SOLICITATION VERSION

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	**Chapter 11**
DRF LOGISTICS, LLC, *et al.*,	§	**Case No. 24-90447 (CML)**
Debtors.[1]	§	**(Jointly Administered)**

DISCLOSURE STATEMENT FOR DEBTORS' AMENDED JOINT PLAN OF LIQUIDATION

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Dated: September 24, 2024
Houston, Texas

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number are: DRF Logistics, LLC (6861) and DRF, LLC (7236). The Debtors' mailing address is 7171 Southwest Parkway, Bldg. 300, Suite 400, Austin, TX 78735.

DISCLOSURE STATEMENT, DATED SEPTEMBER 24, 2024

DRF LOGISTICS, LLC, *ET AL.*

THIS SOLICITATION OF VOTES IS BEING CONDUCTED TO OBTAIN SUFFICIENT VOTES TO ACCEPT THE *DEBTORS' AMENDED JOINT PLAN OF LIQUIDATION*, DATED SEPTEMBER 24, 2024, ATTACHED HERETO AS EXHIBIT A (THE "PLAN").[2]

THE DEADLINE TO ACCEPT OR REJECT THE PLAN IS 4:00 P.M. (CENTRAL TIME) ON NOVEMBER 8, 2024 (THE "VOTING DEADLINE"), UNLESS EXTENDED BY THE DEBTORS.

THE RECORD DATE FOR DETERMINING WHICH HOLDERS OF CLAIMS MAY VOTE ON THE PLAN IS SEPTEMBER 23, 2024 (THE "RECORD DATE").

RECOMMENDATION BY THE DEBTORS

The board of managers of DRF Logistics, LLC, on behalf of DRF Logistics, LLC and DRF, LLC, have unanimously approved the transactions contemplated by the Plan. The Debtors believe the Plan is in the best interests of all stakeholders and recommend that all creditors whose votes are being solicited submit Ballots to accept the Plan.

THE INFORMATION CONTAINED IN THIS DISCLOSURE STATEMENT (AS MAY BE AMENDED, SUPPLEMENTED, OR MODIFIED FROM TIME TO TIME, THE "DISCLOSURE STATEMENT") IS INCLUDED HEREIN FOR THE PURPOSES OF SOLICITING VOTES ON THE PLAN AND MAY NOT BE RELIED UPON FOR ANY PURPOSE OTHER THAN TO DETERMINE HOW TO VOTE ON THE PLAN. A COPY OF THE PLAN IS ANNEXED HERETO AS EXHIBIT A. NO SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN MAY BE MADE EXCEPT PURSUANT TO SECTION 1125 OF CHAPTER 11 OF TITLE 11 OF THE UNITED STATES CODE (THE "BANKRUPTCY CODE").

ALL HOLDERS OF CLAIMS AND INTERESTS ARE ADVISED AND ENCOURAGED TO READ THE DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. IN PARTICULAR, ALL HOLDERS OF CLAIMS AND INTERESTS SHOULD CAREFULLY READ AND CONSIDER FULLY THE RISK FACTORS SET FORTH IN SECTION V (CERTAIN RISK FACTORS AFFECTING DEBTORS) OF THIS DISCLOSURE STATEMENT BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. THE PLAN SUMMARIES AND STATEMENTS MADE IN THIS DISCLOSURE STATEMENT ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE PLAN AND THE EXHIBITS ANNEXED TO THE PLAN AND THIS DISCLOSURE STATEMENT. IN THE EVENT OF ANY CONFLICT BETWEEN THE DESCRIPTIONS SET FORTH IN THIS DISCLOSURE STATEMENT AND THE TERMS OF THE PLAN, THE TERMS OF THE PLAN GOVERN.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

THE DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(b) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE (THE "BANKRUPTCY RULES") AND NOT NECESSARILY IN ACCORDANCE WITH OTHER NON-BANKRUPTCY LAW.

HOLDERS OF CLAIMS AND INTERESTS SHOULD NOT CONSTRUE THE CONTENTS OF THE DISCLOSURE STATEMENT AS PROVIDING ANY LEGAL, BUSINESS, FINANCIAL, OR TAX ADVICE AND SHOULD CONSULT WITH THEIR OWN ADVISORS BEFORE CASTING A VOTE WITH RESPECT TO THE PLAN.

CERTAIN STATEMENTS CONTAINED IN THE DISCLOSURE STATEMENT, INCLUDING STATEMENTS INCORPORATED BY REFERENCE, PROJECTED FINANCIAL INFORMATION, AND OTHER FORWARD-LOOKING STATEMENTS, ARE BASED ON ESTIMATES AND ASSUMPTIONS. THERE CAN BE NO ASSURANCE THAT SUCH STATEMENTS WILL BE REFLECTIVE OF ACTUAL OUTCOMES. FORWARD-LOOKING STATEMENTS SHOULD BE EVALUATED IN THE CONTEXT OF THE ESTIMATES, ASSUMPTIONS, UNCERTAINTIES, AND RISKS DESCRIBED HEREIN.

FURTHERMORE, READERS ARE CAUTIONED THAT ANY FORWARD-LOOKING STATEMENTS HEREIN, INCLUDING ANY PROJECTIONS, ARE SUBJECT TO A NUMBER OF ASSUMPTIONS, RISKS, AND UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE DEBTORS, INCLUDING THE IMPLEMENTATION OF THE PLAN. IMPORTANT ASSUMPTIONS AND OTHER IMPORTANT FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY INCLUDE THOSE FACTORS, RISKS, AND UNCERTAINTIES DESCRIBED IN MORE DETAIL UNDER THE HEADING "CERTAIN RISK FACTORS AFFECTING DEBTORS" BELOW. PARTIES ARE CAUTIONED THAT THE FORWARD-LOOKING STATEMENTS SPEAK AS OF THE DATE MADE, ARE BASED ON THE DEBTORS' CURRENT BELIEFS, INTENTIONS, AND EXPECTATIONS, AND ARE NOT GUARANTEES OF FUTURE PERFORMANCE. ACTUAL RESULTS OR DEVELOPMENTS MAY DIFFER MATERIALLY FROM THE EXPECTATIONS EXPRESSED OR IMPLIED IN THE FORWARD-LOOKING STATEMENTS, AND THE DEBTORS UNDERTAKE NO OBLIGATION TO UPDATE ANY SUCH STATEMENTS. THE DEBTORS DO NOT INTEND, AND UNDERTAKE NO OBLIGATION, TO UPDATE OR OTHERWISE REVISE ANY FORWARD-LOOKING STATEMENTS, INCLUDING ANY PROJECTIONS CONTAINED HEREIN, TO REFLECT EVENTS OR CIRCUMSTANCES EXISTING OR ARISING AFTER THE DATE HEREOF OR TO REFLECT THE OCCURRENCE OF UNANTICIPATED EVENTS OR OTHERWISE.

NO INDEPENDENT AUDITOR OR ACCOUNTANT HAS REVIEWED OR APPROVED THE LIQUIDATION ANALYSIS HEREIN. THE STATEMENTS CONTAINED IN THE DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF UNLESS OTHERWISE SPECIFIED.

THE DEBTORS HAVE NOT AUTHORIZED ANY PERSON TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, IN CONNECTION WITH THE PLAN OR THE DISCLOSURE STATEMENT.

THE INFORMATION IN THE DISCLOSURE STATEMENT IS BEING PROVIDED SOLELY FOR PURPOSES OF VOTING TO ACCEPT OR REJECT THE PLAN OR OBJECTING TO CONFIRMATION. NOTHING IN THE DISCLOSURE STATEMENT MAY BE USED BY ANY PARTY FOR ANY OTHER PURPOSE.

THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS (THE "CREDITORS' COMMITTEE") IS ACTIVELY INVESTIGATING, AMONG OTHER THINGS, THE HILCO TRANSACTION (AS DEFINED BELOW), THE OAKTREE NOTE, THE SETTLEMENT AND RELEASE AGREEMENT, THE FACTS AND CIRCUMSTANCES SURROUNDING THE FORMULATION OF THE PLAN AND THE PROPOSED RELEASES, AND POTENTIAL CLAIMS RELATED THERETO AGAINST, AMONG OTHERS, PITNEY BOWES, INC. (COLLECTIVELY, THE "INVESTIGATED MATTERS"). THE CREDITORS' COMMITTEE DOES NOT HAVE SUFFICIENT INFORMATION TO SUPPORT THE PLAN, INCLUDING THE PLAN'S TREATMENT OF UNSECURED CREDITORS OF THE DEBTORS AND THE SETTLEMENT WITH PITNEY BOWES, INC. EMBODIED THEREIN, AT THIS TIME.

ALL EXHIBITS TO THE DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THE DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN.

PLEASE BE ADVISED THAT SECTIONS 11.3, 11.4, 11.5, 11.6, 11.7, AND 11.8 OF THE PLAN CONTAIN RELEASE, EXCULPATION, AND INJUNCTION PROVISIONS. YOU SHOULD REVIEW AND CONSIDER THE PLAN CAREFULLY BECAUSE YOUR RIGHTS MAY BE AFFECTED.

An opt-out election form (the "**Release Opt-Out Form**") or a Ballot (as defined herein) containing an opt-out election has been or will be mailed to you. The Release Opt-Out Form or Ballot, as applicable, will provide you with the option to opt out of granting the releases contained in Section 11.6(b) of the Plan. You must complete and timely return the Release Opt-Out Form or Ballot, as applicable, to the Solicitation Agent (as defined herein) by the Voting Deadline, Friday, November 8, 2024 at 4:00 p.m. (Central Time), in accordance with the instructions set forth in the Release Opt-Out Form or Ballot, as applicable, for your opt-out to be valid. OTHERWISE, EXCEPT AS EXPRESSLY SET FORTH IN THE PLAN, YOU WILL BE DEEMED TO CONSENT TO AND BE BOUND BY THE RELEASES SET FORTH IN THE PLAN. Please review the additional information set forth in this Disclosure Statement, the Plan, the Release Opt-Out Form, and the Ballot, as applicable, and any other documents related to these chapter 11 cases that you may receive from time to time. Please be advised that your decision to opt out or not opt out of the releases in Section 11.6(b) of the Plan does not affect the amount of any distribution you may receive under the Plan.

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I.

INTRODUCTION

On August 8, 2024 (the "**Petition Date**"), DRF Logistics, LLC ("**DRF Logistics**") and DRF, LLC (together with DRF Logistics, the "**Debtors**") commenced voluntary cases in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Court**") pursuant to chapter 11 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

The purpose of this Disclosure Statement is to provide information of a kind, and in sufficient detail, to enable creditors of the Debtors that are entitled to vote on the Plan to make an informed decision on whether to vote to accept or reject the Plan. The Disclosure Statement contains, among other things, a summary of (i) the treatment of Claims against and Interests in the Debtors under the Plan, (ii) the Debtors' business and certain historical events, (iii) anticipated events during these chapter 11 cases, (iv) risk factors affecting the Debtors and the Plan, and (v) the standard for seeking confirmation of the Plan.

As described in more detail below, the Debtors faced certain financial difficulties prior to the Petition Date and commenced these chapter 11 cases to effectuate an orderly and efficient wind-down of the Debtors' operations. On August 8, 2024, the Debtors, Pitney Bowes International Holdings, Inc. ("**PBIH**"), Pitney Bowes, Inc. ("**PBI**" and together with its Affiliates, as defined in the Plan, "**Pitney Bowes**"), and certain funds and Affiliates of Oaktree Capital Management, L.P. ("**Oaktree**"), entered into that certain Restructuring Support Agreement (as may be amended, supplemented, or otherwise modified from time to time and including all exhibits thereto, the "**RSA**"). Under the RSA, PBI, PBIH, and Oaktree have agreed, subject to the terms and conditions of the RSA, to vote in favor of and support the Plan.

A. OVERVIEW OF PLAN

The Plan contemplates a liquidation and eventual wind-down of the Debtors. Prior to the Effective Date, the Debtors will use commercially reasonable efforts to sell their assets. To implement the provisions of the Plan, including making distributions to holders of Claims and Interests, the Plan contemplates the appointment of Hilco Commercial Industrial, LLC as the Liquidating Agent for each Debtor (the "**Liquidating Agent**"). The Liquidating Agent will carry out and implement all provisions of the Plan after the Effective Date and wind down the Debtors' estates.

The Plan incorporates the terms of that certain *Settlement and Release Agreement*, dated August 8, 2024 (the "**Settlement and Release Agreement**"), entered into between the Debtors, PBI, and PBIH. As discussed in more detail herein, in connection with the Settlement and Release Agreement, Pitney Bowes agreed to support the Plan and committed to provide up to $18.5 million to fund Plan distributions to holders of Oaktree Secured Claims and General Unsecured Claims in exchange for the release of any and all claims and Causes of Action the Debtors may have against Pitney Bowes.

The Plan further provides for, on the Effective Date, certain distributions to be made and reserves to be established, including (i) initial funding of, and distributions from, the Senior Claims Recovery Pool, (ii) funding of the Fee Escrow and payment of Fee Claims therefrom, (iii) funding of the Wind Down Estates, (iv) the Unsecured Claims Initial Distribution, (v) the Oaktree Initial Funding Amount, and thereafter (vi) the payment of the DIP Claims, in each case, in accordance with the Plan.

After the Effective Date, the proceeds from the sale of any Wind Down Estate Assets and any other Assets of the Wind Down Estates will become Post-Effective Date Available Cash of the

applicable Wind Down Estate. Any distributions of Post-Effective Date Available Cash will be allocated in accordance with the below described Waterfall (and as set forth in more detail in the Plan):

(i) to fund any deficits in the Wind Down Reserve;

(ii) to fund any deficits in the Senior Claims Recovery Pool;

(iii) with 50% to fund the Unsecured Claims Subsequent Distribution and 50% to fund the Oaktree Additional Recovery Amount until all Allowed Oaktree Secured Claims are paid in full;

(iv) to fund the Unsecured Claims Subsequent Distribution until payment in full of Allowed General Unsecured Claims;

(v) to fund any Allowed DIP Claims not otherwise paid on the Effective Date until all Allowed DIP Claims are paid in full; and

(vi) to Allowed Existing DRF Logistics Equity Interests.

The Debtors believe the Plan maximizes value for all stakeholders.

B. TREATMENT OF CLAIMS AND INTERESTS

The following table summarizes (i) the type of Claims and Interests under the Plan, (ii) which Classes are impaired by the Plan, and (iii) which Classes are entitled to vote on the Plan. The table is qualified in its entirety by reference to the full text of the Plan.

1. *Claims and Interests in DRF Logistics LLC*

Class	Designation	Treatment under Plan	Impairment	Entitlement to Vote	Approx. Percentage Recovery[1]
1	Other Priority Claims	On or as soon as reasonably practicable after the later of the Effective Date and the date that is ten Business Days after the date such Other Priority Claim becomes an Allowed Claim, except to the extent that a holder of an Allowed Other Priority Claim and the Debtors or Liquidating Agent (as applicable) agree to less favorable treatment, each holder of an Allowed Other Priority Claim shall receive in full and final satisfaction, settlement, release, and	Unimpaired	No (presumed to accept)	100%

[1] In preparing this Disclosure Statement, the Debtors assumed an Effective Date of November 29, 2024. Any change to that assumed Effective Date could impact the estimated value of the recoveries set forth herein.

Class	Designation	Treatment under Plan	Impairment	Entitlement to Vote	Approx. Percentage Recovery[1]
		discharge of such Claim, at the option of the Debtors or Liquidating Agent (as applicable), either (i) payment in full in Cash or (ii) other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.			
2	Other Secured Claims	On or as soon as reasonably practicable after the later of the Effective Date and the date that is ten Business Days after the date such Other Secured Claim becomes an Allowed Claim, except to the extent that a holder of an Allowed Other Secured Claim and the Debtors (in consultation with and subject to the consent of the DIP Lender) or Liquidating Agent (as applicable) agree to less favorable treatment, each holder of an Allowed Other Secured Claim shall receive in full and final satisfaction, settlement, release, and discharge of such Claim, at the option of the Debtors or Liquidating Agent (as applicable), either (i) payment in full in Cash or (ii) other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.	Unimpaired	No (presumed to accept)	100%
3	Oaktree Secured Claims	Each holder of an Allowed Oaktree Secured Claim shall receive from the Debtors or Liquidating Agent (as applicable), in full and final satisfaction, settlement, release, and discharge of such Allowed Oaktree Secured Claim, such holder's Pro Rata share of the (i) Oaktree Initial Payment and (ii) Oaktree Additional Recovery Amount.	Impaired	Yes	91%
4	General Unsecured Claims	Each holder of an Allowed General Unsecured Claim shall receive, from the Debtors or Liquidating Agent (as applicable), in full and final satisfaction, settlement, release, and	Impaired	Yes	3-10%

Class	Designation	Treatment under Plan	Impairment	Entitlement to Vote	Approx. Percentage Recovery[1]
		discharge of such Allowed General Unsecured Claim, such holder's Pro Rata share of (i) the Unsecured Claims Initial Distribution; *provided* that, for the purposes of this clause (i), the PB Unsecured Claim shall not participate in or receive any recovery from the Unsecured Claims Initial Distribution, plus (ii) the Unsecured Claims Subsequent Distribution with such distribution(s) pursuant to this clause (ii) made in accordance with the Debtor Distribution Ratio.			
5	Interdebtor Claims	On or as soon as practicable after the Effective Date, all Interdebtor Claims shall be adjusted, Reinstated, or discharged (each without any distribution) to the extent reasonably determined to be appropriate by the Debtors or Liquidating Agent (as applicable).	Unimpaired / Impaired	No (presumed to accept / deemed to reject)	N/A
6A	Existing DRF Logistics Equity Interests	Each holder of an Allowed Existing DRF Logistics Equity Interest as of the Effective Date shall be entitled to receive, from the Debtors or Liquidating Agent (as applicable), any remaining Cash from DRF Logistics, LLC's Estate or Wind Down Estate (as applicable) following the satisfaction in full in accordance with the Bankruptcy Code and the Plan of all (i) Allowed General Unsecured Claims, (ii) Allowed Oaktree Secured Claims, and (iii) Allowed DIP Claims against DRF Logistics, LLC.	Impaired	Yes	N/A

2. *Claims and Interests in DRF, LLC*

Class	Designation	Treatment under Plan	Impairment	Entitlement to Vote	Approx. Percentage Recovery[2]
1	Other Priority Claims	On or as soon as reasonably practicable after the later of the Effective Date and the date that is ten Business Days after the date such Other Priority Claim becomes an Allowed Claim, except to the extent that a holder of an Allowed Other Priority Claim and the Debtors or Liquidating Agent (as applicable) agree to less favorable treatment, each holder of an Allowed Other Priority Claim shall receive in full and final satisfaction, settlement, release, and discharge of such Claim, at the option of the Debtors or Liquidating Agent (as applicable), either (i) payment in full in Cash or (ii) other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.	Unimpaired	No (presumed to accept)	100%
2	Other Secured Claims	On or as soon as reasonably practicable after the later of the Effective Date and the date that is ten Business Days after the date such Other Secured Claim becomes an Allowed Claim, except to the extent that a holder of an Allowed Other Secured Claim and the Debtors (in consultation with and subject to the consent of the DIP Lender) or Liquidating Agent (as applicable) agree to less favorable treatment, each holder of an Allowed Other Secured Claim shall receive in full and final satisfaction, settlement, release, and discharge of such Claim, at the option of the Debtors or Liquidating Agent (as applicable), either (i) payment in full in Cash or (ii) other treatment	Unimpaired	No (presumed to accept)	100%

[2] In preparing this Disclosure Statement, the Debtors assumed an Effective Date of November 29, 2024. Any change to that assumed Effective Date could impact the estimated value of the recoveries set forth herein.

