, postage pre-paid reply envelope (if applicable); and (h) any additional documents that the Court has ordered to be made available to Holders of Claims in the Voting Classes.

3. Distribution of the Solicitation Package and Plan Supplement.

The Debtors are causing the Claims and Noticing Agent to distribute the Solicitation Package to Holders of Claims in the Voting Classes no later than three business days following entry of the Disclosure Statement Order, which is 2~~3~~8 days before the Voting Deadline (*i.e.*, 5:00 p.m. (prevailing Eastern Time) on May ~~8~~15, 2026).

The Solicitation Package (except the Ballot) may also be obtained from the Claims and Noticing Agent by: (a) calling the Debtors' restructuring hotline at (888) 827-0433 (domestic, toll free) or +1 (971) 402–2181 (international), (b) emailing STGLogistics@epiqglobal.com, and/or (c) writing to the Claims and Noticing Agent at STG Logistics, Inc. Claims Processing Center, c/o Epiq Corporate Restructuring, LLC, 10300 SW Allen Blvd., Beaverton, OR 97005. You may also obtain copies of any pleadings Filed with the Bankruptcy Court for free by visiting the Debtors' restructuring website, https://dm.epiq11.com/STGLogistics (free of charge), or for a fee via PACER at https://www.pacer.gov/.

The Debtors shall file the initial Plan Supplement, to the extent reasonably practicable, with the Bankruptcy Court by May ~~10~~8, 2026. If the Plan Supplement is updated or otherwise modified, such modified or updated documents will be made available on the Debtors' restructuring website.

XI. CONFIRMATION OF THE PLAN.

A. The Confirmation Hearing.

Under section 1128(a) of the Bankruptcy Code, the Bankruptcy Court, after notice, may hold a hearing to confirm a plan of reorganization. The Confirmation Hearing may, however, be continued or adjourned from time to time without further notice to parties in interest other than an adjournment announced in open court or a notice of adjournment Filed with the Bankruptcy Court and served in accordance with the Bankruptcy Rules. Subject to section 1127 of the Bankruptcy Code and the Restructuring Support Agreement, the Plan may be modified, if necessary, prior to, during, or as a result of the Confirmation Hearing, without further notice to parties in interest.

Additionally, section 1128(b) of the Bankruptcy Code provides that a party in interest may object to Confirmation. An objection to Confirmation of the Plan must be Filed with the Bankruptcy Court and

served on the Debtors and certain other parties in interest in accordance with the applicable order of the Bankruptcy Court so that it is actually received on or before the deadline to file such objections as set forth therein.

B. Requirements for Confirmation of the Plan.

Among the requirements for Confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code are: (1) the Plan is accepted by all Impaired Classes of Claims, Intercompany Interests, or Equity Interests, or if rejected by an Impaired Class, the Plan "does not discriminate unfairly" and is "fair and equitable" as to the rejecting Impaired Class; (2) the Plan is feasible; and (3) the Plan is in the "best interests" of Holders of Claims, Intercompany Interests, or Equity Interests.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the Plan satisfies all of the requirements of section 1129 of the Bankruptcy Code. The Debtors believe that: (1) the Plan satisfies, or will satisfy, all of the necessary statutory requirements of chapter 11 for plan confirmation; (2) the Debtors have complied, or will have complied, with all of the necessary requirements of chapter 11 for plan confirmation; and (3) the Plan has been proposed in good faith.

C. Feasibility.

Section 1129(a)(11) of the Bankruptcy Code requires that confirmation of a plan of reorganization is not likely to be followed by the liquidation, or the need for further financial reorganization of the debtor, or any successor to the debtor (unless such liquidation or reorganization is proposed in such plan of reorganization).

To determine whether the Plan meets this feasibility requirement, the Debtors, with the assistance of their advisors, have analyzed their ability to meet their respective obligations under the Plan. As part of this analysis, the Debtors have prepared their projected consolidated balance sheet, income statement, and statement of cash flows (the "Financial Projections"). Creditors and other interested parties should review Article IX of this Disclosure Statement, entitled "Risk Factors.," for a discussion of certain factors that may affect the future financial performance of the Post-Effective Date Debtors.

~~The Debtors intend to file~~Based upon the Financial Projections ~~in~~, the ~~coming weeks, and~~Debtors believe ~~those projections will show~~ that they will be a viable operation following the Chapter 11 Cases and that the Plan will meet the feasibility requirements of the Bankruptcy Code.

D. Acceptance by Impaired Classes.

The Bankruptcy Code requires, as a condition to confirmation, except as described in the following section, that each class of claims or equity interests impaired under a plan, accept the plan. A class that is not "impaired" under a plan is deemed to have accepted the plan and, therefore, solicitation of acceptances with respect to such a class is not required.[~~26~~28]

Section 1126(c) of the Bankruptcy Code defines acceptance of a plan by a class of impaired claims as acceptance by holders of at least two-thirds in dollar amount and more than one-half in a

[~~26~~28] A class of claims is "impaired" within the meaning of section 1124 of the Bankruptcy Code unless the plan (a) leaves unaltered the legal, equitable and contractual rights to which the claim or equity interest entitles the holder of such claim or equity interest or (b) cures any default, reinstates the original terms of such obligation, compensates the holder for certain damages or losses, as applicable, and does not otherwise alter the legal, equitable, or contractual rights to which such claim or equity interest entitles the holder of such claim or equity interest.

number of allowed claims in that class, counting only those claims that have *actually* voted to accept or to reject the plan. Thus, a class of Claims will have voted to accept the Plan only if two-thirds in amount and a majority in number of the Allowed Claims in such class that vote on the Plan actually cast their ballots in favor of acceptance.

Section 1126(d) of the Bankruptcy Code defines acceptance of a plan by a class of impaired equity interests as acceptance by holders of at least two-thirds in amount of allowed interests in that class, counting only those interests that have *actually* voted to accept or to reject the plan. Thus, a Class of Equity Interests or Intercompany Interests will have voted to accept the Plan only if two-thirds in amount of the Allowed Equity Interests or Intercompany Interests in such class that vote on the Plan actually cast their ballots in favor of acceptance.

Pursuant to Article III.E of the Plan, if a Class that contains Claims, Intercompany Interests, or Equity Interests is eligible to vote and no Holders of Claims, Intercompany Interests, or Equity Interests eligible to vote in such Class vote to accept or reject the Plan, the Holders of such Claims, Intercompany Interests, or Equity Interests in such Class shall be deemed to have accepted the Plan.

E. Confirmation Without Acceptance by All Impaired Classes.

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if all impaired classes have not accepted it; *provided* that the plan has been accepted by at least one impaired class. Pursuant to section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class's rejection or deemed rejection of the plan, the plan will be confirmed, at the plan proponent's request, in a procedure commonly known as a "cramdown" so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of claims or equity interests that is impaired under, and has not accepted, the plan.

If any Impaired Class rejects the Plan, the Debtors reserve the right to seek to confirm the Plan utilizing the "cramdown" provision of section 1129(b) of the Bankruptcy Code. To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Debtors may request Confirmation of the Plan, as it may be modified from time to time, under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to alter, amend, modify, revoke, or withdraw the Plan or any Plan Supplement document, including the right to amend or modify the Plan or any Plan Supplement document to satisfy the requirements of section 1129(b) of the Bankruptcy Code.

1. No Unfair Discrimination.

The "unfair discrimination" test applies to classes of claims or interests that are of equal priority and are receiving different treatment under a plan. The test does not require that the treatment be the same or equivalent, but that treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims or interests of equal rank (*e.g.*, classes of the same legal character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly. A plan could treat two classes of unsecured creditors differently without unfairly discriminating against either class.

2. Fair and Equitable Test.

The "fair and equitable" test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100 percent of the amount of the allowed claims in the class. As to the dissenting class, the test sets different standards depending upon the type of claims or equity interests in the class.

The Debtors submit that if the Debtors "cramdown" the Plan pursuant to section 1129(b) of the Bankruptcy Code, the Plan is structured so that it does not "discriminate unfairly" and satisfies the "fair and equitable" requirement. With respect to the unfair discrimination requirement, all Classes under the Plan are provided treatment that is substantially equivalent to the treatment that is provided to other Classes that have equal rank. With respect to the fair and equitable requirement, no Class under the Plan will receive more than 100 percent of the amount of Allowed Claims, Intercompany Interests, or Equity Interests in that Class. The Debtors believe that the Plan and the treatment of all Classes of Claims, Intercompany Interests, or Equity Interests under the Plan satisfy the foregoing requirements for nonconsensual Confirmation of the Plan.

F. Valuation.

As described above, the Debtors continue to engage with multiple bidders with respect to a potential Sale. Because the Debtors do not want to prejudice the competitive sale process by disclosing expected recoveries, this Disclosure Statement does not include a valuation analysis. *See* 11 U.S.C. § 1125(b) ("The court may approve a disclosure statement without a valuation of the debtor or an appraisal of the debtor's assets."); *In re EXP OldCo Winddown, Inc.*, No. 24-10831 (KBO), (Bankr. D. Del. Nov. 1, 2024), (ECF No. 969) (order approving disclosure statement without a valuation analysis); *In re Sunpower Corporation*, No. 24-11649 (CTG), (Bankr. D. Del. Sep. 30, 2024) (ECF No. 872) (same); *In re Cyxtera Technologies, Inc.*, No. 23-14853 (JKS) (Bankr. D.N.J. Sept. 26, 2023) (ECF No. 563) (same); *In re SiO2 Medical Products, Inc.*, No. 23-10366 (JTD) (Bankr. D. Del. June 9, 2023) (ECF No. 378) (same). Nevertheless, the Bidding Procedures Order set a Minimum Bid Requirement (as defined in the Bidding Procedures Order) that effectively set a minimum bid for the Debtors in the range of $404 million.[29] Sale participants are actively engaged regarding bids exceeding the Minimum Bid Requirement. Unless a Toggle Trigger Event occurs, the Plan will implement the Recapitalization Transaction, and the Debtors intend to file a valuation ~~analysis~~ with respect to the Recapitalization Transaction five business days in advance of the Confirmation ~~Hearing, to the extent necessary to obtain confirmation of the Plan~~Objection Deadline.

G. Liquidation Analysis.

Often called the "best interests" test, section 1129(a)(7) of the Bankruptcy Code requires that a bankruptcy court find, as a condition to confirmation, that a chapter 11 plan provides, with respect to each impaired class, that each Holder of a Claim, Equity Interest, or Intercompany Interest in such impaired class either (a) has accepted the plan or (b) will receive or retain under the plan property of a value that is not less than the amount that the non-accepting Holder would receive or retain if the debtors liquidated under chapter 7.

~~The~~Attached hereto as **Exhibit D** and incorporated herein by reference is a liquidation analysis (the "Liquidation Analysis") prepared by the Debtors' financial and restructuring advisors, AlixPartners and K&E~~, are preparing a liquidation analysis of the Debtors' business under chapter 7 of the Bankruptcy Code (the "Liquidation Analysis"). The Debtors intend to file~~. As reflected in the Liquidation Analysis~~in~~, the ~~coming weeks, and~~Debtors believe ~~the analysis will show~~ that liquidation of the Debtors' business under chapter 7 of the Bankruptcy Code would result in substantial diminution in the value to be realized by Holders of Claims, Intercompany Interests, or Equity Interests as compared to distributions contemplated under the Plan. Consequently, the Debtors and their management believe that

[29] For illustrative purposes only, if a Sale Transaction (as defined in the Bidding Procedures Order) were to have closed on April 2, 2026, the Minimum Bid Requirement would have been $404,057,300.37.