Class	Designation	Treatment under Plan	Impairment	Entitlement to Vote	Approx. Percentage Recovery[2]
		consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.			
3	Oaktree Secured Claims	Each holder of an Allowed Oaktree Secured Claim shall receive from the Debtors or Liquidating Agent (as applicable), in full and final satisfaction, settlement, release, and discharge of such Allowed Oaktree Secured Claim, such holder's Pro Rata share of the (i) Oaktree Initial Payment and (ii) Oaktree Additional Recovery Amount.	Impaired	Yes	91%
4	General Unsecured Claims	Each holder of an Allowed General Unsecured Claim shall receive, from the Debtors or Liquidating Agent (as applicable), in full and final satisfaction, settlement, release, and discharge of such Allowed General Unsecured Claim, such holder's Pro Rata share of (i) the Unsecured Claims Initial Distribution; *provided* that, for the purposes of this clause (i), the PB Unsecured Claim shall not participate in or receive any recovery from the Unsecured Claims Initial Distribution, plus (ii) the Unsecured Claims Subsequent Distribution with such distribution(s) pursuant to this clause (ii) made in accordance with the Debtor Distribution Ratio.	Impaired	Yes	3-10%
5	Interdebtor Claims	On or as soon as practicable after the Effective Date, all Interdebtor Claims shall be adjusted, Reinstated, or discharged (each without any distribution) to the extent reasonably determined to be appropriate by the Debtors or Liquidating Agent (as applicable).	Unimpaired / Impaired	No (presumed to accept / deemed to reject)	N/A
6B	Interdebtor Interests	On the Effective Date and without the need for any further corporate or limited liability company action or approval of any board of directors, board of managers, member,	Unimpaired	No (presumed to accept)	N/A

Class	Designation	Treatment under Plan	Impairment	Entitlement to Vote	Approx. Percentage Recovery[2]
		manager, management, or Security holders of any Debtor or Wind Down Estate (as applicable), all Interdebtor Interests shall be unaffected by the Plan and continue in place following the Effective Date, solely for the administrative convenience of maintaining the existing corporate structure of the Debtors.			

C. VOTING PROCEDURES

For each holder of a Claim or Interest entitled to vote on the Plan, the Debtors will provide each party with, among other things, a copy of the Disclosure Statement, the Plan, a Ballot, a solicitation letter from the Creditors' Committee, and voting instructions regarding how to properly complete the Ballot and submit a vote with respect to the Plan. For detailed voting instructions, please refer to the voting instructions and the Ballot enclosed with this Disclosure Statement.

All completed Ballots must be actually received by Stretto, Inc. ("**Stretto**"), the Debtors' claims, noticing, and balloting agent (the "**Solicitation Agent**"), at the below address no later than the Voting Deadline.

Stretto's Address for Receipt of Ballots
If by Hand Delivery, or Overnight Mail DRF Logistics, LLC, *et al*. Ballot Processing c/o Stretto 410 Exchange, Suite 100 Irvine, CA 92602
If by First Class Mail DRF Logistics, LLC, *et al*. Ballot Processing c/o Stretto 410 Exchange, Suite 100 Irvine, CA 92602

If you are holder of a Claim or Interest that is entitled to vote on the Plan and you did not receive a Ballot, received a damaged Ballot, or lost your Ballot, or if you have any questions concerning the Disclosure Statement, the Plan, or the procedures for voting with respect to the Plan, please contact Stretto at (855) 314-0664 (for holders of Claims or Interests in the U.S. and Canada; toll-free) or +1 (714) 716-1968 (for holders of Claims or Interests located outside of the U.S. and Canada) or via e-mail message (with "DRF Solicitation" in the subject line) to DRFInquiries@stretto.com.

THE SOLICITATION AGENT WILL NOT COUNT ANY BALLOTS RECEIVED AFTER THE VOTING DEADLINE, UNLESS THE DEBTORS IN CONSULTATION WITH THE CREDITORS' COMMITTEE, SHALL HAVE GRANTED AN EXTENSION OF THE VOTING DEADLINE IN WRITING WITH RESPECT TO SUCH BALLOT OR WAIVE THE LATE SUBMISSION.

II.

OVERVIEW OF DEBTORS' OPERATIONS

A. DEBTORS' BACKGROUND AND BUSINESS

Headquartered in Austin, Texas, the Debtors are providers of domestic ecommerce parcel ("**GEC**") services, operating approximately $35 billion in total addressable market and working with over 350 customer brands, including leading retailers and marketplaces. The Debtors' domestic parcel services include delivery, returns, and underlying client and consumer-facing software.[3]

Prior to the Hilco Transaction (as defined below), the Debtors were the domestic providers of GEC business in the Pitney Bowes enterprise (together with the Debtors prior to the Hilco Transaction, "**Legacy Pitney Bowes**"). As discussed further below, on July 24, 2024, the Debtors sold their domestic fulfillment services, which accounted for approximately 3% of 2023 GEC revenues, to Stord Fulfillment LLC ("**Stord**").

1. *Global Ecommerce Business*

The Debtors' domestic parcel services offer retailers a parcel delivery and returns network for such retailers' end customers. The Debtors operate 12 domestic parcel sortation centers and two third-party facilities connected by a nationwide transportation network, enabling the Debtors to pick up parcels from their retail customers' distribution centers and move the parcels through the Debtors' physical network.[4] In 2023, the Debtors' domestic parcel services facilitated the distribution of approximately 212 million packages, including both delivery and returns.

The Debtors operate a network of owned and third party managed trucks that connect the domestic facilities and interchange parcels among those facilities. Further, the Debtors convey parcels from each facility to individual post offices and larger post office facilities around the country for the United States Postal Service ("**USPS**") to effect the last mile delivery to consumers. For example, the Debtors convey parcels via trucks into the Houston, Texas area on a daily basis.

As of the evening of August 8, 2024, the total number of parcels in the Debtors' delivery network was approximately 1.9 million. Of that total, Texas had approximately 170,000 of the total national volume.

The Debtors' returns system in particular involves a customer-friendly construct. As is the case with United Parcel Service, Inc. and FedEx Corporation, there are no subscription fees or shipment fees for customers seeking to return parcels. Customers also do not need to purchase their own boxes or labels. Instead, the first step in the Debtors' returns system is to provide customers with a return label to

[3] The Debtors represent approximately 94% of the revenues produced by the GEC business. There are also three international non-Debtor GEC entities, which are discussed in more detail below.

[4] Of the 12 domestic parcel sortation centers, two are no longer operating (Chicago, IL and Hebron, KY).

apply to the package. Customers then either drop off a package through USPS or through the Debtors' drop off network. The parcels then arrive at the Debtors' facilities, make their way to the facility closest to the client, and then are consolidated and returned to the designated client's return center.

The volume of parcels in the customer returns process, in particular, is spread out throughout the country. Prior to navigating through the Debtors' specific facilities, as discussed above, return parcels start at local post offices. Post offices in Houston, Texas have the largest volume of return packages waiting for pickup of any part of the southern United States. Thus, consumers, including those in the Houston area, have a strong interest in the Debtors' wind-down being smooth and effective so their return packages can reach their intended destination.

The Debtors also provide a network and technology platform capable of handling large increases in parcel volumes. The Debtors' parcel sortation technology includes customized systems primarily for couriers and postal operations looking for solutions to cope with the rising tide of internet-driven parcels. For example, the Debtors' automated parcel sorting solutions provide accurate image capture (i.e., bar codes), high read rates with respect to labeling (resulting in fewer mistakes), and robust technical support.

The Debtors also have robust automation equipment that provides useful tools to assist in the Debtors' parcel delivery sector. The Debtors' Eurosort, Interroll, Hytrol, Mantissa technology, for example, provides parcel sortation services, assisting with bulk unload and high-speed sortation.

The USPS is the Debtors' provider for the "last-mile" component of their domestic parcel delivery services. "Last-mile" delivery refers to the last leg of the journey before a package reaches its final destination. When a package reaches the closest transportation hub to its destination, the package is delivered to the USPS for delivery. The Debtors also offer digital delivery options that depend on certain contractual relationships with the USPS.

2. *Non-Debtor Pitney Bowes Operations*

PBI, the Debtors' former indirect parent company, is a global shipping and mailing company that provides technology, logistics, and financial services to small and medium-sized businesses, large enterprises, including more than 90 percent of the Fortune 500 companies, retailers, and government clients around the world. Headquartered in Stamford, Connecticut, PBI removes the complexity and increases the efficiency in sending clients' mail and parcels.

Legacy Pitney Bowes's history dates back to 1920, after co-founders Arthur Pitney and Walter Bowes invented the first commercially available postage meter. More than a century after its founding, Pitney Bowes continues to enable global shipping and mailing through (i) presort services (processing mail through a network of operating centers) and (ii) sending technology solutions (physical and digital mailing and shipping technology services).[5]

B. CORPORATE STRUCTURE AND GOVERNANCE

1. *Corporate Structure*

A chart summarizing the Debtors' corporate organization structure, as of the Petition Date, is annexed hereto as **Exhibit B**. As set forth on **Exhibit B**, PBIH, a wholly owned subsidiary of PBI, owns

[5] More details about Legacy Pitney Bowes's non-Debtor operations can be found in Pitney Bowes's Form 10-K. https://www.investorrelations.pitneybowes.com/static-files/d94f1704-8e6e-43a2-950b-ba03ee65462f.

19% of the voting interests and 100% of the economic interests in DRF Logistics. HCI DRF, LLC ("**Hilco**"), an affiliate of the Liquidating Agent, owns 81% of the voting interests in DRF Logistics. For context, on August 8, 2024, Hilco subscribed for 81% of the voting interests in DRF Logistics, for *de minimis* consideration of $1, leaving PBIH retaining 19% of the voting interests and 100% of the economic interests in DRF Logistics (the "**Hilco Transaction**"). The Hilco Transaction, coupled with the Secured Debt Amendments (as defined below), automatically released DRF Logistics and DRF, LLC from their obligations under the PBI Unsecured Notes (as defined below). The Debtors believe the release of the Debtors from their obligations under the PBI Unsecured Notes benefitted their creditors. As set forth herein, the Creditors' Committee is investigating the Hilco Transaction and does not presently agree with the Debtors' position that the Hilco Transaction benefitted unsecured creditors.

Debtor DRF Logistics, a Delaware limited liability company, has two direct subsidiaries: (i) Debtor DRF, LLC, a Texas limited liability company, and (ii) non-Debtor Pitney Bowes Global Ecommerce (APAC) Co. Ltd. ("**Pitney Bowes China**"), a Chinese entity that provides GEC sales services. PBIH has additional subsidiaries that provide GEC services, including non-Debtors Pitney Bowes Global Ecommerce UK Ltd. ("**Pitney Bowes UK**") and Pitney Global Ecommerce Ireland Ltd. ("**Pitney Bowes Ireland**"). Unlike Pitney Bowes China, neither Pitney Bowes UK nor Pitney Bowes Ireland is a subsidiary of a Debtor.

On June 27, 2024, pursuant to Article II, Section 3 of the Amended and Restated Bylaws of DRF Logistics, PBIH, as the sole owner of all of the issued and outstanding shares of common stock of DRF Logistics at the time, appointed two independent and disinterested directors (the "**Independent Directors**") to DRF Logistics's Board of Managers (the "**DRF Logistics Board**"): (i) Alan J. Carr and (ii) Dhiren Fonseca.

On July 9, 2024, the Independent Directors authorized the engagement of Hilco Global, LLC ("**Hilco Global**") to provide consulting services in connection with the Debtors' potential wind-down. In particular, Hilco Global's services include reviewing the Debtors' existing business plans and financial forecasts, updating and refining such plans to account for various scenarios in connection with the potential wind-down, and assisting the Debtors with executing on in-court or out-of-court dispositions of some or all of their assets. Prior to the Petition Date, Hilco Global also worked with the Debtors to prepare for the wind-down and sale of the Debtors' assets to maximize value for stakeholders. Hilco Global will continue providing these services during these chapter 11 cases.

2. *Capital Structure*

As of the Petition Date, the Debtors had $3.3 million in external funded debt obligations, a $111 million unsecured 2020 note owed to PBI, and another $5 million unsecured 2024 note owed to PBIH.

On August 8, 2024, DRF Logistics and DRF, LLC, as payors (the "**Payors**"), and Oaktree, as payee (the "**Payee**"), entered into that certain Secured Senior Takeback Note, pursuant to which the Payors promised to the Payee the principal aggregate amount of $3.3 million, together with interest at a rate per annum equal to 10% (the "**Oaktree Note**"). The Oaktree Note matures on August 8, 2025. The Debtors' entry into the Oaktree Note was part of the consideration for (and was a condition to) the Secured Debt Amendments (as defined below) related to the PBI Secured Notes (as defined below). As set forth herein, the Creditors' Committee is investigating the circumstances around the Debtors' entry into the Oaktree Note, including whether the Oaktree Note was entered into to create an impaired accepting class for purposes of the Plan.

Pitney Bowes has approximately $2.2 billion in funded debt, some of which the Debtors guaranteed or were otherwise obligated under prior to the Hilco Transaction, the Secured Debt Amendments (as defined below), and the 27/29 Notes Election Notice (as defined below). Pitney Bowes's funded debt obligations are summarized below. This description of Pitney Bowes's capital structure is for informational purposes only and is qualified in its entirety by reference to the documents setting forth the specific terms of such obligations and their respective related agreements. For the avoidance of doubt, these chapter 11 cases do not, in any way, directly or indirectly, affect (i) any debtholder's claim, rights, remedies or interests under Pitney Bowes's funded debt, (ii) the legality, validity, binding nature, and non-avoidability of Pitney Bowes' or any guarantors' obligations under the Pitney Bowes's funded debt, or (iii) the validity, enforceability, or perfection of the security interests securing the obligations under Pitney Bowes's funded debt.

Facility	Maturity	Principal
PBI Secured Debt		
Revolver	2026	—
Term Loan A	2026	$273.5 million
Term Loan B	2028	$436.5 million
Secured Notes	2028	$273.6 million
Total Secured Debt:		$983.6 million
PBI Unsecured Debt		
Unsecured Notes	2027	$380 million
Unsecured Notes	2029	$350 million
Unsecured Notes	2037	$35.8 million
Unsecured Notes	2043	$425 million
Other Debt	2024	$0.9 million
Total Unsecured Debt:		$1,191.7 million
Total Funded Debt:		**$2,175.3 million**

a. PBI Credit Facility

On November 1, 2019, PBI entered into that certain Credit Agreement, dated as of November 1, 2019 (as amended, supplemented, or otherwise modified from time to time, the "**PBI Credit Agreement**"), by and among (a) PBI, a Delaware corporation, as borrower, (b) the lenders and issuing banks party thereto (the "**Lenders**"), and (c) JPMorgan Chase Bank, N.A., as administrative agent, (the "**PBI Credit Agreement Agent**"), pursuant to which the Lenders agreed to provide PBI with (i) a revolving credit facility in an aggregate principal amount of up to $500,000,000 (which currently remains undrawn) (the "**PBI Revolving Credit Facility**") and (ii) a two-tranche term loan facility (together with the PBI Revolving Credit Facility, the "**PBI Credit Facility**"). As discussed further below, through the Secured Debt Amendments, the Debtors were released as Guarantors (as defined under the PBI Credit Agreement).

b. PBI Secured Notes

PBI, as issuer (the "**Issuer**"), the Subsidiary Guarantors,[6] as guarantors, and Alter Domus (US) LLC, as noteholder representative (the "**Noteholder Representative**"), entered into that certain Notes

[6] As used herein, "**Subsidiary Guarantors**" refers to the following: (i) Pitney Bowes Presort Services, LLC, (ii) Pitney Bowes Shelton Realty LLC, (iii) Pitney Bowes Global Financial Services LLC, (iv) PB Equipment Management Inc., (v) Pitney Bowes International Holdings, Inc., (vi) PB Professional Services Inc., (vii) B. Williams Funding Corp., (viii) PB Worldwide Inc., (ix) PB European UK LLC, (x) Pitney Bowes UK LP, (xi) Pitney Bowes Global LLC, (xii) Pitney Bowes Holdco Limited, (xiii) Pitney Bowes Holdings Limited, (xiv) Pitney Bowes Limited,

Purchase Agreement dated as of July 31, 2023 (as amended, supplemented, or otherwise modified from time to time, the "**PBI Notes Purchase Agreement**"), pursuant to which the Noteholder Representative agreed to purchase from the Issuer notes in an aggregate principal amount of $275,000,000, with an interest rate of SOFR + 6.9% interest (the "**PBI Secured Notes**"). As discussed further below, as a result of the Secured Debt Amendments, the Debtors were released as Subsidiary Guarantors.

Oaktree is the holder of the PBI Secured Notes. As a result, prior to the Secured Debt Amendments, Oaktree benefitted from liens securing the PBI Secured Notes on all the Debtors' assets. As set forth herein, the Creditors' Committee is investigating the circumstances around the Debtors' entry into the Oaktree Note, including whether the Oaktree Note was entered into to create an impaired accepting class for purposes of the Plan.

c. PBI Unsecured Notes

PBI, as issuer, the Subsidiary Guarantors, as guarantors, and Truist Bank, as trustee, entered into those certain indentures, dated as of March 19, 2021, governing (i) 6.875% Senior Notes maturing on March 15, 2027 (the "**2027 Notes**") and (ii) 7.25% Senior Notes maturing on March 15, 2029 (the "**2029 Notes**" together with the 2027 Notes, the "**27/29 Notes**"). As discussed further below, as a result of delivery of the 27/29 Notes Election Notice, the Debtors were released as guarantors under the 27/29 Notes indentures. PBI also issued (i) 5.25% Notes maturing on January 15, 2037 (the "**2037 Notes**") and (ii) 6.70% Notes maturing on March 7, 2043 (the "**2043 Notes**" together with the 27/29 Notes and 2037 Notes, the "**PBI Unsecured Notes**"), in each case, pursuant to that certain second supplemental indenture by and between PBI, as issuer, and BNY, as trustee.[7]

III.

KEY EVENTS LEADING TO COMMENCEMENT OF CHAPTER 11 CASES

The Debtors commenced these chapter 11 cases to implement the orderly wind down of their business and make distributions to creditors through the Plan, supported by Pitney Bowes and Oaktree, as described above and memorialized in the RSA. Although Pitney Bowes is operationally sound, the Debtors have had consistent, significant annual declines in adjusted segment earnings before interest and taxes ("**EBIT**") and have endured significant operating losses, which have rendered the GEC business unprofitable and unsustainable. A further description of the key drivers of the Debtors' steady decline follows.

A. ACQUISITIONS OF BORDERFREE AND NEWGISTICS

PBI originally viewed an investment in the GEC business as a hedge against a two-decade downward secular decline in U.S. First Class Mail volume. For example, in 2000, there were approximately

(xv) Pitney Bowes Finance Limited, (xvi) Pitney Bowes International Finance Limited, and (xvii) Pitney Bowes Global Ecommerce UK Ltd.

[7] Originally, PBI and Citibank, N.A. ("**Citibank**"), as trustee, entered into that certain indenture, dated as of February 14, 2005, relating to the issuance from time to time by PBI of certain securities. This indenture was thereafter supplemented by that certain first supplemental indenture, dated as of October 23, 2007, by and among PBI, The Bank of New York Mellon ("**BNY**"), as successor trustee, and Citibank, as resigning trustee. The first supplemental indenture was later supplemented with that certain second supplemental indenture, dated as of February 26, 2020, by and between PBI and BNY.

103.5 billion pieces of First Class Mail processed.[8] By 2023, that number dropped by over 50%, to approximately 46 billion. Legacy Pitney Bowes (and the industry at large), therefore, viewed e-commerce as the future of the parcel service industry and invested heavily into the GEC business.

In June 2015, PBI acquired Borderfree, a cross-border ecommerce solutions business, for approximately $395 million, rolling it into the newly-created GEC unit. Borderfree enabled retailers to transact with consumers around the world through its proprietary technology and services platform. Its customers included U.S. and U.K. retailers, department stores, apparel brands, and lifestyle brands that sell goods online.

In October 2017, PBI acquired Newgistics for approximately $475 million with the goal of enabling an expansion into the U.S. domestic parcels market. Newgistics provided parcel delivery, returns, fulfillment, and digital commerce solutions for retailers and ecommerce brands. That acquisition provided for GEC's expansion into the domestic market.

B. SUSTAINED OPERATING LOSSES AND DECLINE IN EBIT

However, the desired benefits from these acquisitions never materialized. Simply put, the GEC business is not profitable. Following the Newgistics acquisition in 2017, PBI saw consistent annual drops in GEC EBIT. EBIT (in millions) since 2017 is summarized below:

Global Ecommerce: EBIT (2017–2023)[9]

Year Ended	2023	2022	2021	2020	2019	2018	2017
EBIT	(133.7)	(100.3)	(98.7)	(82.9)	(70.1)	(32.4)	(17.9)

Since acquiring Newgistics, the GEC segment has incurred cumulative EBIT losses of $571 million, due in large part to the struggles of the parcel delivery, fulfillment, and returns business.[10] In addition, during that same period, Pitney Bowes has invested $250 million of capital expenditures to build out GEC's delivery network infrastructure. Partly due to these EBIT declines, in June 2022, PBI sold Borderfree to fintech firm Global-e for approximately $100 million, resulting in a material loss.

The GEC business faced further headwinds in 2023, which resulted in a decrease in the number of shipping labels printed and a lower demand volume for fulfillment services, each of which contributed to a further EBIT decline in 2023.

Indeed, during the course of 2023, PBI had funded the GEC business at an operating loss of $11 million per month, with no positive turnaround on the horizon. Beginning in 2021, these operating losses (totaling approximately $400 million since 2021) were capitalized on PBI's balance sheet as an

[8] *See* "First Class Mail Volume Since 1926," USPS. https://about.usps.com/who/profile/history/first-class-mail-since-1926.htm.

[9] Numbers are in millions.

[10] This includes $35 million in EBIT losses during 1Q of 2024.

investment in its subsidiaries. This has taken a financial toll on the otherwise healthy Legacy Pitney Bowes as a whole.

Since 2015, Pitney Bowes has funded over $1.1 billion to the Debtors to support the GEC business. The GEC business continues to incur substantial losses as of the Petition Date.

C. COMPREHENSIVE MARKETING PROCESS

By 2023, PBI determined that it could no longer fund GEC losses indefinitely. Recognizing the financial strain caused by the GEC business on the remainder of the enterprise, Legacy Pitney Bowes undertook a strategic review process to determine viable paths to exit the GEC business by either selling (the preferred option) or winding down its operations. In late 2023, Legacy Pitney Bowes engaged J.P. Morgan Securities LLC, as investment banker, to market the GEC business for sale on a going-concern basis. This robust and comprehensive marketing process was undertaken over a period of more than eight months.

Beginning in November 2023, J.P. Morgan Securities LLC contacted 30 potential purchasers. Of those parties, Legacy Pitney Bowes executed non-disclosure agreements and shared confidential marketing and financial materials with 17 potential purchasers. Despite receiving four non-binding stock purchase bids, Legacy Pitney Bowes did not receive any binding bids at a purchase price acceptable to PBI (and its board of directors), which was the 100% indirect owner of DRF Logistics and DRF, LLC at the time of the referenced sale process. In fact, several of the bids were for a "negative" purchase price.

As part of the comprehensive marketing process, Legacy Pitney Bowes also received separate bids to purchase the fulfillment portion of the GEC business on a standalone basis, as well as a portion of the GEC robotics equipment.[11] On July 24, 2024, after the Debtors' discussions with Hilco Global regarding the competitiveness of the fulfillment market, PBI and the Debtors closed a sale of the fulfillment portion of the GEC business to Stord for $1.25 million in cash plus assumed liabilities. Despite the fact that some of the assets sold were owned by Pitney Bowes, the Debtors received 100% of the purchase price.

As part of the same marketing process, the Debtors received interest from prospective buyers on portions of its GEC robotics equipment. The robots, located in the Debtors' facility in Greenwood, Indiana, were assets of DRF Logistics. While there were no bidders for the full facility, and PBI's other businesses did not have any interest in subletting the facility, Medline Industries, LP ("**Medline**") expressed interest in purchasing 63 robots and chargers and offered to retrieve them at Medline's own cost. On July 23, 2024, after the Debtors' discussions with Hilco Global regarding the competiveness of the offer, the Debtors and Medline closed the sale for a purchase price of $500,000.

By completing these sales prior to the Petition Date, the Debtors were able to maximize value in the period leading up to these chapter 11 cases. Both sales provided the Debtors cash to fund operations and chapter 11 preparations. Further, as part of this consideration for the Stord sale, Stord assumed material liabilities, including ongoing employee obligations associated with fulfillment operations. Accordingly, each of these sales had the additional benefit of allowing the Debtors to reduce administrative

[11] The Debtors' domestic fulfillment services had provided "pick, pack and ship," kitting, inventory management, global shipping, and return handling services for clients through one fulfillment center to facilitate the same-day entry into the Debtors' parcel delivery network. "Pick, pack, and ship" is a three-step process that warehouses and distribution centers use to fulfill sale orders for e-commerce businesses. Kitting services, meanwhile, involve assembling two or more products into a single package or "kit" to send to a customer.

expenses associated with liquidating these assets and addressing the assumed liabilities during these chapter 11 cases.

Without any viable bids for the broader GEC business, Pitney Bowes and the Debtors turned to other strategic alternatives to address the continued decline of the GEC business.

D. DEBTORS' PREPETITION RESTRUCTURING EFFORTS

After the exhaustive marketing process and review of strategic alternatives, the Debtors determined that a liquidation and wind-down provided the most efficient way to maximize creditor recoveries. Accordingly, the Debtors and Pitney Bowes thereafter undertook a series of steps to accomplish the potential wind-down. First, in June 2024, the Debtors retained Weil, Gotshal & Manges LLP ("**Weil**") as counsel in connection with their restructuring efforts. In July 2024, the Debtors retained Triple P RTS, LLC ("**Triple P RTS**") as their restructuring advisor and Triple P Securities, LLC ("**Triple P Securities**" and, together with Triple P RTS, "**Portage Point**") as their investment banker, and Hilco Global to provide consulting services in connection with the Debtors' wind-down.

Second, in June and July 2024, Pitney Bowes and the Debtors discussed the potential chapter 11 cases and Hilco Transaction with the PBI Credit Agreement Agent and holders of the PBI Secured Notes.

Third, while those discussions occurred, on July 1, 2024, the Debtors entered into that certain Letter Agreement, dated as of July 3, 2024, with PBIH, which supplemented that certain Amended and Restated Global Intercompany Note, dated as of July 31, 2023, with PBI, PBIH, and the other signatories thereto (collectively, the "**Intercompany Note**"). Pursuant to the Intercompany Note, PBIH made advances to the Debtors from time to time at a 12.5% interest rate and on an unsecured basis to fund operations and enable the Debtors to pay their vendors and service their customers leading up to the commencement of these chapter 11 cases. Prior to the Petition Date, the Debtors borrowed $5 million under the Intercompany Note. Prior to the Intercompany Note, as noted above, PBI funded the Debtors directly, at a rate of $11 million per month during the course of 2023.

Fourth on August 8, 2024, the PBI Credit Agreement and PBI Notes Purchase Agreement were amended to, among other things, release guarantees and liens provided by the Debtors, remove the events of defaults that would be caused by the Debtors' chapter 11 cases, and authorize Pitney Bowes to provide debtor-in-possession financing ("**DIP Financing**") to the Debtors (the "**Secured Debt Amendments**"). On August 8, 2024, Pitney Bowes delivered to the trustees under the 27/29 Notes indentures notice of the election to release the Debtors as guarantors thereunder (the "**27/29 Notes Election Notice**").

Fifth, on August 8, 2024, the Debtors entered into the Oaktree Note.

Sixth, on August 8, 2024, Hilco subscribed for 81% of the voting interests in DRF Logistics.[12] By effectuating this subscription and releasing the guarantees of the Debtors under the PBI Credit Facility, the PBI Secured Notes, and the 27/29 Notes, the Debtors were removed as Guarantors and Material Subsidiaries (each as defined under the PBI Credit Agreement), Subsidiary Guarantors (as defined under the PBI Notes Purchase Agreement), and Guarantors and Significant Subsidiaries (each as defined

[12] In the days before the Hilco Transaction, DRF Logistics converted from a Delaware corporation to a Delaware limited liability company, and two weeks before that, DRF, LLC redomesticated from a Delaware limited liability company to a Texas limited liability company. As set forth herein, the Creditors' Committee is investigating the circumstances of the conversion and redomestication of the Debtor entities.

under the 27/29 Notes), as applicable, under PBI's various funded debt obligations. Accordingly, the Debtors' commencement of these chapter 11 cases did not trigger a default under any of PBI's funded debt obligations.

While the Hilco Transaction was in process, the Debtors, in consultation with their advisors and at the direction of the DRF Logistics Board, negotiated the terms of these chapter 11 cases with their former indirect parent, PBI.

E. RESTRUCTURING SUPPORT AGREEMENT, PLAN, SSA, SETTLEMENT AND RELEASE AGREEMENT, INDEPENDENT INVESTIGATION, AND COMMENCEMENT OF CHAPTER 11 CASES[13]

1. *Restructuring Support Agreement and Plan*

On August 8, 2024, after arm's-length, good-faith negotiations under the direction of the Independent Directors and with assistance from the Debtors' advisors, the Debtors entered into the RSA with Pitney Bowes and Oaktree.

Pursuant to the RSA (and as further detailed therein), Pitney Bowes and Oaktree agreed to support an orderly wind down of the Debtors by, among other things:

- voting to accept the Plan;
- agreeing to grant and not opt-out of the releases contemplated by the Plan;
- not directly or indirectly seeking, soliciting, supporting, participating, or engaging in negotiations in connection with or participate in the formulation, preparation, filing or prosecution of any Alternative Transaction;[14]
- settling all outstanding disputes with respect to the potential claims and causes of action held by the Debtors against Pitney Bowes (the "**Potential Claims**") to avoid the substantial expense, burden, and risk of protracted litigation and to fully and finally resolve any and all Potential Claims against Pitney Bowes that may or could be asserted by the Debtors and their estates;
- entering into the Shared Services Agreement (as defined below); and
- providing the Debtors with access to funding in the form of DIP Financing to enable the Debtors to operate through a wind-down.

[13] The summaries in this section of the transactions and agreements embodied in the Plan and RSA are qualified in all respects by the terms of such documents.

[14] "**Alternative Transaction**" means any reorganization, liquidation, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, liquidation, tender offer, exchange offer, business combination, joint venture, partnership, sale or disposition of a material portion of assets, financing (debt or equity), plan proposal, recapitalization, restructuring, new-money investment, plan of reorganization, or similar transaction of the Debtors, other than the transactions expressly contemplated by the RSA.

The Debtors, Pitney Bowes, or Oaktree can terminate the RSA if (i) the Effective Date has not occurred prior to the maturity date or acceleration of the DIP Note, or if (ii) either of the Debtors' chapter 11 cases are converted to a case under chapter 7 of the Bankruptcy Code or dismissed.

The RSA sets forth additional termination rights for each of the Debtors, Pitney Bowes, and Oaktree depending on the occurrence or non-occurrence of certain events, actions, or omissions. Pitney Bowes can terminate the RSA if any of the following events occur: [15]

- the Final DIP Order or an order approving the Debtors' assumption of the Shared Services Agreement have not been entered by the Bankruptcy Court by September 23, 2024;
- the Confirmation Order has not been entered by the Bankruptcy Court and become final and non-appealable by November 15, 2024;
- the Effective Date has not occurred by November 29, 2024;
- a breach by a Debtor of any undertaking, commitment, or covenant set forth in the RSA, the Shared Services Agreement, or the Settlement and Release Agreement, which breach has not been cured (if curable) either within three Business Days after the delivery of written notice of such breach from PBI or PBIH in a manner consistent with the applicable cure provisions of the Shared Services Agreement or the Settlement and Release Agreement, as applicable;
- an Event of Default (as defined in the DIP Note) has occurred under any of the DIP Note Documents;
- an order is entered by the Bankruptcy Court authorizing post-petition financing that is inconsistent in any respect with the RSA or the DIP Note Documents;
- an examiner with expanded powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code or a trustee or receiver is appointed in any of the chapter 11 cases;
- an order is entered by the Bankruptcy Court terminating any of the Debtors' exclusive right to file a plan pursuant to section 1121 of the Bankruptcy Code;
- an order is entered by the Bankruptcy Court conferring standing to the Creditors' Committee to pursue Claims and causes of action on behalf of the Debtors or the Estates against PBI, PBIH, or any of their affiliates;
- an order is entered by the Bankruptcy Court recharacterizing or subordinating any Claim held by PBI, PBIH, or any of their affiliates;
- the Debtors file a motion to reject the RSA, the Settlement and Release Agreement, or the Shared Services Agreement with the Bankruptcy Court;

[15] Capitalized terms used but not otherwise defined in this paragraph shall have the meanings ascribed to such terms in the RSA (Docket No. 14, Exhibit A).

- the failure of the Debtors to promptly pay all fees and expenses in accordance with Section 3(c)(viii) of the RSA; or

- the RSA is terminated with respect to any other Party.

Oaktree can terminate the RSA if any of the following events occur:

- a breach of the RSA that is material to Oaktree, which breach has not been cured (if curable) within five Business Days after delivery of written notice of such breach from Oaktree; or

- PBI or PBIH terminates the RSA with respect to its obligations hereunder.

The Debtors can terminate the RSA if there is a material breach of the RSA by PBI, PBIH, or Oaktree which breach has not been cured (if curable) within five Business Days after the delivery of written notice of such breach from the Debtors.

The Plan also provides for recoveries for general unsecured creditors, such as vendors and landlords, which will receive the Unsecured Claims Initial Distribution of at least the lesser of $12.5 million or 10% of the aggregate amount of all Allowed General Unsecured Claims, with the possibility of additional funds being available for holders of General Unsecured Claims depending on the timing of the Effective Date and through the post-Effective Date pursuit of additional asset sales and Causes of Action under the Plan. The PB Unsecured Claims will not participate in or receive any recovery from the Unsecured Claims Initial Distribution. Rather, the PB Unsecured Claims will only recover a Pro Rata share of the Unsecured Claims Subsequent Distribution pursuant to Section 4.4 of the Plan and the distribution mechanics set forth in Article VII of the Plan. The PB Unsecured Claims are expected to be at least $116 million (inclusive of a $111 million Claim held by PBI and a $5 million Claim held by PBIH), plus certain contingent affiliate claims, co-debtor claims and/or subrogation claims.[16] Pitney Bowes has not yet filed a proof of claim related to any such claims and, as such, the amount of the PB Unsecured Claims may vary materially from the foregoing. For the avoidance of doubt, all holders of General Unsecured Claims (regardless of against which Debtor the holder holds a Claim) will share the Unsecured Claims Initial Distribution on a Pro Rata basis.

The Debtors believe that, together, the RSA, the Plan, and the transactions and agreements contemplated under each will provide the most value for the Debtors' creditors and other stakeholders while ensuring an orderly wind-down of the GEC business. While the Creditors' Committee is still conducting its investigation, the Debtors have been working, and will continue to work, constructively with the Creditors' Committee to achieve a mutually beneficial outcome in these chapter 11 cases.

2. *Shared Services Agreement*

Prior to the Petition Date, the Debtors also entered into that certain *Shared Services Agreement*, dated August 8, 2024 (as amended and restated, supplemented, or otherwise modified from time to time, the "**Shared Services Agreement**" or "**SSA**"), with PBI (the "**SSA Parties**"). Under the terms of the SSA, PBI and certain of its subsidiaries (the "**PBI Parties**") will provide services to the Debtors, including shared insurance coverage, corporate services, and employees. The SSA also gives certain PBI Affiliates access to certain of the Debtors' employees necessary to provide uninterrupted

[16] Pitney Bowes may hold additional Claims against the Debtors. For example, in its Schedules of Assets and Liabilities, Debtor DRF Logistics included a Claim in the amount of $152 million held by Pitney Bowes of Canada Ltd.

services to customers. The Debtors have also agreed to provide the PBI Parties with assistance liquidating certain personal property and furniture, fixtures, and equipment. The SSA ensures a smooth transition of the Debtors' business into chapter 11 while preserving continuity for customers and employees that will continue to work with and for the Debtors, respectively, during the wind-down. The SSA had an initial 30-day term, which was, as further discussed below, extended by that certain August 22 Amendment (as defined below), as well as that certain Amended & Restated Shared Services Agreement, dated as of September 19, 2024 (the "**A&R SSA**"). Pursuant to the A&R SSA, the term may be automatically extended beyond November 29, 2024 for an equal number of days as an extension of the milestone for the effective date of an Approved Plan (as defined and set forth in the DIP Note).

3. *Settlement and Release Agreement*

The Settlement and Release Agreement between PBI and PBIH, on the one hand, and the Debtors, on the other hand, represents a full, final, integrated, complete, and good-faith compromise, settlement, release, and resolution of, among other matters, disputes, and potential litigation between the Debtors and PBI and PBIH.

Specifically, as part of the Settlement and Release Agreement, Pitney Bowes (i) entered into the Secured Debt Amendments, resulting in the release of liens on the assets of and guarantees granted by the Debtors under the PBI Credit Agreement and PBI Notes Purchase Agreement, (ii) delivered to the trustees under the Unsecured Notes Indentures the necessary notices of election to effectuate the releases of the Debtors from any liability on connection with the Unsecured Notes Indentures, (iii) entered into the RSA to support these chapter 11 cases and the Plan, which carves-out unsecured Claims held by Pitney Bowes from the Unsecured Claims Initial Distribution under the Plan, subordinates the DIP Financing under the Plan to the Unsecured Claims Initial Distribution, and further subordinates the DIP Financing (other than the DIP Claims Recovery Pool) to the payment in full of holders of Allowed General Unsecured Claims in Class 4 against each Debtor, (iv) committed to providing DIP Financing to the Debtors, and (v) entered into the Shared Services Agreement to provide certain services to the Debtors during these chapter 11 cases.

These actions by Pitney Bowes provided numerous benefits to the Debtors, including the release of the Debtors from approximately $1.7 billion in funded debt obligations, funding for an efficient wind down of the Debtors' business, the guaranteed distributions to holders of general unsecured Claims, and providing the Debtors with the capital required to fund these chapter 11 cases.

In exchange for the benefits described above, the Debtors agreed to provide Pitney Bowes and each of their respective successors and assigns (the "**Pitney Bowes Released Parties**") with an irrevocable and unconditional, full and final release from any and all claims or causes of action that any Debtor has against the Pitney Bowes Released Parties (such claims, the "**Debtor Released Claims**"), and agreed not to assert or prosecute, or assist or otherwise aid any person or entity in the assertion or prosecution of, any Debtor Released Claims against the Pitney Bowes Released Parties, in each case subject to the extent the Plan is confirmed.

The Settlement and Release Agreement was preceded by a comprehensive investigation (the "**Independent Investigation**") undertaken by the Debtors at the direction of the DRF Logistics Board comprised of two independent directors, into potential claims and causes of action the Debtors may have against Pitney Bowes. The Debtors, through the DRF Logistics Board, determined that the benefits the Debtors received under the Settlement and Release Agreement outweighed the risks of potential litigation, which would be complex, protracted, and expensive and the outcome of which would be uncertain. In addition, the DRF Logistics Board did not find any colorable causes of action against Pitney Bowes. The Independent Investigation is summarized in more detail below.

4. *Independent Investigation*

As part of the Plan, the Debtors contemplated whether they would enter into a settlement that would, in exchange for numerous benefits to the Debtors, provide certain releases to the Pitney Bowes Released Parties. To evaluate whether the settlement, including the releases, were in the Debtors' best interest, the DRF Logistics Board directed Weil to investigate whether the Debtors had any potential claims against the Pitney Bowes Released Parties that should be pursued. Weil also evaluated potential claims that may arise should DRF Logistics enter into the Settlement and Release Agreement.