Confirmation of the Plan will provide a substantially greater return to Holders of Claims, Intercompany Interests, or Equity Interests than would a liquidation under chapter 7 of the Bankruptcy Code.

XII. CERTAIN SECURITIES LAW MATTERS.

A. Reorganized Equity.

As discussed herein, the Plan provides for the offer, sale, issuance, and distribution of Reorganized Equity to certain Holders of prepetition Claims against the Debtors. The Debtors believe that the Reorganized Equity will be "securities," as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code and any applicable state securities laws.

The Debtors further believe that the issuance of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) after the Petition Date pursuant to the restructuring transactions under the Plan is, and subsequent transfers of such Reorganized Equity by the holders thereof that are not "underwriters" (which definition includes "Controlling Persons") will be, exempt from federal and state securities registration requirements under section 1145 of the Bankruptcy Code, Securities Act, Blue-Sky Laws, and any applicable similar U.S. federal, state, or local securities laws as described in more detail below, except in certain limited circumstances.

In addition, any Reorganized Equity underlying the Management Incentive Plan are expected to be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, will be deemed "restricted securities" as defined in Rule 144(a)(4) under the Securities Act, and may not be resold, exchanged, assigned, or otherwise transferred unless they are registered, or an exemption from registration applies, under the Securities Act, any state securities laws, or the laws of any other jurisdiction. Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder provide that the offering, issuance, and distribution of securities by an issuer in transactions not involving any public offering are exempt from registration under the Securities Act. Regulation S under the Securities Act provides an exemption from registration under the Securities Act for the offering, issuance, and distribution of securities in certain transactions outside of the United States to certain persons not considered "U.S. persons" as defined in Regulation S under the Securities Act.

The discussion of the issuance and transferability of the Reorganized Equity in this Disclosure Statement relates solely to matters arising under U.S. federal securities laws and state securities laws. The rights of holders of Reorganized Equity including the right to transfer such interests, will also be subject to any restrictions in the New Governance Documents, to the extent applicable. Recipients of the Reorganized Equity are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act, Blue-Sky Laws, and any other applicable state or local securities laws.

B. Exemption from Registration Requirements; Issuance of Reorganized Equity under the Plan.

All of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) are expected to be issued on the Effective Date without registration under the Securities Act, Blue-Sky Laws, or any similar U.S. federal, state, or local law, in reliance on section 1145(a) of the Bankruptcy Code, unless not permitted and available.

Section 1145 of the Bankruptcy Code provides, among other things, that Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration for the offer, sale,

issuance, or distribution of a security do not apply to the offer, sale, issuance, or distribution of stock, options, warrants or other securities of a debtor, or an affiliate participating in a joint plan with a debtor, or a successor to a debtor under the Plan, if (1) the offer or sale occurs under a plan of reorganization of the debtor, (2) the recipients of the securities hold a claim against, an interest in, or claim for administrative expense against, the debtor or an affiliate thereof participating in the plan of reorganization, and (3) the securities are offered, sold, issued, or distributed (i) in exchange for a claim against, an interest in, or a claim for an administrative expense in the case concerning, a debtor or an affiliate thereof participating in the plan of reorganization, or (ii) principally in such exchange and partly for cash or property. The Debtors currently expect that all of the Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) issued after the Petition Date in exchange for the Claims described above should satisfy the requirements of section 1145(a) of the Bankruptcy Code.

Any Reorganized Equity underlying the Management Incentive Plan are expected to be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any similar U.S. federal, state, or local law.

Accordingly, no registration statement will be filed under the Securities Act or any state securities laws with respect to the initial offer, issuance, and distribution of Reorganized Equity. Recipients of the Reorganized Equity are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act, Blue-Sky Laws, and any applicable federal, state, or local securities laws. As discussed below, the exemptions provided for in section 1145(a) do not apply to an entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code.

C. Resales of Reorganized Equity; Definition of "Underwriter" Under Section 1145(b) of the Bankruptcy Code.

1. Resales of Reorganized Equity Issued Pursuant to Section 1145 of the Bankruptcy Code.

Reorganized Equity (other than any Reorganized Equity underlying the Management Incentive Plan) to the extent offered, issued, and distributed pursuant to section 1145 of the Bankruptcy Code, (i) will not be "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and (ii) will be transferable without registration under the Securities Act in the United States by the recipients thereof that are not, and have not been within 90 days of such transfer, an "affiliate" of the Debtors as defined in Rule 144(a)(1) under the Securities Act, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 1145(b) of the Bankruptcy Code, and in compliance with applicable securities laws and any rules and regulations of the SEC or Blue-Sky Laws, if any, applicable at the time of any future transfer of such securities or instruments.

Section 1145(b)(1) of the Bankruptcy Code defines an "underwriter" as one who, except with respect to "ordinary trading transactions" of an entity that is not an "issuer": (1) purchases a claim against, interest in, or claim for an administrative expense in the case concerning, the debtor, if such purchase is with a view to distribution of any security received or to be received in exchange for such claim or interest; (2) offers to sell securities offered or sold under a plan for the holders of such securities; (3) offers to buy securities offered or sold under a plan from the holders of such securities, if such offer to buy is (a) with a view to distribution of such securities and (b) under an agreement made in connection with the plan, with the consummation of the plan, or with the offer or sale of securities under the plan; or (4) is an issuer of the securities within the meaning of section 2(a)(11) of the Securities Act.

In addition, a Person who receives a fee in exchange for purchasing an issuer's securities could also be considered an underwriter within the meaning of section 2(a)(11) of the Securities Act.

The definition of an "issuer" for purposes of whether a Person is an underwriter under section 1145(b)(1)(D) of the Bankruptcy Code, by reference to section 2(a)(11) of the Securities Act, includes as "statutory underwriters" all "affiliates," which are all Persons who, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with, an issuer of securities. The reference to "issuer," as used in the definition of "underwriter" contained in section 2(a)(11) of the Securities Act, is intended to cover "Controlling Persons" of the issuer of the securities. "Control," as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. Accordingly, an officer or director of a reorganized debtor or its successor under a plan of reorganization may be deemed to be a "Controlling Person" of the debtor or successor, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor's or its successor's voting securities. In addition, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns 10% or more of a class of securities of a reorganized debtor may be presumed to be a "Controlling Person" and, therefore, an underwriter.

While an affiliate of a reorganized debtor may be offered and issued securities pursuant to section 1145 of the Bankruptcy Code in accordance with certain SEC guidance, certain resales of the Reorganized Equity issued in exchange for Allowed Claims pursuant to the Plan held by Persons deemed to be "underwriters" (which definition includes "Controlling Persons") are not exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Under certain circumstances, holders of such Reorganized Equity who are deemed to be "underwriters" may be entitled to resell their Reorganized Equity pursuant to the limited safe harbor resale provisions of Rule 144 of the Securities Act. Generally, Rule 144 of the Securities Act would permit the public sale of control securities received by such Person if the requirements for sales of such control securities under Rule 144 have been met, including that current information regarding the issuer is publicly available and volume limitations, manner of sale requirements and certain other conditions are met. Whether any particular Person would be deemed to be an "underwriter" (including whether the Person is a "Controlling Person") with respect to the Reorganized Equity would depend upon various facts and circumstances applicable to that Person. Accordingly, the Debtors express no view as to whether any Person would be deemed an "underwriter" with respect to such Reorganized Equity and, in turn, whether any Person may freely trade such Reorganized Equity. However, the Debtors do not intend to make publicly available the requisite information regarding the Debtors, and, as a result, Rule 144 will not be available for resales of such Reorganized Equity by Persons deemed to be underwriters or otherwise.

IN VIEW OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A RECIPIENT OF SECURITIES MAY BE AN UNDERWRITER OR AN AFFILIATE OF THE POST-EFFECTIVE DATE DEBTORS, THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING THE RIGHT OF ANY PERSON TO TRADE IN SECURITIES TO BE DISTRIBUTED PURSUANT TO THE PLAN. ACCORDINGLY, THE DEBTORS RECOMMEND THAT POTENTIAL RECIPIENTS OF REORGANIZED EQUITY CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

2. Resales of Any Reorganized Equity Issued Pursuant to Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or Other Available Exemptions from Registration.

To the extent the exemption set forth Section 1145(a) of the Bankruptcy Code is unavailable, the Reorganized Equity will be offered, issued, and distributed in reliance of Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any similar U.S. federal, state, or local laws. Any Reorganized Equity underlying the Management Incentive Plan will be offered, issued, and distributed in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S under the Securities Act, and/or other available exemptions from registration under the Securities Act, Blue-Sky Laws, and any other applicable securities laws, will be deemed "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and may not be sold, exchanged, assigned, or otherwise transferred except if registered pursuant to an effective registration statement under the Securities Act or an available exemption from registration applies, under the Securities Act, and pursuant to applicable Blue-Sky Laws, or any other applicable U.S. federal, state, or local securities laws.

Generally, Rule 144 of the Securities Act provides a limited safe harbor for the public resale of restricted securities if certain conditions are met. These conditions vary depending on whether the issuer is a reporting issuer and whether the holder of the restricted securities is an "affiliate" of the issuer. Rule 144 defines an affiliate as "a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer." A non-affiliate who has not been an affiliate of the issuer during the preceding three months may resell restricted securities of an issuer that does not file reports with the SEC pursuant to Rule 144 after a one-year holding period. An affiliate may resell restricted securities of an issuer that does not file reports with the SEC under Rule 144 after such holding period, as well as other securities without a holding period, but only if certain current public information regarding the issuer is available at the time of the sale and only if the affiliate also complies with the volume, manner of sale and notice requirements of Rule 144. The Debtors do not intend to make publicly available the requisite information regarding the Debtors, and, as a result, even after the holding period, Rule 144 may not be available for resales of such Reorganized Equity by affiliates of the Debtors. Restricted securities (as well as other securities held by affiliates) may be resold without holding periods under other exemptions from registration, including Rule 144A under the Securities Act and Regulation S under the Securities Act, but only in compliance with the conditions of such exemptions from registration.

In addition, in connection with resales of any Reorganized Equity offered, issued and distributed pursuant to Regulation S under the Securities Act: (i) the offer or sale, if made prior to the expiration of the one-year distribution compliance period (six months for a reporting issuer), may not be made to a U.S. person or for the account or benefit of a U.S. person (other than a distributor); and (ii) the offer or sale, if made prior to the expiration of the applicable one-year, or six-month, distribution compliance period, as appliable, is made pursuant to the following conditions: (a) the purchaser (other than a distributor) certifies that it is not a U.S. person and is not acquiring the securities for the account or benefit of any U.S. person or is a U.S. person who purchased securities in a transaction that did not require registration under the Securities Act; and (b) the purchaser agrees to resell such securities only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration; and agrees not to engage in hedging transactions with regard to such securities unless in compliance with the Securities Act.