As part of the Independent Investigation, Weil conducted legal research and reviewed thousands of pages of documents. The Independent Investigation considered all reasonably possible claims but focused on breach of fiduciary duty, fraudulent transfer, alter-ego/veil piercing, recharacterization, unjust enrichment, and preference claims. Weil also interviewed 18 members of the Debtors' senior management team. The Independent Investigation ran from mid-June 2024 to early August 2024.

The Independent Investigation did not reveal any substantial basis for the Debtors to pursue any claims against the Pitney Bowes Released Parties. As it relates to current and former officers of the Debtors, the Independent Investigation did not reveal evidence of actionable conduct or the basis for any claims for breaches of fiduciary duties. Weil also did not find any evidence of self-dealing or inappropriate use of corporate assets. Further, though the relationship between PBI and the Debtors included intercompany transactions and shared services, as well as the service of certain PBI employees on the DRF Logistics Board prior to July 2024, based on the Independent Investigation, the Debtors do not appear to have any viable claims against the Pitney Bowes Released Parties on account of such relationship.

Currently, the Creditors' Committee is unable to confirm the actual independence of, or agree with the conclusions of, the Independent Investigation. The Creditors' Committee has commenced its own independent investigation with its counsel to determine whether there are any viable claims against the Pitney Bowes Released Parties, including Pitney Bowes, as set forth in greater detail below.

IV.

KEY EVENTS DURING CHAPTER 11 CASES

A. FIRST DAY PLEADINGS

On or around the Petition Date, the Debtors filed motions seeking various relief from the Bankruptcy Court to enable the Debtors to facilitate a smooth transition into chapter 11 and minimize any disruptions to the Debtors' operations and wind down efforts (collectively, the "**First Day Pleadings**"). A description of the First Day Pleadings is set forth in the *Declaration of Robin Chiu in Support of First Day Motions and Application* (Docket No. 42). The Bankruptcy Court granted all of the relief requested in the First Day Pleadings on a final basis and entered various orders authorizing the Debtors to, among other things:

- file a consolidated creditor matrix and a consolidated list of thirty (30) largest unsecured creditors (Docket No. 55);
- pay prepetition employee obligations and continue employee benefit programs (Docket No. 51);
- continue the use of the Debtors' cash management system, bank accounts, and check stock (Docket Nos. 50 & 202);

- continue insurance programs, surety bond program, and the processing of workers' compensation claims (Docket Nos. 52 & 201);
- pay certain prepetition taxes, fees, and assessments (Docket No. 53);
- pay prepetition claims of certain critical vendors and service providers (Docket Nos. 56 & 203); and
- establish procedures for utility companies to request adequate assurance of payment and to prohibit utility companies from altering or discontinuing service (Docket No. 54).

B. ADDITIONAL MOTIONS AND APPLICATIONS

On August 9, 2024, Debtors also filed the *Omnibus Motion of Debtors for an Order (I) Authorizing Rejection of Certain Unexpired Leases Nunc Pro Tunc to Petition Date and (II) Granting Related Relief* (the "**Rejection Motion**") (Docket No. 12), in which the Debtors seek to reject two unexpired leases that no longer provide value to the Debtors' estates. The Debtors also filed the *Motion of Debtors for an Order (I) Approving Procedures to Reject Executory Contracts and Unexpired Leases and (II) Granting Related Relief* (Docket No. 13), by which the Debtors sought to establish procedures for the rejection of certain executory contracts and unexpired leases during the course of these chapter 11 cases. On September 16, 2024, the Bankruptcy Court entered the *Order (I) Approving Procedures to Reject Executory Contracts and Unexpired Leases and (II) Granting Related Relief* (Docket No. 233). On September 18, 2024, the Debtors filed that certain *First Notice of Rejection of Certain Executory Contracts and Unexpired Leases* (Docket No. 242), which included the rejection of two leases and one executory contract. The Rejection Motion remains pending as of September 24, 2024, as the Debtors are attempting to resolve an objection filed with respect to the relief requested in the Rejection Motion by Ambi Robotics.

On August 22, 2024, the Debtors filed the *Motion of Debtors for Authority to Assume Amended Shared Services Agreement* (Docket No. 147), pursuant to which the Debtors requested authority to assume the SSA. On the same date, the SSA was amended (the "**August 22 Amendment**") to include contract fulfillment services for the Expedited Contracts (as defined in the SSA) as Shared Services (as defined the SSA), which services were intended to be included but were inadvertently omitted from the schedules in the original SSA. Additionally, the August 22 Amendment modified the termination provisions of the SSA to align with the milestones in the DIP Note.

On September 20, 2024, the Debtors entered into the A&R SSA, which incorporates certain changes agreed to among the Debtors, PBI, and the Creditors' Committee. The A&R SSA further extended the term of the SSA such that the A&R SSA automatically terminates on October 22, 2024, provided that such term may be extended for an additional thirty-day period by mutual written agreement of the SSA Parties. The term of the A&R SSA will be automatically extended beyond November 29, 2024 for an equal number of days as an extension of the milestone for the effective date of an Approved Plan (as defined and set forth in the DIP Note).

On September 23, 2024, the Bankruptcy Court entered the *Order Authorizing Assumption of the Amended Shares Services Agreement* (Docket No. 267).

The Debtors also filed applications to retain various professionals to assist in carrying out their duties under the Bankruptcy Code during these chapter 11 cases. These professionals include: (i) Weil, as legal counsel (Docket No. 196), (ii) Portage Point, as restructuring advisor and investment banker (Docket No. 197), and (iii) Stretto, as claims, noticing and solicitation agent (Docket No. 4). On August 9, 2024, the Bankruptcy Court approved the Debtors' retention of Stretto as claims, noticing and solicitation agent (Docket No. 39).

C. POSTPETITION FINANCING AND CASH COLLATERAL

On August 9, 2024, the Debtors filed the *Emergency Motion of Debtors for Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "**DIP Motion**") (Docket No. 33), which was approved by the Bankruptcy Court on an interim basis on the day date (the "**Interim DIP Order**") (Docket No. 57). On September 16, 2024, the Bankruptcy Court entered the *Final Order (I) Authorizing Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Superpriority Administrative Expense Claims, (III) Modifying Automatic Stay, and (V) Granting Related Relief* (the "**Final DIP Order**") (Docket No. 236).

As set forth more fully in the DIP Motion, PBIH (the "**DIP Lender**") committed to provide DRF Logistics (the "**Borrower**") with a senior secured, superpriority debtor-in-possession multi-draw term promissory note, consisting of term loans in an aggregate principal amount of up to $47 million, of which $45 million became available upon entry of the Interim DIP Order to be distributed in one or more draws. The remaining amount became available upon entry of the Final DIP Order, in each case subject to the terms and conditions set forth in that certain Debtor In Possession Secured Multi-Draw Term Promissory Note (as amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "**DIP Note**"), by and among the Borrower, DRF, LLC as guarantor and the DIP Lender.

D. STATEMENTS AND SCHEDULES, AND CLAIMS BAR DATES

Pursuant to section 521 of the Bankruptcy Code and Rule 1007 of the Bankruptcy Rules, on August 14, 2024, the Debtors filed a *Motion of Debtors for Order Extending Time to File Schedules of Assets and Liabilities, Statements of Financial Affairs, and Rule 2015.3 Reports* (Docket No. 92). On August 14, 2024, the Bankruptcy Court entered the *Order Extending Time to File Schedules of Assets and Liabilities, Statements of Financial Affairs, and Rule 2015.3 Reports* (Docket No. 97). Beginning on September 9, 2024, the Debtors filed their (i) schedules of assets and liabilities (Docket Nos. 208 & 209), (ii) statements of financial affairs (Docket Nos. 210 & 211), and (iii) initial report of financial information with respect to entities in which the Debtors' chapter 11 estates hold a controlling or substantial interest as set forth in Bankruptcy Rule 2015.3 (Docket No. 212).

Pursuant to sections 105(a), 501, 502, 503, and 1111(a) of the Bankruptcy Code and Bankruptcy Rules 2002, 3003(c)(3), and 5005(a), on August 23, 2024, the Debtors filed the *Motion of Debtors for (I) Establishment of Deadlines and Procedures for Filing Proofs of Claim, (II) Approval of Form and Manner of Notice Thereof, and (III) Related Relief* (Docket No. 149). On September 16, 2024, the Bankruptcy Court entered the *Order (I) Establishing Deadlines and Procedures for Filing Proofs of Claim, (II) Approving From and Manner of Notice Thereof, and (III) Granting Related Relief* (the "**Bar Date Order**") (Docket No. 234). The Bar Date Order establishes the following deadlines in these chapter 11 cases:

- October 22, 2024 at 5:00 p.m. (Central Time) as the deadline for each "person" (as defined in section 101(41) of the Bankruptcy Code) and "entity" (as defined in section 101(15) of the Bankruptcy Code), excluding governmental units (as defined in section 101(27) of the Bankruptcy Code, the "**Governmental Units**"), to file a proof of claim (each, a "**Proof of Claim**") against the Debtors in respect of a prepetition "claim" (as defined in section 101(5) of the Bankruptcy Code), including secured claims, unsecured priority claims, unsecured non-priority claims, and claims arising under section 503(b)(9) of the Bankruptcy Code (the "**General Bar Date**");

- February 4, 2025 at 5:00 p.m. (Central Time) as the deadline for Governmental Units to file Proofs of Claim against either Debtor (the "**Governmental Bar Date**");

- the later of (i) the General Bar Date or the Governmental Bar Date, as applicable, or (ii) 5:00 p.m. (Central Time) on the date that is 30 days after service of a notice on an affected claimant of an amendment to any of the Debtors' Schedules that (a) reduces the undisputed, noncontingent, and liquidated amount of a claimant's claim, (b) changes the nature or characterization of a claimant's claim, or (c) adds a new claim to the Schedules as the affected claimant's deadline to file a Proof of Claim or, to the extent necessary, amend any previously-filed Proof of Claim with respect to such amended or added claim; and

- the later of (i) the General Bar Date or the Governmental Bar Date, as applicable, (ii) 5:00 p.m (Central Time) on the first business day that is 30 days following service of an order approving rejection of any executory contract or unexpired lease of the Debtors, or (iii) such other date as provided by an order of the Court in these chapter 11 cases, as the deadline to file a Proof of Claim relating to the Debtors' rejection of an executory contract or unexpired lease.

On September 18, 2024, the Debtors filed the *Notice of Deadlines for Filing Proofs of Claim* (Docket No. 243) setting forth the deadlines for filing certain proofs of claim, which was served on all known parties-in-interest in these chapter 11 cases.

E. OFFICIAL COMMITTEE OF UNSECURED CREDITORS

On August 26, 2024, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed the Creditors' Committee (Docket No. 155). The Creditors' Committee selected McDermott Will & Emery LLP and Lowenstein Sandler LLP as proposed legal counsel and Alvarez & Marsal as proposed financial advisor.

Beginning on September 4, 2024, the Creditors' Committee commenced an investigation regarding potential claims the Debtors may have against Pitney Bowes and other Pitney Bowes Released Parties, serving document requests on the Debtors, PBI, PBIH, Oaktree, and Hilco. The Debtors, PBI, PBIH, Oaktree, and Hilco have been working constructively with the Creditors' Committee since receiving the requests, including by producing responsive documents on an ongoing basis, which commenced during the week of September 16, 2024. The Debtors will continue working with the Creditors' Committee in an effort to respond to requests for further information, while maintaining privilege, work product, any other applicable protections that may apply to any responses thereto. Because the Creditors' Committee's investigation is ongoing and certain document requests remain outstanding, the Creditors' Committee is presently unable to (i) confirm the conclusions reached by the Independent Investigation, or (ii) make a recommendation to unsecured creditors as to whether they should cast a vote in favor of, or against, the Plan.

F. TIMETABLE FOR CHAPTER 11 CASES

In accordance with the RSA and DIP Note, the Debtors have agreed to proceed with the implementation of the Plan through the chapter 11 cases. Among the milestones contained in the RSA and the DIP Note is the requirement that the Bankruptcy Court enter an order confirming the Plan no later than November 15, 2024. The RSA and DIP Note also require that the Effective Date occur no later than November 29, 2024. Although the Debtors will request that the Bankruptcy Court approve a timetable

consistent with the RSA and DIP Note, there can be no assurance that the Effective Date will occur on such timetable.

V.

CERTAIN RISK FACTORS AFFECTING DEBTORS

Before voting to accept or reject the Plan, holders of Claims and Interests should read and carefully consider the risk factors set forth below, in addition to the information set forth in this Disclosure Statement.

THIS SECTION PROVIDES INFORMATION REGARDING POTENTIAL RISKS IN CONNECTION WITH THE PLAN. THE FACTORS BELOW SHOULD NOT BE REGARDED AS THE ONLY RISKS ASSOCIATED WITH THE PLAN OR ITS IMPLEMENTATION. NEW FACTORS, RISKS, AND UNCERTAINTIES EMERGE FROM TIME TO TIME AND IT IS NOT POSSIBLE TO PREDICT ALL SUCH FACTORS, RISKS, AND UNCERTAINTIES.

A. CERTAIN BANKRUPTCY LAW CONSIDERATIONS

1. *Risk of Non-Confirmation of Plan*

Although the Debtors believe that the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court in accordance with the Bankruptcy Code, there can be no assurance that the Bankruptcy Court will reach the same conclusion or that modifications to the Plan will not be required for confirmation or that such modifications would not necessitate re-solicitation of votes.

Moreover, the Debtors can make no assurances that they will receive the requisite votes for acceptance to confirm the Plan. Even if all holders of Claims and Interests entitled to vote in favor of the Plan vote in favor of the Plan or the requirements for "cramdown" are met with respect to any Class that rejects the Plan, the Bankruptcy Court could decline to confirm the Plan if it finds that any of the statutory requirements for confirmation (including under section 1129 of the Bankruptcy Code) are not met. If the Plan is not confirmed, it is unclear what distributions holders of Claims or Interests ultimately would receive with respect to their Claims or Interests in a subsequent plan.

2. *Risk Related to DIP Financing*

In the event of a breach of one of the milestones or another occurrence of an event of default under the DIP Note or Final DIP Order, the DIP Lender may seek, among other things, to exercise certain remedies with respect to DIP Collateral (as defined in the Final DIP Order) and to take certain other actions against the Debtors. Additionally, under the Final DIP Order, the right to use Cash Collateral (as defined therein) can terminate and, absent the DIP Lender's or Oaktree's consent (as applicable), the Debtors would not have access to Cash Collateral or liquidity to continue these chapter 11 cases. In such case, the Debtors may need to seek alternative postpetition financing. Otherwise, their ability to confirm and consummate the Plan likely would be adversely harmed.

3. *Non-Consensual Confirmation*

In the event any Impaired Class of Claims or Interests entitled to vote on the Plan does not accept the Plan, the Bankruptcy Court may nevertheless confirm the Plan at the proponent's request if at

least one Impaired[17] Class[18] 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 Classes. Should any Class vote to reject the Plan, these requirements must be satisfied with respect to such rejecting Class. The Debtors believe that the Plan satisfies these requirements, to the extent applicable.

4. *Risk of Non-Occurrence of Effective Date*

Although the Debtors believe that the Effective Date will occur soon after the Confirmation Date, there can be no assurance as to the timing of the Effective Date. If the conditions precedent to the Effective Date set forth in the Plan have not occurred or have not been waived as set forth in Article X of the Plan, then the Confirmation Order may be vacated, in which event no distributions would be made under the Plan, the Debtors and all holders of Claims or Interests would be restored to the status quo as of the day immediately preceding the Confirmation Date, and the Debtors' obligations with respect to Claims and Interests would remain unchanged.

5. *Risk of Termination of Restructuring Support Agreement*

The RSA contains certain provisions that give the Debtors, Pitney Bowes, and Oaktree the ability to terminate the RSA if various conditions are satisfied. Termination of the RSA could result in substantial changes to the Plan and protracted chapter 11 cases, which could significantly and detrimentally impact the Debtors' wind down efforts and creditor distributions. In such circumstances, the Debtors may no longer have consent to use Cash Collateral. Even if they do, there likely would be a significant strain on liquidity and the Debtors may be forced to seek alternative postpetition financing. There is no guarantee that such funding would be available or on what terms.

6. *Alternative Transactions*

If the Plan cannot be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interest of holders of Claims and Interests, the Debtors thereafter will consider all available restructuring alternatives, including filing an alternative chapter 11 plan or converting to cases under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate the Debtors' assets for distribution in accordance with the priorities established by the Bankruptcy Code. The terms of any alternative restructuring proposal may be less favorable to holders of Claims and Interests against the Debtors than the terms of the Plan as described in this Disclosure Statement.

7. *Risks Related to Possible Objections to Plan*

There is a risk that certain parties could oppose and object to either the entirety of the Plan or specific provisions of the Plan. Although the Debtors believe that the Plan complies with all relevant Bankruptcy Code provisions, there can be no guarantee that a party in interest will not file an objection to the Plan or that the Bankruptcy Court will not sustain such an objection.

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[17] "**Impaired**" means, with respect to a Claim, Interest, or a Class of Claims or Interests, "impaired" within the meaning of such term in section 1124 of the Bankruptcy Code.

[18] "**Class**" means any group of Claims or Interests classified under the Plan pursuant to section 1122(a) of the Bankruptcy Code.

8. *Releases, Injunctions, and Exculpation Provisions May Not be Approved*

Article XI of the Plan provides for certain releases, injunctions, and exculpations, for Claims and Causes of Action that may otherwise be asserted against the Debtors, the Exculpated Parties, or the 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 and exculpations are not approved, certain parties may not be considered Releasing Parties, Released Parties, or Exculpated Parties, and certain Released Parties or Exculpated Parties may withdraw their support for the Plan.

9. *Claims Could Be More than Projected*

There can be no assurance that the estimated Allowed amount of Claims in certain Classes will not be significantly more than projected, which, in turn, could cause the value of distributions to be reduced substantially. Inevitably, some assumptions will not materialize, and unanticipated events and circumstances may affect the ultimate results. Therefore, the actual amount of Allowed Claims may vary from the Debtors' projections and the variation may be material.

10. *Distributions*

While the Debtors have endeavored to project what they believe are likely distributions to be made to parties holding Allowed Claims and Interests, there can be no certainty that the projections will be accurate and that holders will receive the distributions described in the Plan. The projections will necessarily be affected by, among other things, (i) recoveries generated in connection with the liquidation of all of the Debtors' remaining assets, (ii) the outcome of objections to Claims, and (iii) the cost and expenses of such actions and generally administering and winding down the Debtors' Estates.

11. *Administrative Insolvency*

Section 1129(a)(9)(A) of the Bankruptcy Code states that in order for a chapter 11 plan to be confirmed, it must provide that each holder of an allowed claim brought under section 507(a)(2) or 507(a)(3) of the Bankruptcy Code (i.e., allowed administrative expense claims) receive cash equal to the full allowed amount of such claim, unless such holder agrees to different treatment. Additionally, section 1129(a)(9)(C) of the Bankruptcy Code states that in order for a chapter 11 plan to be confirmed, it must provide that each holder of an allowed claim entitled to priority under section 507(a) of the Bankruptcy Code (i.e., allowed priority tax claims) receive regular installment payments in cash of a total value equal to the allowed amount of such claim over a period ending not later than five (5) years after the petition date, and in a manner that is not less favorable than the most favored nonpriority unsecured claim under such plan. Finally, other priority claims may similarly be required to receive a certain treatment under section 1129(a)(9) of the Bankruptcy Code (such as cash equal to the full allowed amount of such claim).