Reorganized Equity is deemed "restricted securities" as defined in Rule 144(a)(3) under he Securities Act will bear a restrictive legend. Each certificate or book-entry representing, or issued in

exchange for, or upon the transfer, sale, or assignment of, any such Reorganized Equity deemed "restricted securities" shall be stamped or otherwise imprinted with a legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE WERE ORIGINALLY ISSUED ON [DATE OF ISSUANCE], HAVE NOT BEEN REGISTERED UNDER THE UNITES STATE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE RESOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION."

The Debtors will reserve the right to require certification, legal opinions, or other evidence of compliance with Rule 144 as a condition to the removal of such legend or to any resale of such Reorganized Equity. The Debtors will also reserve the right to stop the transfer of any such Reorganized Equity if such transfer is not registered in compliance with Rule 144 or in compliance with another applicable exemption from registration from applicable securities laws.

Notwithstanding anything to the contrary in this Disclosure Statement, no Entity shall be entitled to require a legal opinion regarding the validity of any transaction contemplated by the Plan or this Disclosure Statement, including, for the avoidance of doubt, whether the Reorganized Equity are exempt from the registration requirements of Section 5 of the Securities Act.

In addition to the foregoing restrictions, the Reorganized Equity will also be subject to any applicable transfer restrictions contained in the New Governance Documents.

PERSONS WHO RECEIVE SECURITIES UNDER THE PLAN ARE URGED TO CONSULT THEIR OWN LEGAL ADVISOR WITH RESPECT TO THE RESTRICTIONS APPLICABLE UNDER THE FEDERAL OR STATE SECURITIES LAWS AND THE CIRCUMSTANCES UNDER WHICH SECURITIES MAY BE SOLD IN RELIANCE ON SUCH LAWS. THE FOREGOING SUMMARY DISCUSSION IS GENERAL IN NATURE AND HAS BEEN INCLUDED IN THIS DISCLOSURE STATEMENT SOLELY FOR INFORMATIONAL PURPOSES. THE DEBTORS MAKE NO REPRESENTATIONS CONCERNING, AND DO NOT PROVIDE, ANY OPINIONS OR ADVICE WITH RESPECT TO THE SECURITIES OR THE BANKRUPTCY MATTERS DESCRIBED IN THIS DISCLOSURE STATEMENT. IN LIGHT OF THE UNCERTAINTY CONCERNING THE AVAILABILITY OF EXEMPTIONS FROM THE RELEVANT PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS, WE ENCOURAGE EACH RECIPIENT OF SECURITIES AND ANY PARTY IN INTEREST TO CONSIDER CAREFULLY AND CONSULT WITH ITS OWN LEGAL ADVISORS WITH RESPECT TO ALL SUCH MATTERS. BECAUSE OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A SECURITY IS EXEMPT FROM THE REGISTRATION REQUIREMENTS UNDER THE FEDERAL OR STATE SECURITIES LAWS OR WHETHER A PARTICULAR RECIPIENT OF REORGANIZED EQUITY MAY BE AN UNDERWRITER, WE MAKE NO REPRESENTATION CONCERNING THE ABILITY OF A PERSON TO DISPOSE OF THE SECURITIES ISSUED UNDER THE PLAN.

XIII. CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN.

A. Introduction.

The following discussion is a summary of certain U.S. federal income tax consequences of the consummation of the Plan to the Debtors, the Post-Effective Date Debtors, and to certain Holders (which,

solely for purposes of this discussion, means the beneficial owners for U.S. federal income tax purposes) of Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed ~~Equipment Financing~~Convenience Claims, and Allowed Auto Liability Claims. This discussion does not address any consideration that is received on account of a person's capacity other than as a Holder of Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed ~~Equipment Financing~~Convenience Claims, and Allowed Auto Liability Claims. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "IRC"), the U.S. Treasury Regulations promulgated thereunder (the "Treasury Regulations"), judicial decisions and authorities, published administrative rules, positions and pronouncements of the U.S. Internal Revenue Service (the "IRS"), and other applicable authorities, all as in effect on the date of this Disclosure Statement and all of which are subject to change or differing interpretations, possibly with retroactive effect, so as to result in U.S. federal income tax consequences different from those summarized herein. The U.S. federal income tax consequences of the contemplated transactions are complex and subject to significant uncertainties. No opinion of counsel has been obtained, and the Debtors do not intend to seek a ruling or determination from the IRS as to any of the tax consequences of the Plan discussed below. The discussion below is not binding upon the IRS or the courts and no assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to the Debtors or to Holders of Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed ~~Equipment Financing~~Convenience Claims, and Allowed Auto Liability Claims in light of their individual circumstances. This discussion does not address tax issues with respect to such Holders of Claims subject to special treatment under the U.S. federal income tax laws (including, for example, banks, broker-dealers, mutual funds, governmental authorities or agencies, pass-through entities, beneficial owners of pass-through entities, subchapter S corporations, dealers and traders in securities, insurance companies, financial institutions, tax-exempt organizations, controlled foreign corporations, passive foreign investment companies, small business investment companies, foreign taxpayers, Persons who are related to the Debtors within the meaning of the IRC, Persons liable for alternative minimum tax, U.S. Holders of Claims whose functional currency is not the U.S. dollar, Holders of Claims who prepare "applicable financial statements" (as defined in section 451 of the IRC), Persons using a mark-to-market method of accounting, Holders of Claims who are themselves in bankruptcy, regulated investment companies, real estate investment trusts, retirement plans, individual retirement and other tax-deferred accounts, and those holding, or who will hold, any property described herein as part of a hedge, straddle, conversion, or other integrated transaction). Moreover, this summary does not address any aspect of U.S. non-income (including state or gift), state, local, or non-U.S. taxation, or considerations under any applicable tax treaty or any tax arising under section 1411 of the IRC (the "Medicare" tax on certain investment income). Furthermore, this summary assumes that a Holder of an Allowed Claim holds only Claims in a single class and holds such Claims and Reorganized Equity, as applicable, as "capital assets" within the meaning of section 1221 of the IRC (generally, property held for investment). This summary also assumes that the various debt and other arrangements to which the Debtors and the Post-Effective Date Debtors are or will be a party will be respected for U.S. federal income tax purposes in accordance with their form, and that the Claims constitute interests in the Debtors "solely as a creditor" for purposes of section 897 of the IRC. This discussion also assumes that none of the Allowed Claims is treated as a "short-term" debt instrument or a "contingent payment debt instrument" for U.S. federal income tax purposes and that each of the Allowed Claims are denominated in U.S. dollars. This summary does not discuss differences in tax consequences to Holders of Claims that act or receive consideration in a capacity other than as a Holder of a Claim, and the tax consequences for such Holders may differ materially from that described below. This summary does not address the U.S. federal income tax consequences to Holders of Claims (a) whose Claims are Unimpaired or otherwise entitled to payment in

full in Cash under the Plan, (b) that are deemed to reject the Plan, or (c) that are otherwise not entitled to vote to accept or reject the Plan.

For purposes of this discussion, a "U.S. Holder" is a Holder of an Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed ~~Equipment Financing~~Convenience Claims, and Allowed Auto Liability Claims that for U.S. federal income tax purposes is: (1) an individual who is a citizen or resident of the United States; (2) a corporation (or other entity classified as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (3) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (4) a trust (a) if a court within the United States is able to exercise primary jurisdiction over the trust's administration and one or more "United States persons" (within the meaning of section 7701(a)(30) of the IRC) has authority to control all substantial decisions of the trust or (b) that has a valid election in effect under applicable Treasury Regulations to be treated as a "United States person" (within the meaning of section 7701(a)(30) of the IRC). For purposes of this discussion, a "Non-U.S. Holder" is any Holder of an Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed ~~Equipment Financing~~Convenience Claims, and Allowed Auto Liability Claims that is not a U.S. Holder other than any partnership (or other entity classified as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity classified as a partnership or other pass-through entity for U.S. federal income tax purposes) is a Holder of an Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed ~~Equipment Financing~~Convenience Claims, and Allowed Auto Liability Claims, the tax treatment of a partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner), the activities of the partner (or other beneficial owner) and the partnership (or other pass-through entity), and certain determinations made at the partner (or other beneficial owner) level. Partners (or other beneficial owners) of partnerships (or other pass-through entities) that are Holders of Allowed FLFO RCF Claims, Allowed FLFO Term Loan Claims, Allowed Reception Purchaser First Lien Claims, Allowed FLSO Term Loan Claims, Allowed ~~Equipment Financing~~Convenience Claims, and Allowed Auto Liability Claims are urged to consult their respective tax advisors regarding the U.S. federal income tax consequences of the Plan.

THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF THE PLAN, AS WELL AS THE CONSEQUENCES TO THEM OF THE PLAN ARISING UNDER ANY OTHER U.S. FEDERAL TAX LAWS OR THE LAWS OF ANY STATE, LOCAL, OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE TREATY.

B. Certain U.S. Federal Income Tax Consequences of the Plan to the Debtors and the Post-Effective Date Debtors.

1. Characterization of the Restructuring Transactions.

The Debtors expect that the Restructuring Transactions will be structured in one of three ways: (a) a recapitalization of the existing Debtors (referred to as a "Recapitalization Transaction"), (b) a taxable sale of the assets and/or Reorganized Equity of the Debtors thereof to an indirect subsidiary of

Post-Effective Date STG (referred to as a "Taxable Transaction"), or (c) a sale of all, substantially all, or any portion of the Debtors' assets or the Reorganized Equity through one or more sales to a Purchaser in accordance with the Bidding Procedures and the Bidding Procedures Order (referred to as a "Sale"). The Debtors have not yet determined whether the Restructuring Transactions will be consummated as a Recapitalization Transaction, a Taxable Transaction, or a Sale. Such decision will depend on, among other things, the results of the Bidding Procedures, finalizing certain modeling, and analytical determinations. This discussion assumes that the Restructuring Transactions will not be structured in a manner intended to constitute a tax-free reorganization pursuant to sections 368(a)(1)(G) and 354 of the IRC. In light of these various considerations, a decision about whether to consummate the Restructuring Transactions as a Recapitalization Transaction, Taxable Transaction, or a Sale is unlikely to occur until a short time before the Restructuring Transactions are ultimately consummated and, accordingly, Holders of Claims should assume that all the options are possible.

The Debtors generally do not expect to recognize any gain or loss as a result of consummating a Recapitalization Transaction (except as described below with respect to COD Income). In a Taxable Transaction or Sale, the Debtors will generally realize gain or loss in an amount equal to the difference between the value of the consideration received by the Debtors (including, for this purpose, assumption of liabilities) and the Debtors' tax basis in such assets sold. Any such gain, if any, generally will be reduced by the amount of tax attributes available for use by the Debtors, and any remaining gain will be recognized by the Debtors and result in a cash tax obligation. In all events, the Debtors will be subject to the rules discussed below with respect to cancellation of indebtedness income ("COD Income") and, other than a Restructuring Transaction that involves a Taxable Transaction or a Sale, the limitations on net operating losses ("NOLs"), deferred deductions under section 163(j) of the IRC ("163(j) Deductions"), and other tax attributes.