The Debtors presently believe that they have sufficient cash to pay all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, and Other Priority Claims, or that they will be able to reach agreements with the holders of such Claims as to any different treatment of such Claims, as necessary. However, if the Debtors are administratively insolvent, then the Bankruptcy Court may not confirm the Plan and the Bankruptcy Court may convert the chapter 11 cases to cases under chapter 7 of the Bankruptcy Code, either or both of which possible outcomes would likely entail significantly greater risk of delay, expense, and uncertainty to the Debtors and their Estates.

12. *Conversion to Chapter 7*

If no plan can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interests of the creditors and/or the Debtors, the chapter 11 cases may be converted to cases under chapter 7 of the Bankruptcy Code, pursuant to which a trustee would be appointed or elected to liquidate the Debtors' assets for distribution in accordance with the priorities established by the Bankruptcy Code. The Debtors believe that liquidation under chapter 7 would result in smaller distributions being made to the Debtors' creditors than as provided for in the Plan, as further detailed in Section V of this Disclosure Statement.

13. *Dismissal of Chapter 11 Cases*

If no plan can be confirmed, or if the Bankruptcy Court otherwise finds that it would be in the best interests of the creditors and/or the Debtors, one or more of the chapter 11 cases may be dismissed by order of the Bankruptcy Court.

14. *Cost of Administering Debtors' Estates*

Liquidation of the Debtors' remaining assets and the disbursement of the proceeds of such liquidation, as well as the wind-down of the Debtor entities, will require certain administrative costs that may vary based on a variety of factors, including many out of the Debtors' control. Such administrative costs cannot be predicted with certainty and may affect recoveries under the Plan.

B. ADDITIONAL FACTORS TO BE CONSIDERED

1. *Debtors Could Withdraw Plan*

Subject to the terms of, and without prejudice to, the rights of any party to the RSA, including consent rights contained therein, the Plan may be revoked or withdrawn prior to the Confirmation Date by the Debtors.

2. *Debtors Have No Duty to Update*

The statements contained in this Disclosure Statement are made by the Debtors as of the Petition Date, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtors have no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

3. *No Representations Outside This Disclosure Statement Are Authorized*

No representations concerning or related to the Debtors, these chapter 11 cases, or the Plan are authorized by the Bankruptcy Court or the Bankruptcy Code, other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than as contained in, or included with, this Disclosure Statement should not be relied upon by you in arriving at your decision.

4. *No Legal or Tax Advice Is Provided to You by This Disclosure Statement*

The contents of this Disclosure Statement should **not** be construed as legal, business, or tax advice. Each holder of a Claim or Interest should consult his, her, or its own legal counsel and

accountant as to legal, tax, and other matters concerning his, her, or its Claim or Interest. This Disclosure Statement is not legal advice to you. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

5. *No Admission Made*

Nothing contained in the Plan will constitute an admission of, or be deemed evidence of, the tax or other legal effects of the Plan on the Debtors or on holders of Claims or Interests.

6. *No Waiver of Right to Object or Right to Recover Transfers and Assets*

The vote by a holder of a Claim or Interest for or against the Plan does not constitute a waiver or release of any Claims, Causes of Action, or rights of the Debtors (or any entity, as the case may be) to object to that holder's Claim or Interest, or recover any preferential, fraudulent, or other voidable transfer of assets, regardless of whether any Claims or Causes of Action of the Debtors or their respective Estates are specifically or generally identified in this Disclosure Statement.

7. *Objection to Amount or Classification of Claims*

The Debtors reserve the right to object to the amount or classification of any Claim under the Plan. The estimate set forth in this Disclosure Statement cannot be relief upon by any holder of a Claim where such Claim is subject to an objection. Any holder of any Claim whose Claim is or may be subject to an objection may not receive its specified share of the estimated distributions described in this Disclosure Statement.

VI.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes certain U.S. federal income tax consequences of the implementation of the Plan to the Debtors and to certain holders of Allowed Claims. This discussion does not address the U.S. federal income tax consequences to holders of Claims or Interests who are unimpaired or deemed to reject the Plan. This discussion also does not address the tax consequences to the holder of the Oaktree Secured Claims or the Existing DRF Logistics Equity Interests because Oaktree and PBIH, as the holder of each such respective Claim and Interest, are represented by their own tax advisors.

The discussion of U.S. federal income tax consequences below is based on the Internal Revenue Code of 1986, as amended (the "**Tax Code**"), U.S. Treasury regulations (the "**Treasury Regulations**"), judicial authorities, published positions of the Internal Revenue Service ("**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). The U.S. federal income tax consequences of the contemplated transactions are complex and subject to significant uncertainties. The Debtors have not requested an opinion of counsel or a ruling from the IRS with respect to any of the tax aspects of the contemplated transactions, and the discussion below is not binding upon the IRS or any court. No assurance can be given that the IRS will not assert, or that a court will not sustain, a different position than any position discussed herein.

This summary does not address foreign, state, or local tax consequences of the contemplated transactions, nor does it purport to address the U.S. federal income tax consequences of the transactions to special classes of taxpayers (e.g., non-U.S. taxpayers, controlled foreign corporations, passive foreign investment companies, small business investment companies, regulated investment

companies, real estate investment trusts, banks and certain other financial institutions, insurance companies, tax-exempt entities or organizations, governmental authorities or agencies, retirement plans, individual retirement and other tax-deferred accounts, holders that are, or hold Claims through, S corporations, partnerships or other pass-through entities for U.S. federal income tax purposes, persons whose functional currency is not the U.S. dollar, dealers in securities or foreign currency, traders that mark-to-market their securities, persons subject to the alternative minimum tax or the "Medicare" tax on net investment income, persons who use the accrual method of accounting and report income on an "applicable financial statement," and persons holding Claims that are part of a straddle, hedging, constructive sale, or conversion transaction). In addition, this discussion does not address the Foreign Account Tax Compliance Act or U.S. federal taxes other than income taxes.

The following discussion generally assumes that the Plan will be treated as a plan of liquidation of the Debtors such that the Debtors themselves will be the Wind Down Estates (and not any successor, by merger, consolidation or otherwise, to the Debtors) and that all distributions to holders of Claims will be taxed accordingly. Debtors will remain in existence after the Effective Date solely for the purpose of winding up their affairs pursuant to the Wind Down. Thus, all references in this Section VI to the Debtors as relates to periods after the Effective Date should be considered references to the Wind Down Estates as a continuation of the Debtors for U.S. federal income tax purposes.

Additionally, this discussion assumes that: (i) the various debt and other arrangements to which any of the Debtors is a party will be respected for U.S. federal income tax purposes in accordance with their form and (ii) except where otherwise indicated, the Claims are held as "capital assets" (generally, property held for investment) within the meaning of section 1221 of the Tax Code.

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 INDIVIDUAL CIRCUMSTANCES. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE U.S. FEDERAL, STATE, LOCAL AND OTHER TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

A. CONSEQUENCES TO DEBTORS

The Debtors are treated as disregarded as separate from PBIH for U.S. federal income tax purposes. As such, none of the Debtors are currently subject to U.S. federal income tax. In addition, the Plan provides that the Debtors shall implement the Plan and the Wind Down in a manner such that the Debtors shall continue to be treated as disregarded entities through the implementation of the Plan on the Effective Date and subsequently thereafter as part of the Wind Down. Accordingly, any U.S. federal income tax consequences of the implementation of the Plan and the Wind Down are not expected to result in any U.S. federal income tax liability to the Debtors.

B. CONSEQUENCES TO HOLDERS OF ALLOWED GENERAL UNSECURED CLAIMS

This summary discusses the U.S. federal income tax consequences to holders of Allowed General Unsecured Claims who are U.S. Holders and does not discuss tax consequences for those who are not U.S. Holders. As used herein, the term "**U.S. Holder**" means a beneficial owner of an Allowed General Unsecured Claim that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;

- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

- a trust, if a court within the United States is able to exercise primary jurisdiction over its administration and one or more U.S. persons have authority to control all of its substantial decisions, or if the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If a partnership or other entity or arrangement taxable as a partnership for U.S. federal income tax purposes holds an Allowed General Unsecured Claim the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. If you are a partner in a partnership holding an Allowed General Unsecured Claim, you are urged to consult your own tax advisor.

1. *Treatment of Allowed General Unsecured Claims*

Pursuant to the Plan, each holder of an Allowed General Unsecured Claim will receive from the Debtors or Liquidating Agent (as applicable), in full and final satisfaction, settlement, release, and discharge of such Allowed General Unsecured Claim, such holder's Pro Rata share of Cash consisting of (i) the Unsecured Claims Distribution, plus (ii) any Unsecured Claims Subsequent Distributions, with such distributions pursuant to the foregoing clause (ii) made in accordance with the Debtor Distribution Ratio.

(a) Treatment of Gain or Loss

The U.S. federal income tax consequences of the implementation of the Plan to a holder of an Allowed General Unsecured Claim will depend, among other things, upon the origin of the holder's Claim, when the holder receives payment in respect of such Claim, whether the holder reports income using the accrual or cash method of tax accounting, whether the holder acquired its Claim at a discount, and whether the holder has taken a bad debt deduction or worthless security deduction with respect to such Claim.

Generally, a U.S. Holder of an Allowed General Unsecured Claim will recognize gain or loss with respect to its Allowed General Unsecured Claim in an amount equal to the difference between (i) the sum of the amount of any Cash and the fair market value of any other property received by the U.S. Holder (other than any consideration attributable to accrued but unpaid interest) and (ii) the adjusted tax basis of the Allowed General Unsecured Claim exchanged therefor (other than basis attributable to accrued but unpaid interest previously included in the U.S. Holder's taxable income). As discussed below, the amount of Cash or other property received in respect of accrued but unpaid interest will be taxed as ordinary income, except to the extent previously included in income by a U.S. Holder under its method of accounting. *See* Section B.2 — "Allocation of Consideration to Interest."

A U.S. Holder of an Allowed General Unsecured Claim may receive additional Cash distributions in respect of its Claim as a result of any Unsecured Claims Subsequent Distributions. In such instance, the imputed interest provisions of the U.S. Tax Code may apply to treat a portion of such additional distributions as imputed interest. In addition, it is possible that any loss realized by a U.S. Holder of an Allowed General Unsecured Claim may not be recognizable until all of the distributions to such U.S. Holder are received. Alternatively, a U.S. Holder may recognize additional gain or otherwise be subject to the possible application of the "installment method" of reporting with respect to any gain realized. You are

urged to consult your tax advisor regarding the possibility for deferral, and the potential application (and ability to elect out) of the "installment method" of reporting any gain realized in respect of your Allowed General Unsecured Claim.

When gain or loss is recognized, such gain or loss may be long-term capital gain or loss if the Allowed General Unsecured Claim disposed of is a capital asset in the hands of the U.S. Holder and has been held for more than one year. Each holder of an Allowed General Unsecured Claim should consult its tax advisor to determine whether gain or loss recognized by such holder will be long-term capital gain or loss and the specific tax effect thereof on such holder.

(b) Allocation of Consideration to Interest

Pursuant to Section 7.15 of the Plan, all distributions in respect of Allowed General Unsecured Claims will be allocated first to the principal amount of the Allowed General Unsecured Claim (as determined for U.S. federal income tax purposes), with any excess allocated to accrued but unpaid interest. However, there is no assurance that such allocation would be respected by the IRS for U.S. federal income tax purposes. In general, to the extent any amount received (whether stock, cash, or other property) by a U.S. Holder of a debt instrument is received in satisfaction of accrued interest during its holding period, such amount will be taxable to the holder as ordinary interest income (if not previously included in the U.S. Holder's gross income under the U.S. Holder's normal method of accounting). Conversely, a U.S. Holder generally recognizes a deductible loss to the extent any accrued interest claimed was previously included in its gross income and is not paid in full. Each U.S. Holder of an Allowed General Unsecured Claim is urged to consult its own tax advisors regarding the allocation of consideration and the taxation or deductibility of unpaid interest for tax purposes.

2. *Information Reporting and Backup Withholding*

Payments of interest or dividends and any other reportable payments, possibly including amounts received pursuant to the Plan and payments of proceeds from the sale, retirement or other disposition of the exchange consideration, may be subject to "backup withholding" (currently at a rate of 24%) if a recipient of those payments fails to furnish to the payor certain identifying information and, in some cases, a certification that the recipient is not subject to backup withholding. Backup withholding is not an additional tax. Any amounts deducted and withheld generally should be allowed as a credit against that recipient's U.S. federal income tax, provided that appropriate proof is timely provided under rules established by the IRS. Furthermore, certain penalties may be imposed by the IRS on a recipient of payments who is required to supply information but who does not do so in the proper manner. Backup withholding generally should not apply with respect to payments made to certain exempt recipients, such as corporations and financial institutions. Information may also be required to be provided to the IRS concerning payments, unless an exemption applies. You should consult your own tax advisor regarding your qualification for exemption from backup withholding and information reporting and the procedures for obtaining such an exemption.

THE FOREGOING SUMMARY HAS BEEN PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER. ALL HOLDERS OF CLAIMS ARE URGED TO CONSULT THEIR TAX ADVISORS CONCERNING THE FEDERAL, STATE, LOCAL, AND OTHER TAX CONSEQUENCES APPLICABLE UNDER THE PLAN.

VII.

VOTING PROCEDURES AND REQUIREMENTS

Before voting to accept or reject the Plan, each eligible holder of a Claim or Interest entitled to vote on the Plan (an "**Eligible Holder**") should carefully review the Plan attached hereto as **Exhibit A**. All descriptions of the Plan set forth in the Disclosure Statement are subject to the terms and provisions of the Plan.

Voting Deadline

All Eligible Holders have been sent a ballot ("**Ballot**") together with the Disclosure Statement. Such Eligible Holders should read the Ballot carefully and follow the instructions contained therein. Please use only the Ballot that accompanies the Disclosure Statement to cast your vote.

The Debtors have engaged the Solicitation Agent to assist in the transmission of voting materials and in the tabulation of votes with respect to the Plan. **FOR YOUR VOTE TO BE COUNTED, YOUR VOTE MUST BE RECEIVED BY THE SOLICITATION AGENT IN ACCORDANCE WITH THE DIRECTIONS BELOW ON OR BEFORE THE VOTING DEADLINE OF 4:00 P.M. (CENTRAL TIME) ON NOVEMBER 8, 2024, UNLESS THE DEBTORS, IN CONSULTATION WITH THE CREDITORS' COMMITTEE, SHALL HAVE GRANTED AN EXTENSION OF THE VOTING DEADLINE IN WRITING WITH RESPECT TO SUCH BALLOT OR WAIVE THE LATE SUBMISSION.**

IF A BALLOT IS DAMAGED OR LOST, YOU MAY CONTACT THE SOLICITATION AGENT AT THE EMAIL ADDRESS OR NUMBER SET FORTH BELOW TO RECEIVE A REPLACEMENT BALLOT. ANY BALLOT THAT IS EXECUTED AND RETURNED BUT WHICH DOES NOT INDICATE A VOTE FOR ACCEPTANCE OR REJECTION OF THE PLAN WILL NOT BE COUNTED.

IF YOU HAVE ANY QUESTIONS CONCERNING VOTING PROCEDURES, YOU MAY CONTACT THE SOLICITATION AGENT AT:

Stretto, Inc.

Telephone: (855) 314-0664 (U.S./Canada Toll-Free) or 1 (714) 716-1968 (outside of the U.S.)

E-mail: DRFInquiries@stretto.com
(with "DRF Solicitation" in the subject line).

Additional copies of the Disclosure Statement are available upon request made to the Solicitation Agent, at the telephone numbers or e-mail address set forth immediately above.

Voting Procedures

The Debtors are providing copies of (i) the Disclosure Statement (including all exhibits and appendices), (ii) related materials, (iii) a solicitation letter from the Creditors' Committee, (iv) a notice of the hearing to consider confirmation of the Plan, and (v) a Ballot (collectively, a "**Solicitation Package**") to Eligible Holders.

Eligible Holders may provide all of the information requested by the Ballot, and should complete and return all Ballots received in the enclosed, self-addressed, postage-paid envelope provided with each such Ballot to the Solicitation Agent or at the address set forth below.

In addition to accepting mailed Ballots, the Debtors will also be accepting Ballots via electronic, online transmission through an e-ballot platform available on Stretto's website. Eligible Holders may cast their Ballots electronically, by completing and electronically signing and submitting such Ballot via the platform. Instructions for casting an electronic Ballot are available on Stretto's website at https://cases.stretto.com/drflogistics and on each Ballot. The encrypted ballot data and audit trail created by such electronic submission shall become part of the record of any electronic Ballot submitted in this manner and the Eligible Holder's electronic signature will be deemed to be an original signature that is legally valid and effective. For the avoidance of doubt, electronic submissions of Ballots may only be made via the e-ballot platform. Ballots submitted by electronic mail, facsimile, or any other means of electronic submission will not be counted.

Eligible Holders that choose to mail their Ballots shall mail them to the Solicitation Agent at the following address, as applicable:

Stretto's Address for Receipt of Paper Ballots	
If by Hand Delivery, or Overnight Mail	**If by First Class Mail**
DRF LOGISTICS, LLC, *et al*. Ballot Processing, c/o Stretto 410 Exchange Suite 100 Irvine, CA 92602	DRF LOGISTICS, LLC, *et al*. Ballot Processing, c/o Stretto 410 Exchange Suite 100 Irvine, CA 92602

Parties Entitled to Vote

Under the Bankruptcy Code, only holders of claims or interests in "impaired" classes are entitled to vote on a plan. Under section 1124 of the Bankruptcy Code, a class of claims or interests is deemed to be "impaired" under a plan unless (i) the plan leaves unaltered the legal, equitable, and contractual rights to which such claim or interest entitles the holder thereof or (ii) notwithstanding any legal right to an accelerated payment of such claim or interest, the plan cures all existing defaults (other than defaults resulting from the occurrence of events of bankruptcy) and reinstates the maturity of such claim or interest as it existed before the default.

If, however, the holder of an impaired Allowed Claim or Interest will not receive or retain any distribution under the Plan on account of such Claim or Interest, the Bankruptcy Code deems such holder to have rejected the Plan, and, accordingly, holders of such Claims and Interests do not actually vote on the Plan. If an Allowed Claim or Interest is not impaired by the Plan, the Bankruptcy Code deems the holder of such Allowed Claim or Interest to have accepted the Plan and, accordingly, holders of such Allowed Claims and Interests are not entitled to vote on the Plan, and therefore will not receive a Ballot.

A vote may be disregarded if the Bankruptcy Court determines, pursuant to section 1126(e) of the Bankruptcy Code, that it was not solicited or procured in good faith or in accordance with the provisions of the Bankruptcy Code.

The Bankruptcy Code defines "acceptance" of a plan by a class of (i) Claims as accepted by creditors in that class that hold at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Claims that cast ballots for acceptance or rejection of a plan and (2ii Interests as accepted by interest holders in that class that hold at least two-thirds (2/3) in amount of the Interests that cast ballots for acceptance or rejection of a plan.

The Claims and Interests in the following classes are impaired under the Plan, and the Eligible Holders thereof are entitled to vote to accept or reject the Plan:

Class 3 – Oaktree Secured Claims

Class 4 – General Unsecured Claims

Class 6A – Existing DRF Logistics Equity Interests

All submitted Ballots must be signed by the Eligible Holder (either manually or through the electronic process described above), or any person who has obtained a properly completed Ballot proxy from the Eligible Holder by the Voting Record Date (September 23, 2024). Unless otherwise ordered by the Bankruptcy Court, Ballots that are signed, dated, and timely received, but on which a vote to accept or reject the Plan has not been indicated, will not be counted. The Debtors, in their sole discretion, may request that the Solicitation Agent attempt to contact such voters to cure any such defects in the Ballots. Any Ballot marked to both accept and reject the Plan will not be counted. Whenever an Eligible Holder of Claims casts more than one Ballot voting the same Claim(s) or Interest before the Voting Deadline, the last valid Ballot received on or before the Voting Deadline shall be deemed to reflect such creditor's or equity security holder's intent, and thus, to supersede any prior Ballot. Following the Voting Deadline, no Ballot may be changed or revoked absent further order of the Bankruptcy Court or as directed by the Debtors, in consultation with the Creditors' Committee. An otherwise properly executed Ballot that attempts to partially accept and partially reject the Plan will likewise not be counted.

Under the Bankruptcy Code, for purposes of determining whether the requisite votes for acceptance have been received, only Eligible Holders who actually vote will be counted. The failure of a holder to deliver a duly executed Ballot to the Solicitation Agent will be deemed to constitute an abstention by such holder with respect to voting on the Plan and such abstentions will not be counted as votes for or against the Plan.

Except as provided below, Ballots received after the Voting Deadline (if the Voting Deadline has not been extended) may not, at the Debtors' discretion, be counted. **The Solicitation Agent will tabulate all properly completed Ballots received on or before the Voting Deadline.**

1. *Fiduciaries and Other Representatives*

A person signing a Ballot in its capacity as a trustee, executor, administrator, guardian, attorney in fact, officer of a corporation, or otherwise acting in a fiduciary or representative capacity of a holder of Claims or Interests should indicate such capacity when signing, and if so requested by the Debtors or the Solicitation Agent, must submit proper evidence satisfactory to the Debtors of its authority to so act.

2. *Agreements Upon Furnishing Ballots*

The delivery of an accepting Ballot pursuant to one of the procedures set forth above will constitute the agreement of the Eligible Holder with respect to such Ballot to accept: (i) all of the terms of, and conditions to, this Solicitation, and (ii) the terms of the Plan including the releases, exculpations, and

injunction set forth in Sections 11.3, 11.4, 11.5, 11.6, 11.7, and 11.8 therein. All parties in interest retain their right to object to confirmation of the Plan pursuant to section 1128 of the Bankruptcy Code.

3. *Change of Vote*

Any party who has previously submitted to the Solicitation Agent before the Voting Deadline a properly completed Ballot may revoke such Ballot and change its vote by submitting to the Solicitation Agent before the Voting Deadline a subsequent, properly completed Ballot voting for acceptance or rejection of the Plan. Whenever a holder of a Claim or Interest casts Ballots received by Stretto on the same day, but which are voted inconsistently, the last properly executed Ballot timely received will be deemed to reflect that voter's intent and will supersede and revoke and prior received Ballot.

Waivers of Defect and Irregularities

Unless otherwise directed by the Bankruptcy Court, all questions as to the validity, form, eligibility (including time of receipt), acceptance, and revocation or withdrawals of Ballots will be determined by the Solicitation Agent or the Debtors, as applicable, in their sole discretion, which determination will be final and binding, unless subject to a contrary order of the Bankruptcy Court. The Debtors reserve the right to reject any and all Ballots submitted by any of their respective Eligible Holders not in proper form, the acceptance of which would, in the opinion of the Debtors or their counsel, as applicable, be unlawful. The Debtors further reserve their respective rights to waive any defects or irregularities or conditions of delivery as to any particular Ballot. The interpretation (including the Ballot and the respective instructions thereto) by the applicable Debtor, unless otherwise directed by the Bankruptcy Court, will be final and binding on all parties, unless subject to a contrary order of the Court. Unless waived, any defects or irregularities in connection with deliveries of Ballots must be cured within such time as the Debtors (or the Bankruptcy Court) determines. Neither the Debtors nor any other person will be under any duty to provide notification of defects or irregularities with respect to deliveries of Ballots nor will any of them incur any liabilities for failure to provide such notification. Delivery of such Ballots will not be deemed to have been made until such irregularities have been cured or waived. Ballots previously furnished (and as to which any irregularities have not theretofore been cured or waived prior to the Voting Deadline) will be invalidated.

VIII.

CONFIRMATION OF PLAN

A. CONFIRMATION HEARING

SECTION 1128(A) OF THE BANKRUPTCY CODE REQUIRES THE BANKRUPTCY COURT TO HOLD A CONFIRMATION HEARING UPON APPROPRIATE NOTICE TO ALL REQUIRED PARTIES. NOTICE OF THE CONFIRMATION HEARING WILL BE PROVIDED TO ALL KNOWN CREDITORS AND EQUITY HOLDERS OR THEIR REPRESENTATIVES. THE CONFIRMATION HEARING MAY BE ADJOURNED OR CONTINUED FROM TIME TO TIME BY THE BANKRUPTCY COURT WITHOUT FURTHER NOTICE OTHER THAN BY A COURT ANNOUNCEMENT PROVIDING FOR SUCH ADJOURNMENT OR CONTINUATION ON ITS AGENDA.

Pursuant to 1128(a) of the Bankruptcy Code, the Confirmation Hearing (as defined in the Plan) will be held on Tuesday, November 19, 2024 at 9:00 a.m. (Central Time) before the Honorable Judge Christopher Lopez at the United States Bankruptcy Court for the Southern District of Texas, Courtroom 401, 515 Rusk Street, Houston, Texas 77002.

B. OBJECTIONS

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan. Any objection to confirmation of the Plan must be in writing, must conform to the Bankruptcy Rules and the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas, must set forth the name of the objector, the basis for the objection and the specific grounds therefore, and must be filed with the Bankruptcy Court, with a copy to the chambers of the United States Bankruptcy Judge appointed to the chapter 11 cases, together with proof of service thereof, and served upon the following parties, including such other parties as the Bankruptcy Court may order.

Objections and responses to confirmation of the Plan, if any, must be served and filed as to be received on or before the objection deadline to the Plan, Friday, November 8, 2024 at 4:00 p.m. (Central Time) in the manner described in any order scheduling the Confirmation Hearing.

UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

C. REQUIREMENTS FOR CONFIRMATION OF PLAN

The Bankruptcy Court will confirm the Plan only if all of the requirements of section 1129 of the Bankruptcy Code are met. Among the requirements for confirmation are that the Plan is (i) accepted by all impaired Classes of Claims and Interests entitled to vote or, if the Plan is rejected or deemed rejected by an impaired Class, at least one impaired Class has voted to accept the Plan and a determination that the Plan "does not discriminate unfairly" and is "fair and equitable" as to such Class, (ii) in the "best interests" of the holders of Claims and Interests impaired under the Plan, and (iii) feasible.

1. *Requirements of Section 1129(a) of Bankruptcy Code*

At the Confirmation Hearing, the Bankruptcy Court will determine whether the confirmation requirements specified in section 1129(a) of the Bankruptcy Code have been satisfied, including whether:

(a) the Plan complies with the applicable provisions of the Bankruptcy Code;

(b) the Debtors have complied with the applicable provisions of the Bankruptcy Code;

(c) the Plan has been proposed in good faith and not by any means forbidden by law;

(d) any payment made or promised by the Debtors, for services or for costs and expenses in or in connection with these chapter 11 cases, or in connection with the Plan and incident to these chapter 11 cases, has been disclosed to the Bankruptcy Court, and any such payment made before confirmation of the Plan is reasonable, or if such payment is to be fixed after confirmation of the Plan, such payment is subject to the approval of the Bankruptcy Court as reasonable;

(e) the Debtors have disclosed, to the extent known, the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director or officer of the Debtors, or a successor to the Debtors

under the Plan, and the appointment to, or continuance in, such office of such individual is consistent with the interests holders of Claims and Interests and with public policy;

(f) with respect to each Class of Claims or Interests, each holder of an Impaired Claim or Interest has either accepted the Plan or will receive or retain under the Plan, on account of such holder's Claim, property of a value, as of the Effective Date of the Plan, that is not less than the amount such holder would receive or retain if the Debtors were liquidated on the Effective Date of the Plan under chapter 7 of the Bankruptcy Code;

(g) except to the extent the Plan meets the requirements of section 1129(b) of the Bankruptcy Code (as discussed further below), each Class of Claims or Interests either accepted the Plan or is not impaired under the Plan;

(h) except to the extent that the holder of a particular Claim has agreed to a different treatment of such Claim, the Plan provides that Administrative Expense Claims and other priority claims will be paid in full on the Effective Date, or receive such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code;

(i) at least one Class of Impaired Claims has accepted the Plan, determined without including any acceptance of the Plan by any insider holding a Claim in such Class;

(j) confirmation of the Plan is not likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtors or any successor to the Debtors under the Plan, unless such liquidation is proposed in the Plan; and

(k) all fees payable under section 1930 of title 28, as determined by the Bankruptcy Court at the Confirmation Hearing, have been paid or the Plan provides for the payment of all such fees on the Plan Effective Date of the Plan.

The Debtors believe the Plan meets all the applicable requirements of Section 1129 of the Bankruptcy Code.

2. *Acceptance of Plan*

As stated herein, under the Bankruptcy Code, a Class accepts a chapter 11 plan if (i) holders of two-thirds (2/3) in amount and (ii) with respect to holders of Claims, more than a majority in number of the Allowed Claims in such Class (other than those designated under section 1126(e) of the Bankruptcy Code) vote to accept such plan. Holders of Claims that fail to vote are not counted in determining the thresholds for acceptance of such plan.

3. *Cramdown*

If any Impaired Class of Claims or Interests does not accept the Plan (or is deemed to reject the Plan), the Bankruptcy Court may still confirm the Plan at the request of the Debtors if, at least one Impaired Class has voted to accept the Plan and as to each Impaired Class of Claims or Interests that has

not accepted the Plan (or is deemed to reject the Plan), the Plan "does not discriminate unfairly" and is "fair and equitable" under the so-called "cramdown" provisions set forth in section 1129(b) of the Bankruptcy Code.

a. No Unfair Discrimination

The "unfair discrimination" test applies to classes of claims or interests that are of equal priority but are receiving different treatment under the Plan. A chapter 11 plan does not discriminate unfairly, within the meaning of the Bankruptcy Code, if the legal rights of a dissenting class are treated in a manner consistent with the treatment of other classes whose legal rights are substantially similar to those of the dissenting class and if no class of claims or interests receives more than it legally is entitled to receive for its claims or interests. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair."

The Debtors believe that, under the Plan, all Impaired Classes of Claims and Interests are treated in a manner that is fair and consistent with the treatment of other Classes of Claims and Interests having the same priority. Accordingly, the Debtors believe the Plan does not discriminate unfairly as to any Impaired Class of Claims or Interests.

b. Fair and Equitable Test

The "fair and equitable" test applies to classes of different priority and status (e.g., secured versus unsecured; claims versus interests) and includes the general requirement that no class of claims receive more than 100% of the allowed amount of the claims in such class. As to the dissenting class, the test sets different standards that must be satisfied for the Plan to be confirmed, depending on the type of claims or interests in such class. The following sets forth the "fair and equitable" test that must be satisfied as to each type of class for a plan to be confirmed if such class rejects the Plan:

- **Secured Creditors**. Each holder of an impaired secured claim either (i) retains its liens on the property, to the extent of the allowed amount of its secured claim, and receives deferred cash payments having a value, as of the effective date of the plan, of at least the allowed amount of such secured claim, (ii) has the right to credit bid, subject to section 363(k) of the Bankruptcy Code, the amount of its claim if its property on which it has a lien is sold and retains its lien on the proceeds of the sale, or (iii) receives the "indubitable equivalent" of its allowed secured claim.
- **Unsecured Creditors**. Either (i) each holder of an impaired unsecured claim receives or retains under the plan, property of a value, as of the effective date of the plan, equal to the amount of its allowed claim or (ii) the holders of claims and interests that are junior to the claims of the dissenting class will not receive any property under the plan.
- **Interests**. Either (i) each equity interest holder will receive or retain under the plan property of a value equal to the greater of (a) the fixed liquidation preference or redemption price, if any, of such equity interest and (b) the value of the equity interest or (ii) the holders of interest that are junior to the interest of the dissenting class will not receive or retain any property under the plan.

The Debtors believe the Plan satisfies the "fair and equitable" requirement with respect to any rejecting Class.

IF ALL OTHER CONFIRMATION REQUIREMENTS ARE SATISFIED AT THE CONFIRMATION HEARING, THE DEBTORS WILL ASK THE BANKRUPTCY COURT TO RULE THAT THE PLAN MAY BE CONFIRMED ON THE GROUND THAT THE SECTION 1129(b) REQUIREMENTS HAVE BEEN SATISFIED.

4. *Best Interests Test*

As noted above, with respect to each impaired class of claims and interests, confirmation of a plan requires that each such holder either (i) accept such plan or (ii) receive or retain under such plan property of a value, as of the effective date of the plan, that is not less than the value such holder would receive or retain if the debtors were liquidated under chapter 7 of the Bankruptcy Code. This requirement is referred to as the "best interests test."

This test requires the Bankruptcy Court to determine what holders of allowed claims and allowed interests in each impaired class would receive from a liquidation of the relevant Debtor's assets and properties in the context of a liquidation under chapter 7 of the Bankruptcy Code. To determine if a plan is in the best interests of each impaired class, the value of the distributions from proceeds of the liquidation of the Debtor's assets and properties (after subtracting amounts attributable to the aforesaid claims) is compared with the value offered to such classes of claims and interests under the plan.

The Debtors believe that under the Plan all holders of Impaired Claims and Interests will receive property with a value not less than the value such holder would receive in a liquidation under chapter 7 of the Bankruptcy Code. The Debtors' belief is based primarily on: (i) consideration of the effects that a chapter 7 liquidation would have on the ultimate proceeds available for distribution to holders of impaired Claims and Interests and (ii) the Liquidation Analysis attached hereto as **Exhibit C**.

The Debtors believe that any liquidation analysis is speculative, as it is necessarily premised on assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which would be beyond the control of the Debtors. The Liquidation Analysis is solely for the purpose of disclosing to holders of Claims and Interests the effects of a hypothetical chapter 7 liquidation of the Debtors, subject to the assumptions set forth therein. There can be no assurance as to values that would actually be realized in a chapter 7 liquidation nor can there be any assurance that a bankruptcy court will accept the Debtors' conclusions or concur with such assumptions in making its determinations under section 1129(a)(7) of the Bankruptcy Code.

5. *Feasibility*

Section 1129(a)(11) of the Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan is not likely to be followed by liquidation or the need for further financial reorganization. For purposes of determining whether the Plan meets this requirement, the Debtors have analyzed their ability to meet their obligations under the Plan. Section V hereof sets forth certain risk factors that could impact the feasibility of the Plan.

IX.

ALTERNATIVES TO CONFIRMATION AND CONSUMMATION OF PLAN

The Debtors have evaluated several alternatives to the Plan. After studying these alternatives, the Debtors have concluded that the Plan is the best alternative and will maximize recoveries to parties in interest, assuming confirmation and consummation of the Plan. If the Plan is not confirmed and consummated, the alternatives to the Plan are (i) the preparation and presentation of an alternative

chapter 11 plan or (ii) a liquidation under chapter 7 of the Bankruptcy Code.

1. *Alternative Plan of Liquidation*

If the Plan is not confirmed, the Debtors (or if the Debtors' exclusive period in which to file a plan of reorganization has expired, any other party in interest) could attempt to formulate a different plan. Such a plan would involve an orderly liquidation of their assets. The Debtors, however, believe that the Plan, as described herein, enables their creditors to realize the most value under the circumstances.

2. *Liquidation under Chapter 7 of Bankruptcy Code*

If no plan can be confirmed, these chapter 11 cases may be converted to cases under chapter 7 of the Bankruptcy Code in which a trustee would be elected or appointed to liquidate the assets of the Debtors for distribution to their creditors in accordance with the priorities established by the Bankruptcy Code. The effect that the Debtors expect a chapter 7 liquidation would have on the recovery of holders of Allowed Claims and Interests is set forth in the Liquidation Analysis attached hereto as **Exhibit C**.

The Debtors believe that liquidation under chapter 7 would result in smaller distributions to creditors than those provided for in the Plan because of, among other things, the delay resulting from the conversion of the chapter 11 cases, the additional administrative expenses associated with the appointment of a trustee and the trustee's retention of professionals who would be required to become familiar with the many legal and factual issues in the chapter 11 cases, and the loss in value attributable to a considerably expeditious liquidation of the Debtors' assets as required by chapter 7.

X.

CONCLUSION

The Debtors believe that confirmation and implementation of the Plan is in the best interests of all creditors, and urges holders of Impaired Claims and Interests in Classes 3, 4, and 6A to vote to accept the Plan.

Dated: September 24, 2024
Northbrook, Illinois

Respectfully submitted,

DRF LOGISTICS, LLC

on behalf of itself and DRF, LLC

By: */s/ Eric Kaup*
Name: Eric Kaup
Title: Chief Restructuring Officer

EXHIBIT A

Plan

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	§	**Chapter 11**
DRF LOGISTICS, LLC, *et al.*,	§	**Case No. 24-90447 (CML)**
Debtors.[1]	§	**(Jointly Administered)**

DEBTORS' AMENDED JOINT PLAN OF LIQUIDATION

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Houston, Texas

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: DRF Logistics, LLC (6861) and DRF, LLC (7236). The Debtors' mailing address is 7171 Southwest Parkway, Bldg. 300, Suite 400, Austin, TX 78735.

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Each of DRF Logistics, LLC and DRF, LLC (each a "**Debtor**" and together, the "**Debtors**") proposes the following joint chapter 11 plan of liquidation pursuant to section 1121(a) of the Bankruptcy Code. Capitalized terms used herein shall have the meanings set forth in Section 1.1 below.

ARTICLE I. DEFINITIONS AND INTERPRETATION.

1.1 *Definitions.*

The following terms shall have the respective meanings specified below:

Administrative Expense Claim means any Claim for a cost or expense of administration incurred during the Chapter 11 Cases of a kind specified under sections 327, 328, 330, 365, 503(b) of the Bankruptcy Code and entitled to priority under sections 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including (i) the actual and necessary costs and expenses incurred on or after the Petition Date and through the Effective Date of preserving the Estates and operating the Debtors' businesses, (ii) Fee Claims, and (iii) Independent Manager Fee Claims, but excluding DIP Claims and Priority Tax Claims.

Administrative Expense Claims Bar Date means the first Business Day that is twenty-one (21) days following the Effective Date, except as otherwise specifically set forth in this Plan.

Affiliate means, with respect to any specified Entity: (a) an "affiliate," as defined in section 101(2) of the Bankruptcy Code, of such specified Entity as if such specified Entity were a debtor in a case under the Bankruptcy Code; or (b) any other Entity that, directly or indirectly through one or more intermediaries or otherwise, controls, is controlled by or is under common control with the specified Entity. As used in clause (b) of the prior sentence, "control" includes (without limitation) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the specified Entity (whether through the ownership of equity, by contract or otherwise). For the avoidance of doubt, no Debtor shall be considered an Affiliate of Pitney Bowes.

Allowed means, means, with respect to any Claim against or Interest in a Debtor, (i) any Claim or Interest arising on or before the Effective Date (a) as to which no objection to allowance has been interposed within the time period set forth in this Plan or (b) as to which any objection has been determined by a Final Order of the Bankruptcy Court to the extent such objection is determined in favor of the respective holder, (ii) any Claim or Interest as to which the liability of the Debtors and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court, (iii) any Claim or Interest expressly Allowed under this Plan, or (iv) any Claim that is listed in the Debtors' Schedules as liquidated, non-contingent, and undisputed; *provided* that, the Debtors or Liquidating Agent, as applicable, will retain all claims and defenses with respect to Allowed Claims that are unimpaired pursuant to this Plan, except that no such Claims shall be retained against Released Parties other than as expressly set forth in ARTICLE XI of this Plan.

Amended and Restated LLC Agreement means that certain *Amended and Restated Limited Liability Company Agreement of DRF Logistics, LLC*, effective as of August 8, 2024, by and between PBIH and Hilco.

Asset means any right, title, and interest of a Debtor in and to property of whatever type or nature, including real, personal, mixed, intellectual, tangible, and intangible.