If the Restructuring Transactions are structured as a Recapitalization Transaction, the Debtors expect to (i) structure the transaction such that any Reorganized Equity that is to be received by the Holders of Allowed FLFO RCF Claims (if not a Committed RCF Holder), Allowed FLFO Term Loan Claims, and Allowed FLSO Term Loan Claims will first be issued and contributed by Post-Effective Date STG to the applicable Debtor and, thereafter, such Reorganized Equity will be transferred by the applicable Debtor to such Holders in exchange for their Allowed FLFO RCF Claims (if not a Committed RCF Holder), Allowed FLFO Term Loan Claims and Allowed FLSO Term Loan Claims pursuant to the Plan, and (ii) treat such transactions as occurring in the same order described in the immediately preceding clause (i) (*i.e.*, issuance followed by contribution followed by exchange) for U.S. federal income tax purposes. The Debtors believe, and intend to take the position that, this treatment applies for U.S. federal income tax purposes, and the remainder of the discussion assumes such treatment. The Debtors also expect Post-Effective Date STG will be classified as a corporation for U.S. federal income tax purposes. The tax consequences to the Debtors, the Post-Effective Date Debtors, and Holders of Allowed FLFO RCF Claims (if not a Committed RCF Holder), Allowed FLFO Term Loan Claims and Allowed FLSO Term Loan Claims described herein could be materially different in the event this characterization is not respected for U.S. federal income tax purposes.

2. Cancellation of Debt and Reduction of Tax Attributes.

In general, absent an exception, a taxpayer will realize and recognize COD Income upon satisfaction (or deemed satisfaction) of its outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied over (b) the sum of (i) the issue price of the Takeback Term Loans, Takeback Equipment Financing Debt (if applicable), or Exit RCF Facility (if applicable), and (ii) the fair market value of the Reorganized Equity and/or Cash and any other consideration, in each

case, given in satisfaction, or as part of the discharge, of such indebtedness at the time of the exchange or discharge.

Under section 108 of the IRC, however, a taxpayer will not be required to include any amount of COD Income in gross income if the taxpayer is under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, a taxpayer-debtor must reduce its tax attributes by the amount of COD Income that it excluded from gross income pursuant to section 108 of the IRC. Such reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined. In general, tax attributes will be reduced in the following order: (a) NOLs and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets (but not below the amount of liabilities to which the Post-Effective Date Debtors remain subject immediately after the discharge); (f) passive activity loss and credit carryovers; and (g) foreign tax credits carryovers. Alternatively, a debtor with COD Income may elect first to reduce the basis of its depreciable assets pursuant to section 108(b)(5) of the IRC, in which case the limitation described in clause (e) does not apply to the reduction in basis of depreciable property and, following such reduction, any remaining COD Income that is excluded from gross income reduces any remaining tax attributes in the order specified in the prior sentence. 163(j) Deductions are not subject to reduction under these rules. Any excess COD Income over the amount of available tax attributes will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact. Where the taxpayer joins in the filing of a consolidated U.S. federal income tax return, applicable Treasury Regulations require, in certain circumstances, that certain tax attributes of other members of the group also be reduced.

The aggregate tax basis of the Debtors in their assets is not required to be reduced below the amount of indebtedness (determined on an entity-by-entity basis) that the relevant entity will be subject to immediately after the cancellation of debt giving rise to COD Income (the "Asset Tax Basis Floor"). Generally, all of an entity's obligations that are treated as debt under general U.S. federal income tax principles (including intercompany debt treated as debt for U.S. federal income tax purposes) are taken into account in determining an entity's Asset Tax Basis Floor.

As noted above, in connection with the Restructuring Transactions, the Debtors expect to realize COD Income, with an attendant reduction in tax attributes (but in the case of tax basis where no election is made to reduce the basis of depreciable assets as described above, only to the extent such tax basis exceeds the amount of the Debtors' liabilities, as determined for these purposes, immediately after the Effective Date). The exact amount of any COD Income that will be realized by the Debtors will not be determinable until the consummation of the Plan because the amount of COD Income will depend, in part, on the issue price of the Takeback Term Loans, the Takeback Equipment Financing Debt (if applicable), the Exit RCF Facility (if applicable), and the fair market value of the Reorganized Equity and any other consideration, none of which can be determined until after the Plan is consummated. As a result, the total amount of attribute reduction as a result of the Plan cannot be determined until after the Effective Date. Depending on the amount of COD Income, if the Restructuring Transactions are structured as a Recapitalization Transaction, some of the Post-Effective Date Debtors' tax basis in their assets may be reduced by COD Income that is not absorbed by the NOLs and other tax attributes.

As a general matter, in a Restructuring Transaction that involves a Sale or Taxable Transaction, the attribute reduction rules discussed above will not be relevant, the Purchaser or Post-Effective Date Debtors (as applicable) (a) will take a fair market value basis in the assets of the Debtors without any reduction in the basis of the assets from excluded COD Income recognized by the Debtors and (b) will not otherwise inherit any of the Debtors' existing tax attributes.

3. Limitation on NOLs, 163(j) Deductions, and Other Tax Attributes.

After giving effect to the reduction in tax attributes pursuant to excluded COD Income described above, in the event of a Recapitalization Transaction, the Post-Effective Date Debtors' ability to use any remaining tax attributes post-emergence will be subject to certain limitations under sections 382 and 383 of the IRC.

a. General Section 382 and 383 Annual Limitation.

Under sections 382 and 383 of the IRC, if the Debtors undergo an "ownership change," the amount of any remaining NOL carryforwards, tax credit carryforwards, 163(j) Deductions, and possibly certain other attributes (potentially including losses and deductions that have accrued economically but are unrecognized as of the date of the ownership change and cost recovery deductions) of the Debtors allocable to periods prior to the Effective Date (collectively, "Pre-Change Losses") that may be utilized to offset future taxable income generally are subject to certain limitations. Any such limitations apply in addition to, and not in lieu of, the attribute reduction that results from the exclusion of COD Income arising in connection with the transactions as discussed above. In general, an "ownership change" occurs if the percentage of the value of the loss corporation's stock owned by one or more direct or indirect "5-percent shareholders" increases by more than fifty percentage points over the lowest percentage of value owned by the 5-percent shareholders at any time during the applicable testing period. The testing period generally is the shorter of (a) the three-year period preceding the testing date and (b) the period of time since the most recent ownership change of the corporation.

For this purpose, if a corporation (or consolidated group) has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of "built-in" income and deductions), then generally built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original net unrealized built-in loss) will be treated as Pre-Change Losses and similarly will be subject to the annual limitation. In general, a corporation's (or consolidated group's) net unrealized built-in loss will be deemed to be zero unless it is greater than the lesser of (a) $10,000,000 or (b) 15 percent of the fair market value of its assets (with certain adjustments) before the ownership change.

The rules of section 382 of the IRC are complicated, but as a general matter, the Debtors anticipate that the issuance of Reorganized Equity pursuant to the Recapitalization Transaction will result in an "ownership change" of the Debtors for these purposes, and that the Post-Effective Date Debtors' use of the Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the IRC applies. As noted above, as a general matter, in a Restructuring Transaction that involves a Sale or Taxable Transaction, the rules under section 382 of the IRC discussed above and below will be inapplicable to the Post-Effective Date Debtors.

In general, the amount of the annual limitation to which a corporation that undergoes an "ownership change" would be subject is equal to the product of (i) the fair market value of the stock of the corporation immediately before the "ownership change" (with certain adjustments), and (ii) the "long-term tax-exempt rate" (which is the highest of the adjusted U.S. federal long-term rates in effect for any month in the three-calendar-month period ending with the calendar month in which the ownership change occurs, currently 3.58 percent for March 2026). The limitation under section 382 of the IRC may be increased to the extent that the Post-Effective Date Debtors recognize certain built-in gains in their assets during the five-year period following the ownership change (the "Recognition Period") or are treated as recognizing built-in gains pursuant to the safe harbors provided in IRS Notice 2003-65.[~~27~~30] If a

[~~27~~30] Treasury Regulations have been proposed that would significantly change the application of the rules relating to built-in gains and losses for purposes of computing the limitation under section 382 of the IRC. However, proposed Treasury

loss corporation has a net unrealized built-in loss immediately prior to the ownership change, certain losses recognized during the Recognition Period also would be subject to the annual limitation and thus may reduce the amount of post-change losses and deductions that could be used by the loss corporation during the Recognition Period. Section 383 of the IRC applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year.

Notwithstanding the rules described above, unless the special 382(l)(5) Exception (described below) applies, if the corporation or consolidated group does not continue its historic business or use a significant portion of its historic assets in a new business for at least two years after the ownership change, the annual limitation resulting from the ownership change is reduced to zero, thereby precluding any utilization of the corporation's Pre-Change Losses (other than any increases due to recognized built-in gains). As discussed below, however, special rules may apply in the case of a corporation that experiences an ownership change as the result of a bankruptcy proceeding.

a. Special Bankruptcy Exceptions.

Special rules may apply in the case of a corporation that experiences an "ownership change" as a result of a bankruptcy proceeding. An exception to the foregoing annual limitation rules generally applies when so-called "qualified creditors" of a debtor corporation in chapter 11 receive, in respect of their Claims, at least 50 percent of the vote and value of the stock of the debtor corporation (or a controlling corporation if also in chapter 11) as reorganized pursuant to a confirmed chapter 11 plan (the "382(l)(5) Exception"). If the requirements of the 382(l)(5) Exception are satisfied, a debtor's Pre-Change Losses would not be limited on an annual basis, but, instead, NOL carryforwards would be reduced by the amount of any interest deductions claimed by the debtor during the three taxable years preceding the effective date of the plan of reorganization and during the part of the taxable year prior to and including the effective date of the plan of reorganization in respect of all debt converted into stock pursuant to the reorganization. If the 382(l)(5) Exception applies and the Post-Effective Date Debtors undergo another "ownership change" within two years after the Effective Date, then the Post-Effective Date Debtors' Pre-Change Losses thereafter would be effectively eliminated in their entirety.

Where the 382(l)(5) Exception is not applicable to a corporation in bankruptcy (either because the debtor corporation does not qualify for it or the debtor corporation otherwise elects not to utilize the 382(l)(5) Exception), another exception will generally apply (the "382(l)(6) Exception"). Under the 382(l)(6) Exception, the annual limitation will be calculated by reference to the lesser of (i) the value of the debtor corporation's new stock (with certain adjustments) immediately after the ownership change or (ii) the value of such debtor corporation's assets (determined without regard to liabilities) immediately before the ownership change. This differs from the ordinary rule that requires the fair market value of a debtor corporation that undergoes an "ownership change" to be determined before the events giving rise to the change. The 382(l)(6) Exception also differs from the 382(l)(5) Exception in that, under it, a debtor corporation is not required to reduce its NOL carryforwards by the amount of interest deductions in the manner described above, and a debtor corporation may undergo a change of ownership within two

gains and losses for purposes of computing the limitation under section 382 of the IRC. However, proposed Treasury Regulations have also been released that would "grandfather" companies that undergo an "ownership change" pursuant to an order entered in a bankruptcy case that was commenced prior to, or within 30 days of, the publication of the finalized new rules in this area. Additionally, a variety of public comments have been made by government officials indicating that the proposed Treasury Regulations will not be finalized in their current form and, instead, will be "re-proposed" in modified form. Accordingly, the Debtors do not expect the proposed Treasury Regulations to apply to them or to the Post-Effective Date Debtors with respect to any "ownership change" that occurs pursuant to the Plan.

years without automatically triggering the elimination of its Pre-Change Losses. The resulting limitation would be determined under the regular rules for ownership changes.