Avoidance Actions means any and all actual or potential Claims and Causes of Action to avoid a transfer of property or an obligation incurred by the Debtors or their Estates arising under (i) chapter 5 of the Bankruptcy Code, including sections 502(d), 544, 545, 547, 548, 549, 550, 551, and 553(b) of the Bankruptcy Code, and (ii) applicable non-bankruptcy law including any state or foreign law governing fraudulent or otherwise avoidable obligations, transfers or conveyances.

Bankruptcy Code means title 11 of the United States Code, as amended from time to time, as applicable to the Chapter 11 Cases.

Bankruptcy Court means the United States Bankruptcy Court for the Southern District of Texas, Houston Division having jurisdiction over the Chapter 11 Cases and, to the extent of any reference made under section 157 of title 28 of the United States Code or if the Bankruptcy Court is determined not to have authority to enter a Final Order on an issue, the unit of such District Court having jurisdiction over the Chapter 11 Cases under section 151 of title 28 of the United States Code.

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 amended from time to time, and any Local Rules of the Bankruptcy Court, in each case as applicable to the Chapter 11 Cases.

Business Day means any calendar day that is not a Saturday, Sunday, or other calendar day on which banks are authorized or required to be closed in New York, New York.

Cash means legal tender of the United States of America.

Cause of Action means any action, claim, cross-claim, third-party claim, cause of action, controversy, dispute, demand, right, Lien, indemnity, contribution, recoupment right, guaranty, suit, obligation, liability, loss, debt, fee or expense, damage, interest, judgment, cost, account, defense, remedy, offset, power, privilege, proceeding, reimbursement claim, license, and franchise of any kind or character whatsoever, whether known or 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, asserted or unasserted, accrued or unaccrued, assertable directly or derivatively (including on a theory of veil piercing, alter-ego, vicarious liability, predecessor liability, successor liability, mere continuation, domination and control, mere instrumentality, inadequate capitalization, single business enterprise or common enterprise, equitable subordination or recharacterization), 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 (including under any state or federal securities laws), and whether arising under federal law, state statutory law, common law, or any other applicable international or domestic law, rule, statute, regulation, treaty, right, duty, requirement,

or otherwise. For the avoidance of doubt, "Cause of Action" includes (i) 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, (ii) the right to object to Claims or Interests, (iii) any claim pursuant to section 362 of the Bankruptcy Code, (iv) any claim or defense, including fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code, and (v) any Avoidance Actions.

Chapter 11 Case means, with respect to a Debtor, such Debtor's case under chapter 11 of the Bankruptcy Code commenced on the Petition Date in the Bankruptcy Court, jointly administered with all other Debtor's cases under chapter 11 of the Bankruptcy Code.

Claim means a "claim," as defined in section 101(5) of the Bankruptcy Code.

Claims and Noticing Agent means Stretto, Inc. the claims, noticing, and solicitation agent retained by the Debtors.

Claims Register means the official register of Claims maintained by the Claims and Noticing Agent in the Chapter 11 Cases.

Class means any group of Claims or Interests classified under this Plan pursuant to section 1122(a) of the Bankruptcy Code.

Confirmation Date means the date on which the Bankruptcy Court enters the Confirmation Order.

Confirmation Hearing means the hearing held by the Bankruptcy Court regarding approval of the Disclosure Statement and confirmation of this Plan, as such hearing may be adjourned or continued from time to time.

Confirmation Order means the order of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code, which shall be in form and substance acceptable to PBI and the DIP Lender and consistent in all respects with the RSA.

Creditors' Committee means the official committee of unsecured creditors of the Debtors appointed in the Chapter 11 Cases by the U.S. Trustee pursuant to section 1102 of the Bankruptcy Code (Docket No. 155), the membership of which may be further reconstituted from time to time.

Cure Amount means the payment of Cash or the distribution of other property (as the parties may agree or the Bankruptcy Court may order) as necessary to (i) cure a monetary default by the Debtors in accordance with the terms of an executory contract or unexpired lease of the Debtors and (ii) permit the Debtors to assume or assume and assign such executory contract or unexpired lease under section 365(a) of the Bankruptcy Code.

Cure Dispute means an unresolved objection regarding assumption of an executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code, including objections based on the appropriate Cure Amount or "adequate assurance of future performance" (within the

meaning of section 365 of the Bankruptcy Code), or any other issue relating to assumption of an executory contract or unexpired lease.

D&O Insurance Policy means each directors' and officers' insurance policy (including any "tail policy") in effect or purchased as of the Petition Date.

Debtor(s) has the meaning set forth in the introductory paragraph of this Plan.

Debtor Distribution Ratio means the ratio of Estate Assets and expenses to be allocated between Debtor DRF Logistics, LLC and Debtor DRF, LLC. Such ratio shall be determined pursuant to a formula disclosed in the Plan Supplement that shall account for the percentage of proceeds from sales of Estate Assets and postpetition expenses and payments that are attributable to each Debtor.

Definitive Documents has the meaning set forth in the RSA.

DIP Claim means all Claims held by a DIP Lender on account of, arising under, or relating to the DIP Loans, the DIP Note Documents, or the DIP Orders, including DIP Obligations.

DIP Claims Recovery Pool means any Cash of the Debtors available for distribution as of the Effective Date, excluding the PB Settlement Amount, following the funding of the (i) Senior Claims Recovery Pool (including amounts needed to fund the Fee Escrow Account) and (ii) Wind Down Reserve.

DIP Commitments means the commitments in respect of the DIP Loans in accordance with the terms set forth in the DIP Note and the DIP Orders.

DIP Note Documents has the meaning set forth in the DIP Orders.

DIP Lender means PBIH in its capacity as lender under the DIP Note.

DIP Loans means the loans extended to DRF Logistics, LLC by the DIP Lender pursuant to the terms of the DIP Note Documents and DIP Orders.

DIP Note means that certain *Debtor in Possession Secured Multi-Draw Term Promissory Note* entered into as of August 8, 2024, by and among DRF Logistics, LLC, as borrower, and DRF, LLC, as guarantor, and the DIP Lender, as approved by the DIP Orders, as amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with its terms.

DIP Obligations has the meaning set forth in the DIP Orders.

DIP Orders means, the Interim DIP Order and the Final DIP Order.

Disclosure Statement means the disclosure statement in respect of this Plan, including all exhibits and schedules thereto, as may be amended, supplemented, or otherwise modified from time to time, and which is prepared and distributed in accordance with sections 1125, 1126(b), and 1145 of the Bankruptcy Code and Bankruptcy Rules 3016 and 3018,

and which shall be in form and substance reasonably acceptable to PBI and the DIP Lender and shall be consistent in all respects with the RSA.

Disputed means, with respect to a Claim, (i) any Claim that is disputed under ARTICLE VIII of this Plan or as to which the Debtors or any party in interest have interposed and not withdrawn an objection or request for estimation that has not been determined by a Final Order, (ii) any Claim, proof of which was required to be filed by order of the Bankruptcy Court but as to which a proof of Claim was not timely or properly filed, (iii) any Claim that is listed in the Schedules as unliquidated, contingent or disputed, and as to which no request for payment or proof of Claim has been filed, or (iv) any Claim that is otherwise disputed by any of the Debtors or Liquidating Agent or any party in interest in accordance with applicable law or contract, which dispute has not been withdrawn, resolved or overruled by a Final Order. To the extent the Debtors or any party in interest dispute the amount of an asserted Claim, such Claim shall be deemed Allowed in the amount that is not disputed, if any, and a Disputed Claim as to the balance of such Claim.

Distribution Record Date means the Effective Date.

Effective Date means the date that is the first Business Day on which all conditions to the effectiveness of this Plan set forth in Section 10.2 of this Plan have been satisfied or waived in accordance with Section 10.3 of this Plan.

Entity has the meaning set forth in section 101(15) of the Bankruptcy Code.

Estate(s) means individually or collectively, the estate or estates of the Debtors created under section 541 of the Bankruptcy Code.

Exculpated Parties means each of the following in their capacity as such and, in each case, to the maximum extent permitted by law: (i) the Debtors; (ii) the Independent Managers; and (iii) the Creditors' Committee.

Existing DRF Logistics Equity Interests means all Interests held by Hilco and PBIH in Debtor DRF Logistics LLC.

Fee Claim means a Claim for fees and expenses incurred by a Professional on or after the Petition Date through and including the Effective Date under sections 327, 328, 330, 331, 363, or 503(b) of the Bankruptcy Code.

Fee Escrow Account means an interest-bearing account funded by the Debtors on the Effective Date with Cash in an amount equal to the total estimated amount of Fee Claims.

Final DIP Order means the order entered by the Bankruptcy Court approving, among other things, the DIP Loans and the parties' rights with respect thereto on a final basis (Docket No. 236).

Final Order means an order or judgment of a court of competent jurisdiction that has been entered on the docket maintained by the clerk of such court, which has not been reversed, vacated, or stayed and as to which (i) the time to appeal, petition for *certiorari*, or move for a new

trial, reargument, or rehearing has expired and as to which no appeal, petition for *certiorari*, or other proceedings for a new trial, reargument, or rehearing shall then be pending, or (ii) 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. However, notwithstanding anything herein to the contrary, 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 rule under the Bankruptcy Rules (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.

General Unsecured Claim means any unsecured Claim, not including any Interdebtor Claims, against any Debtor that is not entitled to priority under the Bankruptcy Code or any Final Order.

Governmental Unit has the meaning set forth in section 101(27) of the Bankruptcy Code.

Hilco means Hilco Commercial Industrial, LLC.

Impaired means, with respect to a Claim, Interest, or a Class of Claims or Interests, "impaired" within the meaning of such term in section 1124 of the Bankruptcy Code.

Independent Manager Fee Claims means Allowed Administrative Expense Claims for any and all unpaid fees and expenses due to the independent managers of the Debtors pursuant to their respective agreements with DRF Logistics, LLC for the period between the Petition Date and the Effective Date.

Independent Managers means the independent managers on the board of managers for DRF Logistics, LLC between the Petition Date and the Effective Date, including Alan Carr and Dhiren Fonseca.

Interdebtor Claim means a Claim against a Debtor held by another Debtor.

Interdebtor Interest means an Interest in Debtor DRF, LLC held by Debtor DRF Logistics, LLC.

Interest means any equity interest (as defined in section 101(16) of the Bankruptcy Code) in a Debtor, including all shares, units, common stock, preferred stock, membership interests, partnership interests or other instruments evidencing any fixed or contingent ownership interest in any Debtor, whether or not transferable, and whether fully vested or vesting in the future, including any option, warrant, or other right, contractual or otherwise, to acquire any such interest in a Debtor, that existed immediately before the Effective Date.

Interim DIP Order means the order entered by the Bankruptcy Court approving, among other things, the DIP Loans and the parties' rights with respect thereto on an interim basis (Docket No. 57).

IRS means the United States Internal Revenue Service.

Lien has the meaning set forth in section 101(37) of the Bankruptcy Code.

Liquidating Agent means Hilco.

Note Purchase Agreement means that certain Note Purchase Agreement, dated as of July 31, 2023, by and among Pitney Bowes, the noteholder representative thereunder, the subsidiary guarantors and the noteholders from time to time (as may be amended, supplemented or otherwise modified from time to time).

Note Purchase Documents means, collectively, all agreements, documents, guaranties, and instruments, including the Note Documents (as defined in the Note Purchase Agreement) entered into in connection with the Note Purchase Agreement.

Oaktree means Oaktree Capital Management, L.P., and/or any of its Affiliates or funds.

Oaktree Additional Recovery Amount means any Post-Effective Date Available Cash, Surplus Reserved Cash, and Surplus Senior Claims Recovery Pool Cash available for distribution on account of Allowed Oaktree Secured Claims in accordance with the Waterfall until such time as the Allowed Oaktree Secured Claims are paid in full in Cash.

Oaktree Initial Payment means $3 million of the PB Settlement Amount, which shall be distributed to holders of Allowed Oaktree Secured Claims.

Oaktree Secured Claims means the Secured Claim held by Oaktree against the Debtors, including any Claim arising from the Secured Senior Takeback Note; *provided* that for the avoidance of doubt, the Oaktree Secured Claims do not include any Claim or obligation related to the Note Purchase Agreement or the Note Purchase Documents against Pitney Bowes or any other non-Debtor.

Other Priority Claim means any Claim other than an Administrative Expense Claim or a Priority Tax Claim that is entitled to priority of payment as specified in section 507(a) of the Bankruptcy Code.

Other Secured Claim means any Secured Claim other than (i) DIP Claims (ii) and Oaktree Secured Claims.

PBI means Pitney Bowes, Inc.

PBIH means Pitney Bowes International Holdings, Inc.

PB Settlement Amount means Cash not to exceed $18.5 million, which shall be provided by Pitney Bowes, pursuant to the Settlement and Release Agreement, to fund the Oaktree Initial Payment and Unsecured Claims Initial Distribution. For the avoidance of doubt, the PB Settlement Amount will be equal to (i) the amount of the Oaktree Initial Payment plus (ii) the amount of the Unsecured Claims Initial Distribution, each calculated in accordance with this Plan.

PB Unsecured Claims means any unsecured Claims held by Pitney Bowes against the Debtors, including any Claim arising from that certain *Amended and Restated Global Intercompany Note*, dated as of July 31, 2023, between the Debtors and PBIH.

Petition Date means August 8, 2024.

Pitney Bowes means PBI together with its Affiliates.

Plan means this joint chapter 11 plan of reorganization or liquidation, including all exhibits, annexes, supplements, and schedules hereto (including the Plan Supplement), as may be amended, supplemented, or modified from time to time in accordance with the Bankruptcy Code and the terms of this Plan.

Plan Distribution means the payment or distribution of consideration to holders of Allowed Claims and Allowed Interests under this Plan.

Plan Supplement means a supplemental appendix to this Plan, consistent in all respects with the RSA, containing certain documents and forms of documents, schedules, and exhibits relevant to the implementation of this Plan, as may be amended, modified, or supplemented from time to time in accordance with the terms hereof and the Bankruptcy Code and Bankruptcy Rules, which may include: (i) the Schedule of Retained Causes of Action; (ii) the Schedule of Assumed Contracts; (iii) the Wind Down Budget; (iv) the Debtor Distribution Ratio; and (v) information required to be disclosed in accordance with section 1129(a)(5) of the Bankruptcy Code, which shall be in form and substance reasonably acceptable to the Debtors and, except to the extent the Wind Down Budget contemplates that the DIP Claims will be paid in full in cash on the Effective Date, the DIP Lender. Through the Effective Date, the Debtors shall have the right to amend any schedules, exhibits, or amendments to any of the documents contained in, and exhibits to, the Plan Supplement in accordance with the terms of this Plan and the RSA.

Post-Effective Date Available Cash means with respect to each Wind Down Estate, any Cash received by such Wind Down Estate after the Effective Date, including the proceeds from the sale of any or all Estate Assets, and any other non-Cash Assets of such Debtor that may become Cash, including proceeds from such Estate's Causes of Action. For the avoidance of doubt, Post-Effective Date Available Cash shall not include (and shall be net of) the Oaktree Initial Payment or the Unsecured Claims Initial Distribution.

Priority Tax Claim means any Claim of a Governmental Unit of the kind entitled to priority of payment as specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code.

Pro Rata means the proportion that an Allowed Claim or Interest in a particular Class bears to the aggregate amount of Allowed Claims or Interests in that Class.

Professional means any Entity retained by order of the Bankruptcy Court in connection with these Chapter 11 Cases pursuant to sections 327, 328, 330, 331, 363, or 503(b) of the Bankruptcy Code, excluding any ordinary course professional retained pursuant to an order of the Bankruptcy Court.

Related Parties means with respect to an Entity, that Entity's current and former Affiliates, and such Entity's and its current and former Affiliates' predecessors, successors, and assigns, and their respective current and former subsidiaries, officers, directors, principals, equity holders (regardless of whether such interests are held directly or indirectly), members, partners (including both general and limited partners), managers, employees, agents, advisory board members, management companies, managed accounts or funds, affiliated investment funds or investments vehicles, and Representatives.

Released Parties means each of the following in their capacity as such: (i) the Debtors; (ii) the Liquidating Agent; (iii) Pitney Bowes; (iv) the DIP Lender; (v) Oaktree; (vi) Hilco; (vii) the Creditors' Committee, (viii) the Wind Down Estates; (ix) holders of Claims and Interests who vote to accept this Plan and do not opt out of granting the releases set forth herein; and (x) with respect to each of the foregoing Entities in clauses (i) through (viii), such Entity's Related Parties. Notwithstanding the foregoing, any Entity that opts out of the releases set forth in this Plan will not be a Released Party.

Releasing Parties means each of the following in their capacity as such: (i) the Debtors; (ii) the Liquidating Agent (iii) Pitney Bowes; (iv) the DIP Lender; (v) Hilco; (vi) the Creditors' Committee; (vii) the Wind Down Estates; (viii) the holders of Claims or Interests whose vote to accept or reject this Plan is solicited but that do not vote either to accept or to reject this Plan and do not opt out of granting the releases set forth herein; (ix) the holders of Claims or Interests that vote, or are deemed, to reject this Plan or that are presumed to accept this Plan but do not opt out of granting the releases set forth herein; (x) the holders of Claims and Interests that were given notice of the opportunity to opt out of granting the releases set forth herein but did not opt out; and (xi) any other Released Party, provided that for Released Parties included in clause (x) of the Released Parties defined term, solely to the extent such Entities have authority on behalf of their respective Related Parties to grant any applicable releases (in each case with respect to the foregoing, with the exception of Oaktree).

Reinstate, Reinstated, or Reinstatement means with respect to Claims and Interests, the treatment provided for in section 1124(2) of the Bankruptcy Code.

Representative means any Entity's attorneys, accountants, investment bankers, consultants, professional advisors, independent auditors, trustees, fiduciaries, agents, fund advisors, investment managers, investment advisors, sub-advisors, and sub-managers, and other professionals, and each of their respective current and former officers, directors, principals, equity holders (regardless whether such interests are held directly or indirectly), members, partners (including both general and limited partners), managers, employees, agents, and advisory board members, each in their capacity as such.

RSA means that certain *Restructuring Support Agreement*, dated as of August 8, 2024, by and among the Debtors, PBI, PBIH, and Oaktree, including all exhibits, annexes, and

schedules attached thereto, as the same may be amended, supplemented, or otherwise modified from time to time.

Schedules means, collectively, any schedules of assets and liabilities, schedules of executory contracts and unexpired leases, and statements of financial affairs filed by the Debtors with the Bankruptcy Court and in substantial accordance with the Official Bankruptcy Forms, as the same may have been amended, supplemented, or otherwise modified from time to time.

Secured Claim means a Claim (i) secured by a Lien on any Debtor's interest in property to the extent of the value of such interest as (a) set forth in this Plan, (b) agreed to by the holder of such Claim and the Debtors with the consent of the DIP Lender, or (c) determined by a Final Order in accordance with section 506(a) of the Bankruptcy Code or (ii) secured by the amount of any right of setoff of the holder thereof in accordance with section 553 of the Bankruptcy Code.

Secured Senior Takeback Note means that certain *Secured Senior Takeback Note*, dated as of August 8, 2024, issued by the Debtors to Oaktree.

Security means any "security" as such term is defined in section 101(49) of the Bankruptcy Code.

Senior Claim means any Administrative Claim, Priority Tax Claim, Other Priority Claim, or Other Secured Claim.

Senior Claims Recovery Pool means the Cash pool established pursuant to this Plan, containing, on the Effective Date, the amount of Cash estimated by the Debtors subject to the review and consent of the DIP Lender, each acting in good faith, to be necessary to pay holders of Allowed Senior Claims, plus the total Disputed amounts of such Claims until such Claim is Allowed or disallowed as applicable. For the avoidance of doubt, the Senior Claims Recovery Pool shall be used to fund the Fee Escrow Account, but the use of funds in the Fee Escrow Account shall be limited to payment of Professional's Fee Claims.