The Debtors have not determined whether the 382(l)(5) Exception will be available or, if it is available, whether the Post-Effective Date Debtors will elect out of its application so that the 382(l)(6) Exception applies. Regardless of whether the Post-Effective Date Debtors take advantage of the 382(l)(6) Exception or the 382(l)(5) Exception, the Post-Effective Date Debtors' use of their Pre-Change Losses after the Effective Date may be adversely affected if a subsequent "ownership change" within the meaning of section 382 of the IRC were to occur after the Effective Date.

C. Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders of Allowed Claims Entitled to Vote.

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan. U.S. Holders of Allowed Claims are urged to consult their tax advisors regarding the tax consequences of the Restructuring Transactions.

1. Consequences of the Restructuring Transactions to U.S. Holders of Allowed FLFO Term Loan Claims and Allowed FLFO RCF Claims (if not a Committed RCF Holder).

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed FLFO Term Loan Claim and Allowed FLFO RCF Claims (if not a Committed RCF Holder) will receive its *pro rata* share of, (a) in the event of the Recapitalization Transaction or Taxable Transaction, a certain percentage of the Reorganized Equity issued pursuant to the Plan on the Effective Date, subject to dilution on account of the Management Incentive Plan, and (b) in the event of the Sale, the Net Distributable Cash.

In general, as discussed in more detail below, for U.S. federal income tax purposes, the Recapitalization Transaction is expected to be a fully taxable to holders of Allowed FLFO Term Loan Claims and Allowed FLFO RCF Claims (if not a Committed RCF Holder) because the Reorganized Equity is expected to be issued by an entity other than the issuer of Allowed FLFO Term Loan Claims and Allowed FLFO RCF Claims for U.S. federal income tax purposes and, therefore, the holders of such Claims are not exchanging a "security" for stock of the same issuer.

Accordingly, other than with respect to any amounts received that are attributable to accrued but untaxed interest, a U.S. Holder of an Allowed FLFO Term Loan Claims and/or Allowed FLFO RCF Claims (if not a Committed RCF Holder) will be treated as receiving its distribution under the Plan in a taxable exchange under section 1001 of the IRC. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the U.S. Holder should recognize gain or loss in an amount equal to the difference, if any, between (a) (x) the sum of the fair market value of the Reorganized Equity received or (y) Cash and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a "capital asset" in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest that is untaxed and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations. The holding period for the non-Cash consideration received in the exchange should begin on

the day following the date the U.S. Holder receives such non-Cash consideration. A U.S. Holder should obtain a tax basis in the Reorganized Equity equal to the fair market value of such property.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but untaxed interest or market discount, which differs from the treatment described above, is discussed below.

2. Consequences of the Restructuring Transactions to U.S. Holders of Allowed FLFO RCF Claims that are Committed RCF Holder.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of Allowed FLFO RCF Claims that is a Committed RCF Holder will receive its *pro rata* share of, (a) in the event of the Recapitalization Transaction or Taxable Transaction, the Committed RCF Treatment, and (b) in the event of the Sale, repayment or cash collateralization, as applicable, of such U.S. Holder's Allowed FLFO RCF Claims from the RCF Cash Account.

The U.S. federal income tax consequences to a U.S. Holder of Allowed FLFO RCF Claims that is a Committed RCF Holder in a Recapitalization Transaction will depend, in part, on whether for U.S. federal income tax purposes (a) the exchange of the Allowed FLFO RCF Claims for new debt issued pursuant to the Exit RCF Facility will constitute a "significant modification" in relation to the existing debt instrument, (b) the Allowed FLFO RCF Claims surrendered by such U.S. Holder constitutes a "security" of a Debtor, and (c) the Exit RCF Facility received by such U.S. Holder constitutes a "security" issued by the same entity against which the Claim is asserted (or, an entity that is a "party to a reorganization" with such entity).

Neither the IRC nor the Treasury Regulations promulgated thereunder define the term "security," and the term "security" has not been clearly defined by judicial decisions. The determination of whether a debt instrument constitutes a "security" for U.S. federal tax purposes is complex, and is determined based on all relevant facts and circumstances. Most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a "security" for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that a debt instrument is not a "security," whereas a term of ten years or more is evidence that a debt instrument is a "security." There are numerous other factors that could be taken into account in determining whether a debt instrument is a "security," including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, the convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued.

Due to the inherently factual nature of the determination of whether a debt instrument has been subject to a "significant modification" or whether a debt instrument is a "security" for U.S. federal income tax purposes, the U.S. Holders of Allowed FLFO RCF Claims are urged to consult their tax advisors regarding the status of the Allowed FLFO RCF Claims and the Exit RCF Facility for U.S. federal income tax purposes.

Under applicable Treasury Regulations, the modification of the terms of a debt instrument (including pursuant to an exchange of a new debt instrument for the existing debt instrument) generally is a "significant modification" if, based on all of the facts and circumstances and taking into account all modifications of the debt instrument, the legal rights or obligations that are altered and the degree to which they are altered is "economically significant." A change in the yield of a debt instrument is a significant modification if the yield of the modified instrument (as computed under the applicable

Treasury Regulations) varies from the annual yield of the unmodified instrument (determined as of the date of the modification) by more than the greater of (i) 0.25% or (ii) 5% of the annual yield of the unmodified instrument. Additionally, a change in the timing of payments of a debt instrument can be a significant modification if there is a deferral of principal or interest payments outside of the safe harbor period as described in the applicable Treasury Regulations.

If (a) the Restructuring Transactions are structured as a Recapitalization Transaction and (b) the exchange of the Allowed FLFO RCF Claims for a new debt instrument pursuant to the Exit RCF Facility does not constitute a "significant modification" on the existing debt instrument, then a U.S. Holder of such a Claim is not expected to recognize gain or loss on the exchange, except for any cash or other consideration received pursuant to the Plan.

If (a) the Restructuring Transactions are structured as a Recapitalization Transaction, (b) the exchange of the Allowed FLFO RCF Claims for a new debt instrument pursuant to the Exit RCF Facility does not constitute a "significant modification," (c) the Allowed FLFO RCF Claims (as applicable) constitute "securities" for U.S. federal income tax purposes, (d) the Exit RCF Facility constitutes a "security" for U.S. federal income tax purposes, and (e) the issuer of the Exit RCF Facility is the same entity as the Debtor against which the Allowed FLFO RCF Claims are asserted (or an entity that is a "party to a reorganization" with such Debtor), then a U.S. Holder of such a Claim is expected to be treated as receiving its distribution under the Plan in a transaction treated as a "recapitalization" for U.S. federal income tax purposes, with the receipt of any cash or other consideration treated as "boot" in such recapitalization. A U.S. Holder of such Claim should not recognize loss, but should recognize gain to the extent of the lesser of (a) the sum of the cash and fair market value of any other consideration received, and (b) (i) the sum of (1) the cash and fair market value of any other consideration received and (2) the issue price of the Exit RCF Facility received (determined as discussed below under "*—U.S. Federal Income Tax Consequences to U.S. Holders of Ownership and Disposition of the Exit RCF Facility—Original Issue Discount*"), minus (ii) the U.S. Holder's adjusted tax basis in its Allowed FLFO RCF Claims. In general, a U.S. Holder would obtain an initial tax basis in its share of the Exit RCF Facility received in the exchange equal to its adjusted tax basis in its existing Claim surrendered (excluding any amounts attributable to accrued but untaxed interest on the applicable existing Claim), increased by the amount of any gain recognized pursuant to such exchange and decreased by the cash and fair market value of any other consideration received. A U.S. Holder's holding period for its interest in the Exit RCF Facility received should include the holding period for the Claim exchanged therefor.

If (a) the Restructuring Transactions are structured as a Taxable Transaction or Sale, (b) the Allowed FLFO RCF Claims do not constitute "securities" for U.S. federal income tax purposes, (c) the Exit RCF Facility does not constitute a "security" for U.S. federal income tax purposes, or (d) the issuer of the Exit RCF Facility is not the same entity as the Debtor against which the Allowed FLFO RCF Claims are asserted (or an entity that is a "party to a reorganization" with such Debtor), then, other than with respect to any amounts received that are attributable to accrued but untaxed interest, each U.S. Holder of an Allowed FLFO RCF Claims will be treated as receiving its distribution under the Plan in a taxable exchange under section 1001 of the IRC. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the U.S. Holder should recognize gain or loss in an amount equal to the difference, if any, between (a) the sum of (i) the issue price of the Exit RCF Facility and (ii) the cash and fair market value of any other consideration received and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued but untaxed interest and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim

for more than one year at the time of the exchange. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations. The holding period for the non-cash consideration received in the exchange should begin on the day following the date the U.S. Holder receives such non-cash consideration. A U.S. Holder should obtain a tax basis in the Exit RCF Facility equal to its issue price.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but untaxed interest or market discount, which differs from the treatment described above, is discussed below.

3. Consequences of the Restructuring Transactions to U.S. Holders of Allowed FLSO Term Loan Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed FLSO Term Loan Claim will receive its *pro rata* share of, (a) in the event of the Recapitalization Transaction or Taxable Transaction, a certain percentage of the Reorganized Equity issued pursuant to the Plan on the Effective Date, subject to dilution on account of the Management Incentive Plan, and (b) in the event of the Sale, the Net Distributable Cash, subject to payment in full in Cash of the FLFO Term Loan Claims and subject to the terms of the STG Distribution Credit Agreement.

In a Recapitalization Transaction or Taxable Transaction, the entity issuing the Reorganized Equity under the Plan will not be the same entity as the Debtor against which the Allowed FLSO Term Loan Claims are asserted (or an entity that is a "party to a reorganization" with such Debtor for U.S. federal income tax purposes). Accordingly, in all scenarios of the Restructuring Transactions, the exchange of such Claims should generally be treated as a taxable exchange pursuant to section 1001 of the IRC. A U.S. Holder of Allowed FLSO Term Loan Claim generally should recognize gain or loss equal to (a) the fair market value of the Reorganized Equity or Cash received less (b) the U.S. Holder's adjusted tax basis in its Allowed FLSO Term Loan Claim. The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. Holder, the nature of the Allowed FLSO Term Loan Claim in such U.S. Holder's hands, whether such Claim constitutes a capital asset in the hands of the U.S. Holder, whether such Claim was purchased at a discount, and whether and to what extent the U.S. Holder has previously claimed a bad debt deduction with respect to such Claim. If recognized gain or loss is capital gain or loss, it would generally constitute long-term capital gain or loss if the U.S. Holder has held such Claim for longer than one year. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations. A U.S. Holder should obtain a tax basis in the Reorganized Equity equal to the fair market value of the Reorganized Equity as of the date such Reorganized Equity is distributed to such U.S. Holder. The holding period for any such Reorganized Equity should begin on the day following the receipt of such Reorganized Equity.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but untaxed interest or market discount, which differs from the treatment described above, is discussed below.

4. Consequences of the Restructuring Transactions to U.S. Holders of Allowed Reception Purchaser First Lien Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed Reception Purchaser First Lien Claim will receive its *pro rata* share of, (a) in the event of the Recapitalization Transaction or Taxable Transaction,

certain amount of Reorganized Equity issued pursuant to the Plan on the Effective Date, subject to the Allocation Condition, and (b) in the event of the Sale, the Net Distributable Cash, solely attributable to such Holder's collateral underlying such Allowed Reception Purchaser First Lien Claim and subject to the Allocation Condition.

In a Recapitalization Transaction or Taxable Transaction, the entity issuing the Reorganized Equity under the Plan will not be the same entity as the Debtor against which the Allowed Reception Purchaser First Lien Claim are asserted (or an entity that is a "party to a reorganization" with such Debtor for U.S. federal income tax purposes). Accordingly, in all scenarios of the Restructuring Transactions, the exchange of such Claims should generally be treated as a taxable exchange pursuant to section 1001 of the IRC. A U.S. Holder of Allowed Reception Purchaser First Lien Claim generally should recognize gain or loss equal to (a) the fair market value of the Reorganized Equity or Cash (if applicable) and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest and market discount rules discussed below. If any such recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. The holding period for the non-Cash consideration received in the exchange should begin on the day following the date the U.S. Holder receives such non-Cash consideration. A U.S. Holder should obtain a tax basis in the Reorganized Equity equal to its fair market value.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but unpaid interest or market discount, which differs from the treatment described above, is discussed below.

5. Consequences of the Restructuring Transactions to U.S. Holders of Allowed ~~Equipment Financing~~Convenience Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed ~~Equipment Financing~~Convenience Claim will receive~~, (a) in the event of the Recapitalization Transaction or Taxable Transaction, the Takeback Equipment Financing Debt pertaining to such Holder's collateral, and (b) in the event of the Sale, (x) its *pro rata* distribution of Net Distributable Cash solely attributable to such Holder's collateral underlying such Allowed Equipment Financing Claim or (y) the collateral securing such Allowed Equipment Financing Claim.~~ its *pro rata* share of the Convenience Claims Cash Pool.

~~Although it cannot be known with certainty at this time the form of any Takeback Equipment Financing Debt will take, in all scenarios of the Restructuring Transactions, the~~The exchange of such Claims should generally be treated as a taxable exchange pursuant to section 1001 of the IRC. A U.S. Holder of Allowed ~~Equipment Financing~~Convenience Claims generally should recognize gain or loss equal to ~~(a)(x) the issue price (to the extent treated as indebtedness) or fair market value (to the extent not treated as indebtedness), as applicable, of the Takeback Equipment Financing Debt received or (y) Cash and the fair market value of the collateral securing such Allowed Equipment Financing Claim (if applicable~~the difference between (a) the amount of Cash received (subject to the discussion of "Accrued Interest" below) and (b) the U.S. Holder's adjusted tax basis in its Claim. The character of any such gain or loss as capital or ordinary will be determined by a number of factors including the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder, whether and to what extent the U.S. Holder had previously claimed a bad-debt deduction with respect to its Claim, and the potential application of the accrued interest and market discount rules discussed below. If any such

recognized gain or loss is capital in nature, it generally would be long-term capital gain if the U.S. Holder held its Claim for more than one year at the time of the exchange. ~~The holding period for the non-Cash~~To the extent that a portion of the consideration received in ~~the~~ exchange ~~should begin on the day following the date the U.S. Holder receives such non-Cash consideration. A U.S. Holder should obtain a tax basis in the Takeback Equipment Financing Debt received equal to its issue price (to the extent treated as indebtedness) or fair market value (to the extent not treated as indebtedness).~~for its Claim is allocable to accrued but untaxed interest, the U.S. Holder may recognize ordinary income. See the discussions of "Accrued Interest" and "Market Discount" below.

The treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but unpaid interest or market discount, which differs from the treatment described above, is discussed below.

6. Consequences of the Restructuring Transactions to U.S. Holders of Allowed Auto Liability Claims.

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of their Claims, each U.S. Holder of an Allowed Auto Liability Claim will receive its *pro rata* share of, (a) if the Recapitalization Transaction or Taxable Transaction occurs, subject to the Second Out Condition, treatment rendering its Allowed Auto Liability Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code; or (ii) in the event of the Sale, Net Distributable Cash, subject to payment in full in Cash of the FLTO Term Loan Claims. The Recapitalization Transaction or Taxable Transaction is not expected to have any U.S. federal income tax consequences to a U.S. Holder of an Allowed Auto Liability Claim. In the event of the Sale, the U.S. federal income tax consequences to a U.S. Holder of an Allowed Auto Liability Claim of the receipt of Cash will depend, in part, on the nature of the original automative liability claim. Accordingly, U.S. Holders of Allowed Auto Liability Claims are urged to consult their tax advisors regarding the tax consequences of the Sale based on their particular facts.

7. Accrued Interest.

To the extent that the fair market value of the consideration received by a U.S. Holder on an exchange of its Allowed Claim under the Plan is attributable to accrued but unpaid interest on such Allowed Claim, the receipt of such amount generally should be taxable to the U.S. Holder as ordinary interest income (to the extent such amount was not previously included in the gross income of such U.S. Holder). Conversely, a U.S. Holder of an Allowed Claim may be able to deduct a loss to the extent that any accrued interest on such debt instruments was previously included in the U.S. Holder's gross income but was not paid in full by the Debtors. Such loss may be ordinary, but the tax law is unclear on this point.

If the fair market value of the consideration received by a U.S. Holder of an Allowed Claim under the Plan is not sufficient to fully satisfy all principal and interest on its Allowed Claim, the extent to which such consideration will be attributable to accrued interest is unclear. Under the Plan, the aggregate consideration distributed to U.S. Holders will be allocated first to the principal amount of the Allowed Claim, with any excess allocated to accrued but unpaid interest, if any, on such U.S. Holder's Allowed Claims. Certain legislative history indicates that an allocation of consideration between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, and certain case law generally indicates that a final payment on a distressed debt instrument that is insufficient to repay outstanding principal and interest will be allocated first to principal, rather than interest. Certain Treasury Regulations, however, allocates payments first to any accrued but unpaid

interest. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Plan.

U.S. Holders of Allowed Claims are urged to consult their own tax advisors regarding the proper allocation of the consideration received by them under the Plan.

8. Market Discount.

Under the "market discount" provisions of the IRC, some or all of any gain realized by a U.S. Holder of an Allowed Claim who exchanges such Allowed Claim for an amount on the Effective Date may be treated as ordinary income (instead of capital gain), to the extent of the amount of "market discount" on such exchanged Allowed Claim. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if the U.S. Holder's adjusted tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with original issue discount, its adjusted issue price, by at least a *de minimis* amount (equal to ¼ of 1 percent of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the remaining number of complete years to maturity).

Any gain recognized by a U.S. Holder on the disposition of an Allowed Claim (determined as described above) which was acquired with market discount should be treated as ordinary income to the extent of the amount of market discount that accrued thereon while such Allowed Claim was treated as held by such U.S. Holder (unless such U.S. Holder elected to include such amount of market discount in income as it accrued). To the extent that a U.S. Holder exchanges any Allowed Claim that was acquired with market discount in a tax-free transaction for other property, any market discount that accrued on such Allowed Claim (*i.e.*, up to the time of the exchange), but was not recognized by such U.S. Holder, is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption, or other disposition of such property is treated as ordinary income to the extent of such accrued, but not recognized, market discount.

U.S. Holders of Allowed Claims are urged to consult their own tax advisors concerning the application of the market discount rules to their Allowed Claim.

9. Consequences to U.S. Holders of the Ownership and Disposition of Reorganized Equity.

a. Dividends on Reorganized Equity.

Any distributions made on account of the Reorganized Equity will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Post-Effective Date STG as determined under U.S. federal income tax principles. "Qualified dividend income" received by an individual U.S. Holder is subject to preferential tax rates. To the extent that a U.S. Holder receives distributions that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the U.S. Holder's basis in its shares of the Reorganized Equity. Any such distributions in excess of the U.S. Holder's basis in its shares of the Reorganized Equity (determined on a share-by-share basis) generally will be treated as capital gain.

Subject to applicable limitations, distributions treated as dividends paid to U.S. Holders that are corporations generally will be eligible for the dividends-received deduction so long as Post-Effective Date STG has sufficient earnings and profits and certain holding period requirements are satisfied. The length of time that a U.S. Holder has held its stock is reduced for any period during which such U.S.

Holder's risk of loss with respect to the stock is diminished by reason of the existence of certain options, contracts to sell, short sales, or similar transactions. In addition, to the extent that a corporation incurs indebtedness that is directly attributable to an investment in the stock on which the dividend is paid, all or a portion of the dividends-received deduction may be disallowed.

b. Sale, Redemption, or Repurchase of Reorganized Equity.

Unless a non-recognition provision applies, U.S. Holders generally will recognize capital gain or loss upon the sale, redemption, or other taxable disposition of the Reorganized Equity. Such capital gain generally will be long-term capital gain if at the time of the sale, exchange, retirement, or other taxable disposition, the U.S. Holder has held the Reorganized Equity for more than one year. Long-term capital gains of an individual taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations as described below. Under the recapture rules of section 108(e)(7) of the IRC, a U.S. Holder may be required to treat gain recognized on the taxable disposition of the Reorganized Equity as ordinary income if such U.S. Holder took a bad debt deduction with respect to its Claims or recognized an ordinary loss on the exchange of its Claims for Reorganized Equity.

~~**10. Consequences to U.S. Holders of Ownership and Disposition of the Takeback Equipment Financing Debt.**~~

~~The following discussion applies only to Takeback Equipment Financing Debt that is treated as indebtedness for U.S. federal income tax purposes and assumes that the "contingent payment debt instrument" rules do not apply to the Takeback Equipment Financing Debt. U.S. Holders should consult their own tax advisors regarding the application of these rules.~~

~~**a. Payments of Qualified Stated Interest.**~~

~~Payments or accruals on the Takeback Equipment Financing Debt, to the extent constituting "qualified stated interest" (as defined below), may be includible in the U.S. Holder's gross income as ordinary interest income and taxable at the time that such payments are accrued or are received in accordance with such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually during the entire term of the Takeback Equipment Financing Debt at a single fixed rate of interest, or, subject to certain conditions, based on one or more interest indices.~~

~~**b. Issue Price, Original Issue Discount.**~~

~~A debt instrument may be treated as issued with OID for U.S. federal income tax purposes if its issue price is less than its stated redemption price at maturity by more than a de minimis amount. A debt instrument's stated redemption price at maturity includes all principal and interest payable over the term of the debt instrument, other than "qualified stated interest." For purposes of determining whether there is OID, the de minimis amount is generally equal to ¼ of 1 percent of the stated redemption price at maturity of the applicable debt instrument multiplied by the number of complete years to maturity from the original issue date, or if the debt instrument provides for payments other than payments of qualified stated interest before maturity, multiplied by the weighted average maturity of the debt instrument (as determined under applicable Treasury Regulations). If any Takeback Equipment Financing Debt is treated as issued with OID, a U.S. Holder of such instrument generally (i) will be required to include the OID in gross income as ordinary interest income as it accrues on a constant yield to maturity basis over the term of the loans in advance of the receipt of the cash attributable to such OID and regardless of the U.S. Holder's method of accounting for U.S. federal income tax purposes, but (ii) will not be required to recognize additional income upon the receipt of any cash payment on such loans that is attributable to~~

~~previously accrued OID that has been included in its income. If the amount of OID on any Takeback Equipment Financing Debt is de minimis, rather than being characterized as interest, any payment attributable to the de minimis OID generally will be treated as gain from the sale of such loans and a pro rata amount of such de minimis OID must be included in income as principal payments are received on such loans.~~

~~As a general matter, in determining the "issue price" of any Takeback Equipment Financing Debt, (a) if such loan is "publicly traded," then the trading value of such loan determines its issue price; (b) if such loan is not "publicly traded," but the Claim exchanged therefore is "publicly traded," the trading value of the Claim exchanged therefore determines its issue price (unless such trading values represent mere indicative quotes and a position is established that demonstrates that such indicative quote materially misrepresented the fair market value of such property); and (c) if neither such loan nor the Claim exchanged therefore is "publicly traded," the issue price of such loan would be its stated redemption price at maturity. In general, a U.S. Holder of Claims must follow the Debtors' determination of issue price with respect to each debt instrument issued under the Plan, unless such U.S. Holder specifically discloses its disagreement with such determination on the U.S. Holder's own tax return.~~

~~**c. Sale, Taxable Exchange or other Taxable Disposition.**~~

~~Upon the disposition of the Takeback Equipment Financing Debt by sale, exchange, retirement, redemption or other taxable disposition, a U.S. Holder will generally recognize gain or loss equal to the difference, if any, between (a) the amount realized on the disposition (other than amounts attributable to accrued but unpaid interest, which will be taxed as ordinary interest income to the extent not previously so taxed) and (b) the U.S. Holder's adjusted tax basis in the Takeback Equipment Financing Debt, as applicable. The calculation of a U.S. Holder's adjusted tax basis in the Takeback Equipment Financing Debt is discussed above. A U.S. Holder's adjusted tax basis will generally be increased by any accrued OID previously included in such U.S. Holder's gross income. A U.S. Holder's gain or loss will generally constitute capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the Takeback Equipment Financing Debt for longer than one year. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations.~~

10. ~~**11.**~~ **Consequences to U.S. Holders of Ownership and Disposition of the Exit RCF Facility**.

The following discussion assumes that the "contingent payment debt instrument" rules do not apply to the Exit RCF Facility and the exchange of the Allowed FLFO RCF Claims for the Exit RCF Facility will constitute a "significant modification." U.S. Holders should consult their own tax advisors regarding the application of these rules.

a. Payments of Qualified Stated Interest.

Payments or accruals of "qualified stated interest" (as defined below) on the Exit RCF Facility will be includible in the U.S. Holder's gross income as ordinary interest income and taxable at the time that such payments are accrued or are received in accordance with such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. The term "qualified stated interest" generally means stated interest that is unconditionally payable in Cash or property (other than debt instruments of the issuer) at least annually during the entire term of the Exit RCF Facility, at a single fixed rate of interest, or, subject to certain conditions, based on one or more interest indices.

b. Issue Price.

As a general matter, and subject to the "investment unit" rules discussed below, in determining the "issue price" of the Exit RCF Facility, (a) if the Exit RCF Facility is "publicly traded," then the trading value of the Exit RCF Facility determines its issue price; (b) if the Exit RCF Facility is not "publicly traded," but the Allowed FLFO RCF Claims exchanged for the Exit RCF Facility is "publicly traded," the trading value of the Allowed FLFO RCF Claims exchanged for the Exit RCF Facility determines its issue price (unless such trading values represent mere indicative quotes and a position is established that demonstrates that such indicative quote materially misrepresented the fair market value of such property); and (c) if neither the Exit RCF Facility nor the Allowed FLFO RCF Claims exchanged for the Exit RCF Facility is "publicly traded," the issue price of the Exit RCF Facility would be its stated redemption price at maturity.

The Debtors have not yet determined how they will apply the investment unit rules to the circumstances presented here. If the investment unit rules will apply in this circumstance, an issuer's allocation of the issue price of an investment unit generally is binding on all U.S. Holders of the investment unit unless a U.S. Holder explicitly discloses a different allocation on a timely filed income tax return for the taxable year that includes the acquisition date of the investment unit.

c. Original Issue Discount (OID).

A debt instrument may be treated as issued with OID for U.S. federal income tax purposes if its issue price is less than its stated redemption price at maturity by more than a de minimis amount. A debt instrument's stated redemption price at maturity includes all principal and interest payable over the term of the debt instrument, other than "qualified stated interest."

For purposes of determining whether there is OID, the de minimis amount is generally equal to ¼ of 1 percent of the stated redemption price at maturity of the applicable debt instrument multiplied by the number of complete years to maturity from the original issue date, or if the debt instrument provides for payments other than payments of qualified stated interest before maturity, multiplied by the weighted average maturity of the debt instrument (as determined under applicable Treasury Regulations). If the Exit RCF Facility is treated as issued with OID, a U.S. Holder generally (i) will be required to include the OID in gross income as ordinary interest income as it accrues on a constant yield to maturity basis over the term of the Exit RCF Facility, in advance of the receipt of the cash attributable to such OID and regardless of the U.S. Holder's method of accounting for U.S. federal income tax purposes, but (ii) will not be required to recognize additional income upon the receipt of any cash payment on the Exit RCF Facility that is attributable to previously accrued OID that has been included in its income. If the amount of OID on the Exit RCF Facility is de minimis, rather than being characterized as interest, any payment attributable to the de minimis OID generally will be treated as gain from the sale of the Exit RCF Facility, and a pro rata amount of such de minimis OID must be included in income as principal payments are received on the Exit RCF Facility.

d. Acquisition Premium or Amortizable Bond Premium on Exit RCF Facility.

If a U.S. Holder's initial tax basis in the Exit RCF Facility is greater than the issue price of such debt but less than the stated principal amount of such debt, such Exit RCF Facility will have an "acquisition premium." Under the acquisition premium rules, the amount of OID that must be included in gross income with respect to the applicable Exit RCF Facility for any taxable year will be reduced by the portion of the acquisition premium properly allocable to that year. Alternatively, if a U.S. Holder's initial tax basis in the Exit RCF Facility exceeds its stated principal amount, the U.S. Holder will be considered to have acquired the Exit RCF Facility with "amortizable bond premium" and will not be required to include any OID in income. A U.S. Holder may generally elect to amortize the bond

premium over the remaining term of the Exit RCF Facility on a constant yield method as an offset to stated interest when includible in income under such Holder's regular accounting method. If a U.S. Holder elects to amortize bond premium, such Holder must reduce its tax basis in the Exit RCF Facility by the amount of the premium used to offset stated interest. If a U.S. Holder does not elect to amortize the bond premium, that premium will decrease the gain or increase the loss otherwise recognized on disposition of the Exit RCF Facility. If a U.S. Holder's initial tax basis in the Exit RCF Facility is less than the issue price of such debt, see the "market discount" discussion and "*Consequences to U.S. Holders of Ownership and Disposition of the Exit RCF Facility - Original Issue Discount (OID)*" above.

e. Sale, Taxable Exchange or other Taxable Disposition.

Upon the disposition of the Exit RCF Facility by sale, exchange, retirement, redemption or other taxable disposition, a U.S. Holder will generally recognize gain or loss equal to the difference, if any, between (a) the amount realized on the disposition (other than amounts attributable to accrued but unpaid interest, which will be taxed as ordinary interest income to the extent not previously so taxed) and (b) the U.S. Holder's adjusted tax basis in the Exit RCF Facility, as applicable. The calculation of a U.S. Holder's adjusted tax basis in the Exit RCF Facility is discussed above. A U.S. Holder's adjusted tax basis will generally be increased by any accrued OID previously included in such U.S. Holder's gross income. A U.S. Holder's gain or loss will generally constitute capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the Exit RCF Facility for longer than one year. Non-corporate U.S. taxpayers are generally subject to a reduced U.S. federal income tax rate on net long-term capital gains. The deductibility of capital losses is subject to certain limitations.

D. Certain U.S. Federal Income Tax Consequences of the Plan to Non-U.S. Holders of Allowed Claims Entitled to Vote.

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan and includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders of Allowed Claims entitled to vote. This discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal, state, local, non-U.S., and non-income tax consequences of the consummation of the Plan to such Non-U.S. Holder and the ownership and disposition of the consideration received under the Plan.

1. Consequences to Non-U.S. Holders of the Restructuring Transactions.

Whether a Non-U.S. Holder realizes gain or loss on the exchange of any Allowed Claims and the amount of such gain or loss is generally determined in the same manner as set forth above in connection with U.S. Holders holding the same class of Claims. Any gain realized by a Non-U.S. Holder of Allowed Claims entitled to vote on the exchange of its Claim (other than any gain attributable to accrued but untaxed interest, which will be taxable in the same manner as described below in "*Accrued Interest*") generally will not be subject to U.S. federal income taxation unless (a) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the Restructuring Transactions occur and certain other conditions are met or (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and, if an applicable income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception

applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain realized on the exchange if such gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States in the same manner as a U.S. Holder. In order to claim an exemption from withholding tax, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or suitable substitute or successor form or such other form as the IRS may prescribe). In addition, if such a Non-U.S. Holder is classified as a corporation for U.S. federal income tax purposes, it may be subject to a branch profits tax equal to 30 percent (or such lower rate provided by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

2. Accrued Interest.

Subject to the discussion of FATCA below, payments to a Non-U.S. Holder that are attributable to accrued but untaxed interest with respect to Allowed Claims generally will not be subject to U.S. federal income or withholding tax, *provided* that the Non-U.S. Holder provides to the withholding agent, prior to receipt of such payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person, unless:

(a) the Non-U.S. Holder actually or constructively owns 10 percent or more of the total combined voting power of all classes of Debtor's stock entitled to vote;

(b) the Non-U.S. Holder is a "controlled foreign corporation" that is a "related person" with respect to Debtor (each, within the meaning of the IRC);

(c) the non-U.S. Holder is a bank receiving interest described in section 881(c)(3)(A) of the IRC; or

(d) such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (x) generally will not be subject to withholding tax, but (y) will be subject to U.S. federal income tax on a net basis generally in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued interest at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

A Non-U.S. Holder that does not qualify for the exemption from withholding tax with respect to accrued but untaxed interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30 percent rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on any payments that are attributable to accrued but untaxed interest. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business. As described above in more detail under the heading "*Certain U.S. Federal Income Tax Consequences of the Plan to U.S. Holders of Allowed Claims Entitled to Vote - Accrued Interest*," the aggregate consideration to be distributed to holders of Allowed Claims in each Class will be allocated first to the principal amount of such Allowed Claims, with any excess allocated to accrued but unpaid interest on such Allowed Claims, if any.

3. Consequences to Non-U.S. Holders of the Ownership and Disposition of Reorganized Equity.

a. Dividends.

Any distributions made with respect to Reorganized Equity (other than certain distributions of stock of Post-Effective Date STG) will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of Post-Effective Date STG, as determined under U.S. federal income tax principles (and thereafter first as a tax-free return of capital which reduces basis and then, generally, capital gain). Except as described below, dividends paid with respect to Reorganized Equity held by a Non-U.S. Holder that are not income effectively connected with a trade or business in the U.S. ("ECI") (or, if an applicable income tax treaty applies, are not attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) will be subject to U.S. federal withholding tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under an applicable income tax treaty by filing IRS Form W-8BEN or W-8BEN-E, as applicable (or suitable substitute or successor form or such other form as the IRS may prescribe), upon which the Non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower applicable income tax treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to Reorganized Equity held by a Non-U.S. Holder that are ECI (and, if an applicable income tax treaty applies, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder, and a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty).

If Post-Effective Date Debtor is considered a "U.S. real property holding corporation" (a "USRPHC"), distributions to a Non-U.S. Holder will generally be subject to withholding by Post-Effective Date Debtor at a rate of 15 percent to the extent they are not treated as dividends. In general, a corporation would be a USRPHC with respect to a non-U.S. Holder if the fair market value of the corporation's U.S. real property interests (as defined in the IRC and applicable Treasury Regulations) equals or exceeds 50 percent of the aggregate of (a) the fair market value of its worldwide real property interests and (b) its other assets used or held for use in a trade or business (applying certain look-through rules to evaluate the assets of subsidiaries) at any time within the shorter of (a) the five-year period ending on the effective time of the applicable disposition or (b) the non-U.S. Holder's holding period for its interests in the corporation. In the event the Reorganized Equity is regularly traded on an established market, withholding would not be required if the Non-U.S. Holder does not directly or indirectly own (and has not directly or indirectly owned) more than 5 percent of the aggregate fair market value of the class of equity interests that includes the Reorganized Equity during a specified testing period. Exceptions to such withholding may also be available to the extent a Non-U.S. Holder furnishes a certificate qualifying such Non-U.S. Holder for a reduction or exemption of withholding pursuant to applicable Treasury Regulations. The Debtors have not determined if they are, or whether the Post-Effective Date Debtors will be, USRPHCs.

b. Sale, Redemption, or Repurchase of Reorganized Equity.

A Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to any gain realized on the sale or other taxable disposition (including a cash redemption) of the Reorganized Equity of Post-Effective Date STG unless:

(i) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition and certain other conditions are met;

(ii) such gain is ECI (and, if an applicable income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); or

(iii) the issuer of such Reorganized Equity is or has been during a specified testing period a "USRPHC."

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of Reorganized Equity. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such gain in the same manner as a U.S. Holder, and a Non-U.S. Holder that is classified as a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to earnings and profits effectively connected with a U.S. trade or business that are attributable to such gains at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty).

If the third exception applies, a non-U.S. Holder of Reorganized Equity generally will be subject to U.S. federal income tax on any gain recognized on the disposition of all or a portion of its Reorganized Equity under the Foreign Investment in Real Property Tax Act and the Treasury Regulations thereunder ("FIRPTA"). Taxable gain from a non-U.S. Holder's disposition of an interest in a USRPHC (generally equal to the difference between the amount realized and the non-U.S. Holder's adjusted tax basis in such interest) would constitute ECI. A non-U.S. Holder would also be subject to withholding tax equal to 15 percent of the amount realized on the disposition and generally required to file a U.S. federal income tax return. The amount of any such withholding may be allowed as a credit against the non-U.S. Holder's U.S. federal income tax liability and may entitle the non-U.S. Holder to a refund if the non-U.S. Holder properly and timely files a tax return with the IRS. As discussed above, the Debtors have not determined if they are, or whether the Post-Effective Date Debtors will be, USRPHCs.

In general, FIRPTA will not apply upon a non-U.S. Holder's disposition of its Reorganized Equity if (x) the Reorganized Equity is treated as "regularly traded" on an established market and continue to be regularly traded on an established market and (y) the non-U.S. Holder did not directly or indirectly own more than 5 percent of the value of the Reorganized Equity during a specified testing period.

4. Consequences to Non-U.S. Holders of Payments of Interest and of Owning and Disposing of the Exit RCF Facility ~~and Takeback Equipment Financing Debt~~.

The following discussion ~~applies only to Takeback Equipment Financing Debt that is treated as indebtedness for U.S. federal income tax purposes and~~ assumes that the "contingent payment debt instrument" rules do not apply to the ~~Takeback Equipment Financing Debt or~~ Exit RCF Facility. Non-U.S. Holders should consult their own tax advisors regarding the application of these rules.

a. Payments of Interest.

Subject to the discussion of backup withholding and FATCA, interest income (which, for purposes of this discussion of Non-U.S. Holders, includes OID, if any) of a Non-U.S. Holder that is not effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder will qualify for the so-called "portfolio interest exemption" and, therefore, will not be subject to U.S. federal income tax or withholding, provided that:

- the Non-U.S. Holder does not own, actually or constructively, 10 percent or more of the interest in the Post-Effective Date Debtors within the meaning of section 871(h)(3) of the IRC and Treasury Regulations thereunder;

- the Non-U.S. Holder is not a controlled foreign corporation related to Post-Effective Date Debtors, actually or constructively through the ownership rules under section 864(d)(4) of the IRC;

- the Non-U.S. Holder is not a bank that is receiving the interest on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and

- the beneficial owner gives Post-Effective Date Debtors an appropriate IRS Form W-8 (or suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed establishing its status as a non-U.S. person.

If not all of these conditions are met, interest on the ~~Takeback Equipment Financing Debt or~~ Exit RCF Facility paid to a Non-U.S. Holder that is not effectively connected with a U.S. trade or business carried on by the Non-U.S. Holder will generally be subject to U.S. federal income tax and withholding at a 30 percent rate, unless an applicable income tax treaty reduces or eliminates such withholding and the Non-U.S. Holder claims the benefit of that applicable income tax treaty by providing an appropriate IRS Form W-8 (or a suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business.

If interest on the ~~Takeback Equipment Financing Debt or~~ Exit RCF Facility is effectively connected with a trade or business in the United States carried on by the Non-U.S. Holder, the Non-U.S. Holder will be required to pay U.S. federal income tax on that interest on a net income basis generally in the same manner as a U.S. Holder (and the 30 percent withholding tax described above will not apply), *provided* the appropriate statement is provided to Post-Effective Date Debtors unless an applicable income tax treaty provides otherwise. To claim an exemption from withholding, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or suitable substitute or successor form or such other form as the IRS may prescribe). If a Non-U.S. Holder is eligible for the benefits of any applicable income tax treaty between the United States and its country of residence, any interest income that is ECI will be subject to U.S. federal income tax in the manner specified by the applicable income tax treaty if the Non-U.S. Holder claims the benefit of the applicable income tax treaty by providing an appropriate IRS Form W-8 (or a suitable substitute or successor form or such other form as the IRS may prescribe) that has been properly completed and duly executed. In addition, a corporate Non-U.S. Holder may, under certain circumstances, be subject to an additional branch profits tax at a 30 percent rate, or, if

applicable, a lower applicable income tax treaty rate, on its effectively connected earnings and profits attributable to such interest (subject to adjustments).

The certifications described above must be provided to the applicable withholding agent prior to the payment of interest and, as applicable, must be updated periodically. Non-U.S. Holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

b. Sale, Taxable Exchange, or Other Disposition of the ~~Takeback Equipment Financing Debt or~~ Exit RCF Facility.

A Non-U.S. Holder will generally not be subject to U.S. federal income tax on any gain realized on a sale, exchange, retirement, redemption or other taxable disposition of the ~~Takeback Equipment Financing Debt or~~ Exit RCF Facility (other than any amount representing accrued but unpaid interest on the loan) unless:

- the gain is ECI (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment that such Non-U.S. Holder maintains in the United States); or

- in the case of a Non-U.S. Holder who is a nonresident alien individual, such Non-U.S. Holder is present in the United States for 183 or more days in the taxable year of disposition and certain other requirements are met.

If a Non-U.S. Holder falls under the first of these exceptions, unless an applicable income tax treaty provides otherwise, the Non-U.S. Holder will generally be taxed on the net gain derived from the disposition of the ~~Takeback Equipment Financing Debt or~~ Exit RCF Facility under the graduated U.S. federal income tax rates that are applicable to U.S. Holders and, if the Non-U.S. Holder is a foreign corporation, it may also be subject to the branch profits tax described above. If an individual Non-U.S. Holder falls under the second of these exceptions, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (unless a lower applicable treaty rate applies) on the amount by which the gain derived from the disposition exceeds such Non-U.S. Holder's capital losses allocable to sources within the United States for the taxable year of the disposition.

5. FATCA.

Under legislation commonly referred to as the Foreign Account Tax Compliance Act ("FATCA"), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or could be subject to withholding at a rate of 30 percent on the receipt of "withholdable payments." For this purpose, "withholdable payments" are generally U.S.-source payments of fixed or determinable, annual or periodical income, and, subject to the paragraph immediately below, also include gross proceeds from the sale of any property of a type which can produce U.S.-source interest or dividends. FATCA withholding could apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding.

Withholding with respect to the gross proceeds of a disposition of any stock, debt instrument, or other property that can produce U.S.-source dividends or interest has been eliminated under proposed Treasury Regulations, which can be relied on until final regulations become effective.

Each Non-U.S. Holder is urged to consult its own tax advisor regarding the possible impact of FATCA withholding rules on such Non-U.S. Holder.

E. Information Reporting and Back-Up Withholding.

The Debtors and applicable withholding agents will withhold all amounts required by law to be withheld from payments of interest and dividends (or other payments), whether in connection with distributions under the Plan or in connection with payments made on account of consideration received pursuant to the Plan, and will comply with all applicable information reporting requirements. The IRS may make the information returns reporting such interest and dividends and withholding available to the tax authorities in the country in which a Non-U.S. Holder is resident. In general, information reporting requirements may apply to distributions or payments made to a Holder of a Claim under the Plan. Additionally, under the backup withholding rules, a Holder may be subject to backup withholding (currently at a rate of 24 percent) with respect to distributions or payments made pursuant to the Plan unless that Holder: (a) comes within certain exempt categories (which generally include corporations) and, when required, demonstrates that fact; or (b) timely provides a correct taxpayer identification number and certifies under penalty of perjury that the taxpayer identification number is correct and that the Holder is not subject to backup withholding (generally in the form of a properly executed IRS Form W-9 for a U.S. Holder, and, for a Non-U.S. Holder, in the form of a properly executed applicable IRS Form W-8 (or otherwise establishes such Non-U.S. Holder's eligibility for an exemption)). Backup withholding is not an additional tax but is, instead, an advance payment that may be refunded to the extent it results in an overpayment of tax; *provided* that the required information is timely provided to the IRS.

In addition, from an information reporting perspective, Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. Holders subject to the Plan are urged to consult their tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the Holders' tax returns.

XIV. RECOMMENDATION OF THE DEBTORS.

In the opinion of the Debtors, the Plan is preferable to all other available alternatives and provides for a larger distribution to the Debtors' creditors than would otherwise result in any other scenario. Accordingly, the Debtors recommend that Holders of Claims entitled to vote on the Plan vote to accept the Plan and support Confirmation of the Plan.

Dated: ~~March~~April 1~~3~~4, 2026

STG Logistics, Inc.
on behalf of itself and all other Debtors

By: *Tyler Holtgreven*

Name: Tyler Holtgreven
Title: Chief Financial Officer