Settlement and Release Agreement means that certain *Settlement and Release Agreement*, dated as of August 8, 2024, by and between the Debtors, PBI, and PBIH, including all exhibits and schedules thereto, as may be amended, supplemented, or otherwise modified from time to time.

Statutory Fees means all fees and charges assessed against the Estates pursuant to sections 1911 through 1930 of chapter 123 of title 28 of the United States Code.

Surplus Reserved Cash means a surplus in funding of the Wind Down Reserve as may be released from the Wind Down Reserve by the Liquidating Agent from time to time pursuant to Section 7.4 of this Plan.

Surplus Senior Claims Recovery Pool Cash means a surplus in the funding of the Senior Claims Recovery Pool as may be released from the Senior Claims Recovery Pool by the Liquidating Agent from time to time pursuant to Section 7.4 of this Plan.

U.S. Trustee means the United States Trustee for Region 7.

Unimpaired means, with respect to a Claim, Interest, or Class of Claims or Interests, not "impaired" within the meaning of section 1124 of the Bankruptcy Code.

Unsecured Claims Initial Distribution means Cash, to be distributed in accordance with Section 4.4 of this Plan, equal to the lesser of (i) $12.5 million or (ii) 10% of the aggregate amount of all Allowed General Unsecured Claims; *provided*, *however*, such Cash amount shall increase by $3 million if the Effective Date occurs on or prior to November 29, 2024.

Unsecured Claims Subsequent Distribution means any Cash (including any Cash proceeds from the liquidation of Assets) of the Debtors, to Holders of Unsecured Claims in accordance with the Waterfall, following payment in full or funding, as applicable, of (i) all Senior Claims, (ii) the Wind Down Reserve, (iii) the DIP Claims Recovery Pool, (iv) the Oaktree Initial Payment, and (v) the Unsecured Claims Initial Distribution.

Waterfall means the distribution of Post-Effective Date Available Cash, Surplus Reserved Cash, and Surplus Senior Claims Recovery Pool Cash, (i) first, to fund any deficits in the Wind Down Reserve, as determined in the sole discretion of the Liquidating Agent, (ii) second, to fund any deficits in the Senior Claims Recovery Pool, as determined in the sole discretion of the Liquidating Agent, (iii) third, with 50% to fund the Unsecured Claims Subsequent Distribution and 50% to fund Oaktree Additional Recovery Amount until all Allowed Oaktree Secured Claims are paid in full, (iv) fourth, to fund the Unsecured Claims Subsequent Distribution until payment in full of Allowed General Unsecured Claims, (v) fifth, to fund any Allowed DIP Claims not otherwise paid pursuant to Section 2.4 of this Plan until payment in full of the Allowed DIP Claims, and (vi) sixth, to Allowed Existing DRF Logistics Equity Interests in accordance with the Amended and Restated LLC Agreement.

Wind Down means, following the Effective Date, the process to (i) sell, abandon, wind down, dissolve, liquidate, or distribute any remaining assets of the Debtors' Estates and (ii) resolve, terminate, or wind down any remaining liabilities of the Estates, in each case in accordance with the Plan.

Wind Down Amount means the amount of Cash and cash equivalents, to be determined by the Debtors subject to the review and consent of the DIP Lender, each acting in good faith, to fund the Wind Down Budget until the Wind Down Completion Date, taking into account expected Post-Effective Date Available Cash.

Wind Down Budget means a budget setting forth the estimate of costs and expenses necessary to effectuate the Wind Down through the Wind Down Completion Date, including Wind Down Expenses, which budget (i) shall be prepared by the Debtors subject to the review and consent of the DIP Lender, each acting in good faith, and (ii) after the Effective Date, may be amended, modified, or supplemented from time to time by the Liquidating Agent in its reasonable discretion.

Wind Down Completion Date means the date upon which all assets of the Wind Down Estates have been sold, abandoned, dissolved, liquidated, or otherwise disposed of, and all proceeds thereof or remaining assets of the Wind Down Estates have been distributed in accordance with the Plan.

Wind Down Estates means, the Debtors, or any successor thereto, by merger, consolidation or otherwise to Wind Down, dissolve, and liquidate the Estates or otherwise administer or distribute the proceeds of, any remaining assets in accordance with this Plan.

Wind Down Expenses means costs and expenses reasonably necessary to effectuate the Wind Down.

Wind Down Reserve means, the Cash reserve established on the Effective Date pursuant to this Plan, consisting of the Wind Down Amount.

1.2 *Interpretation; Application of Definitions; Rules of Construction.*

Unless otherwise specified, all section or exhibit references in this Plan are to the respective section in or exhibit to this Plan, as the same may be amended, waived, or modified from time to time in accordance with the terms hereof. The words "herein," "hereof," "hereto," "hereunder," and other words of similar import refer to this Plan as a whole and not to any particular section, subsection, or clause contained therein and have the same meaning as "in this Plan," "of this Plan," "to this Plan," and "under this Plan," respectively. The words "includes" and "including" are not limiting. The headings in this Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. For purposes herein: (i) in the appropriate context, each term, whether stated in the singular or plural, shall include both the singular and plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (ii) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (iii) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (iv) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; and (v) all references herein to consent, acceptance, or approval may be conveyed by counsel for the respective parties that have such consent, acceptance, or approval rights, including by electronic mail.

1.3 *Reference to Monetary Figures.*

All references in this Plan to monetary figures shall refer to the legal tender of the United States of America unless otherwise expressly provided.

1.4 *Controlling Document.*

In the event of an inconsistency between this Plan and the Plan Supplement, the terms of the relevant document in the Plan Supplement shall control unless otherwise specified in such Plan Supplement document. In the event of an inconsistency between this Plan and any other instrument or document created or executed pursuant to this Plan, or between this Plan and the Disclosure Statement, this Plan shall control. The provisions of this Plan and of the Confirmation Order shall be construed in a manner consistent with each other so as to effectuate the purposes of each. If there is any inconsistency between any provision of this Plan and any provision of the Confirmation Order that cannot be so reconciled, then, solely to the extent of such inconsistency,

the provisions of the Confirmation Order shall govern, and any such provisions of the Confirmation Order shall be deemed a modification of this Plan.

1.5 *Consultation, Information, Notice, and Consent Rights.*

Notwithstanding anything herein to the contrary, any and all consultation, information, notice, and consent rights of (i) the parties to the RSA as set forth in the RSA and (ii) the DIP Lender as set forth in the DIP Note Documents with respect to the form and substance of any of the Definitive Documents, including any amendments, restatements, supplements, or other modifications to such agreements and documents, and any consents, waivers, or other deviations under or from any such documents, shall be incorporated herein by this reference (including to the applicable definitions in Section 1.1 of this Plan) and fully enforceable as if stated in full herein.

ARTICLE II. ADMINISTRATIVE EXPENSE CLAIMS, FEE CLAIMS, PRIORITY TAX CLAIMS, DIP CLAIMS, AND RESTRUCTURING EXPENSES.

2.1 *Treatment of Administrative Expense Claims.*

On, or as soon thereafter as is reasonably practicable, the later of (a) the Effective Date and (b) the first Business Day after the date that is thirty (30) calendar days after the date such Administrative Expense Claim becomes an Allowed Administrative Expense Claim, except to the extent that a holder of an Allowed Administrative Expense Claim and the Debtors or Liquidating Agent agrees to less favorable treatment, each holder of an Allowed Administrative Expense Claim (other than Fee Claims) shall receive, in full and final satisfaction, settlement, release, and discharge of such Claim, (i) Cash in an amount equal to the Allowed amount of such Claim from the Senior Claims Recovery Pool or (ii) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code; *provided* that Allowed Administrative Expense Claims representing liabilities incurred in the ordinary course of business by the Debtors shall be paid by the Debtors or the Liquidating Agent, as applicable, in the ordinary course of business, consistent with past practice and in accordance with the terms and subject to the conditions of any orders or agreements governing, instruments evidencing, or other documents establishing, such liabilities.

Except as otherwise provided by a Final Order previously entered by the Bankruptcy Court, or as provided by Section 2.1 hereof, requests for payment of Administrative Expense Claims, other than requests for payment of Fee Claims, must be filed and served on the Debtors no later than the Administrative Expense Claims Bar Date pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order.

Holders of Administrative Expense Claims that are required to file and serve a request for payment of such Administrative Expense Claims and that do not file and serve such a request by the Administrative Expense Claims Bar Date shall be forever barred, estopped, and enjoined from asserting such Administrative Expense Claims against the Debtors or their property, and such Administrative Expense Claims shall be deemed compromised, settled, and released as of the Effective Date.

2.2 *Treatment of Fee Claims*.

(a) All Professionals seeking approval by the Bankruptcy Court of Fee Claims shall (i) file, on or before the date that is forty-five (45) calendar days after the Effective Date, their respective applications for final allowances of compensation for services rendered and reimbursement of expenses incurred and (ii) be paid in full, in Cash, in such amounts as are Allowed by the Bankruptcy Court or authorized to be paid in accordance with the order(s) relating to or allowing any such Fee Claim. The Liquidating Agent is authorized to pay compensation for Professional services rendered and reimbursement of expenses incurred after the Effective Date in the ordinary course and without the need for Bankruptcy Court approval.

(b) As soon as reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Fee Escrow Account. The Debtors shall fund the Fee Escrow Account with Cash equal to each Professional's good faith estimate of its respective unpaid Fee Claims, which estimate shall be provided to the Debtors at least five (5) calendar days prior to the Confirmation Date. The Debtors shall separately escrow such estimated amounts in the Fee Escrow Account (less any retainers) for the benefit of the holders of the Fee Claims until the fee applications related thereto are resolved by Final Order or agreement of the parties. If a holder of a Fee Claim does not provide an estimate, the Debtors may estimate the unpaid and unbilled reasonable and necessary fees and out-of-pocket expenses of such holder of a Fee Claim. Funds held in the Fee Escrow Account shall not be deemed to be property of the Estates or property of the Wind Down Estates, but shall revert to the Wind Down Estates only after all Allowed Fee Claims have been irrevocably paid in full. The Fee Escrow Account shall be held in trust for Professionals and for no other parties until all Allowed Fee Claims have been paid in full. Fee Claims shall be paid in full, in Cash, in such amounts as are Allowed by the Bankruptcy Court (i) on or as soon as reasonably practicable after the date upon which a Final Order relating to any such Allowed Fee Claim is entered, (ii) on such other terms as may be mutually agreed upon between the holder of such an Allowed Fee Claim and the Debtors or the Liquidating Agent, as applicable, or (iii) in accordance with any order of the Bankruptcy Court. The Liquidating Agent's obligations with respect to Fee Claims shall not be limited by nor deemed limited to the balance of funds held in the Fee Escrow Account. To the extent that funds held in the Fee Escrow Account are insufficient to satisfy the amount of Allowed Fee Claims owing to the Professionals, such Professionals shall have an Allowed Administrative Expense Claim for any such deficiency, which shall be satisfied in accordance with Section 2.1 of this Plan. When such Allowed Fee Claims have been paid in full, any remaining amount in the Fee Escrow Account shall be promptly returned to the Wind Down Estates without any further action or order of the Bankruptcy Court. No Liens, claims, or interests shall encumber the Fee Escrow Account in any way, other than the customary liens in favor of the depository bank at which the Fee Escrow Account is maintained.

(c) Any objections to Fee Claims shall be served and filed (i) no later than twenty-one (21) calendar days after the filing of the final applications for compensation or reimbursement or (ii) such later date ordered by the Bankruptcy Court.

2.3 *Treatment of Priority Tax Claims*.

On, or as soon thereafter as is reasonably practicable, the later of (a) the Effective Date, to the extent such Claim is an Allowed Priority Tax Claim on the Effective Date, (b) the first

Business Day that is thirty (30) calendar days after the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, and (c) the date such Allowed Priority Tax Claim is due and payable in the ordinary course, except to the extent that a holder of an Allowed Priority Tax Claim and the Debtors (with the consent of the Requisite Prepetition Secured Parties) agree to less favorable treatment, each holder of an Allowed Priority Tax Claim shall receive, in full and final satisfaction, settlement, release, and discharge of such Allowed Priority Tax Claim, at the sole option of the Debtors or the Liquidating Agent, as applicable, either (i) payment in full in Cash or (ii) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

2.4 ***Treatment of DIP Claims.***

All DIP Claims shall be deemed Allowed as of the Effective Date in an amount equal to the aggregate amount of the DIP Obligations, including (a) the principal amount outstanding under the DIP Loans on such date, (b) all interest accrued and unpaid thereon through and including the date of payment, and (c) all accrued and unpaid fees, discounts, expenses, costs and indemnification obligations payable under the DIP Note Documents. On or as soon as reasonably practicable after the Effective Date, each holder of an Allowed DIP Claim shall receive, on account of such holder's Allowed DIP Claim, a Pro Rata distribution of Cash from the DIP Claims Recovery Pool in an amount not to exceed the amount of such holder's Allowed DIP Claim. After the recovery in full by all Holders of Allowed General Unsecured Claims in Class 4, any amount of Allowed DIP Claims not paid on the Effective Date shall be paid from any remaining available Cash, in full and final satisfaction, settlement, release and discharge of, and in exchange for, each Allowed DIP Claim. For the avoidance of doubt, all DIP Claims shall be discharged upon the Wind Down Completion Date distribution regardless of whether the Allowed DIP Claim has been paid in full in Cash. Notwithstanding anything to the contrary in this Plan or the Confirmation Order, the provisions of the DIP Note Documents that expressly survive termination or maturity of the DIP Note shall continue in full force and effect after the Effective Date in accordance with the terms thereof.

ARTICLE III. CLASSIFICATION OF CLAIMS AND INTERESTS.

3.1 ***Classification in General.***

A Claim or Interest is placed in a particular Class for all purposes, including voting, confirmation, and distribution under this Plan and under sections 1122 and 1123(a)(1) of the Bankruptcy Code; *provided* that a Claim or Interest is placed in a particular Class for the purpose of receiving distributions pursuant to this Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Claim or Interest has not been satisfied, released, or otherwise settled prior to the Effective Date.

3.2 ***Summary of Classification of Claims and Interests.***

The following table designates the Classes of Claims against and Interests in the Debtors and specifies which Classes are (a) Impaired and Unimpaired under this Plan, (b) entitled to vote to accept or reject this Plan in accordance with section 1126 of the Bankruptcy Code, and (c) presumed to accept or deemed to reject this Plan. In accordance with section 1123(a)(1) of the

Bankruptcy Code, Administrative Expense Claims, Fee Claims, Priority Tax Claims, and DIP Claims have not been classified.

(a) **Claims and Interests in DRF Logistics, LLC**

Class	Type of Claim or Interest	Impairment	Entitled to Vote
Class 1A	Other Priority Claims	Unimpaired	No (Presumed to accept)
Class 2A	Other Secured Claims	Unimpaired	No (Presumed to accept)
Class 3A	Oaktree Secured Claims	Impaired	Yes
Class 4A	General Unsecured Claims	Impaired	Yes
Class 5A	Interdebtor Claims	Unimpaired/ Impaired	No (Presumed to accept/Deemed to reject)
Class 6A	Existing DRF Logistics Equity Interests	Impaired	Yes

(b) **Claims and Interests in DRF, LLC**

Class	Type of Claim or Interest	Impairment	Entitled to Vote
Class 1B	Other Priority Claims	Unimpaired	No (Presumed to accept)
Class 2B	Other Secured Claims	Unimpaired	No (Presumed to accept)
Class 3B	Oaktree Secured Claims	Impaired	Yes
Class 4B	General Unsecured Claims	Impaired	Yes
Class 5B	Interdebtor Claims	Unimpaired/ Impaired	No (Presumed to accept/Deemed to reject)
Class 6B	Interdebtor Interests	Unimpaired	No (Presumed to accept)

3.3 ***Special Provision Governing Unimpaired Claims.***

Except as otherwise provided in this Plan, nothing under this Plan shall affect the rights of the Debtors or the Liquidating Agent, as applicable, in respect of any Unimpaired Claims, including all rights in respect of legal and equitable defenses to, or setoffs or recoupments against, any such Unimpaired Claims.

3.4 ***Elimination of Vacant Classes.***

Any Class that, as of the commencement of the Confirmation Hearing, does not have at least one Claim or Interest that is Allowed in an amount greater than zero for voting purposes shall be considered vacant, deemed eliminated from this Plan for purposes of voting to accept or reject this Plan, and disregarded for purposes of determining whether this Plan satisfies section 1129(a)(8) of the Bankruptcy Code with respect to such Class.

3.5 ***Voting Classes; Presumed Acceptance by Non-Voting Classes.***

With respect to each Debtor, if a Class contained Claims or Interests eligible to vote and no holder of such Claims or Interests, as applicable, votes to accept or reject this Plan, this

Plan shall be presumed accepted by the holders of such Claims or Interests, as applicable, in such Class.

3.6 *Voting; Presumptions; Solicitation.*

(a) **Acceptance by Certain Impaired Classes**. Only holders of Claims and Interests in Class 3, Class 4, and Class 6A are entitled to vote to accept or reject this Plan. An Impaired Class of Claims or Interests shall have accepted this Plan if (i) the holders of at least two-thirds (2/3) in amount of the Allowed Claims or Interests actually voting in such Class have voted to accept this Plan and (ii) the holders of more than one-half (1/2) in number of the Allowed Claims or Interests actually voting in such Class have voted to accept this Plan.

(b) **Deemed Acceptance or Rejection by Unimpaired Classes**. Holders of Claims and Interests in Class 1, Class 2, and Class 6B are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Additionally, Holders of Claims in Class 5 are presumed to accept or deemed to reject the Plan. Accordingly, such holders are not entitled to vote to accept or reject this Plan.

3.7 *Cramdown.*

If any Class entitled to vote on this Plan does not vote to accept this Plan, the Debtors may (a) seek confirmation of this Plan under section 1129(b) of the Bankruptcy Code or (b) amend or modify this Plan in accordance with the terms hereof and the Bankruptcy Code. If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, is Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

3.8 *No Waiver.*

Nothing contained in this Plan shall be construed to waive a Debtor's or other Entity's right to object on any basis to any Claim.

ARTICLE IV. TREATMENT OF CLAIMS AND INTERESTS.

4.1 *Class 1: Other Priority Claims.*

(a) **Treatment**: On or as soon as reasonably practicable after the later of the Effective Date and the date that is ten (10) Business Days after the date such Other Priority Claim becomes an Allowed Claim, except to the extent that a holder of an Allowed Other Priority Claim and the Debtors or Liquidating Agent (as applicable) agree to less favorable treatment, each holder of an Allowed Other Priority Claim shall receive in full and final satisfaction, settlement, release, and discharge of such Claim, at the option of the Debtors or Liquidating Agent (as applicable), either (i) payment in full in Cash or (ii) other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

(b) **Impairment and Voting**: Allowed Other Priority Claims are Unimpaired. In accordance with section 1126(f) of the Bankruptcy Code, the holders of Allowed Other Priority Claims are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject

this Plan, and the votes of such holders shall not be solicited with respect to such Allowed Other Priority Claims.

4.2 *Class 2: Other Secured Claims.*

(a) **Treatment**: On or as soon as reasonably practicable after the later of the Effective Date and the date that is ten (10) Business Days after the date such Other Secured Claim becomes an Allowed Claim, except to the extent that a holder of an Allowed Other Secured Claim and the Debtors (in consultation with and subject to the consent of the DIP Lender) or Liquidating Agent (as applicable) agree to less favorable treatment, each holder of an Allowed Other Secured Claim shall receive in full and final satisfaction, settlement, release, and discharge of such Claim, at the option of the Debtors or Liquidating Agent (as applicable), either (i) payment in full in Cash, or (ii) other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.

(b) **Impairment and Voting**: Allowed Other Secured Claims are Unimpaired. In accordance with section 1126(f) of the Bankruptcy Code, the holders of Allowed Other Secured Claims are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject this Plan, and the votes of such holders shall not be solicited with respect to such Allowed Other Secured Claims.

4.3 *Class 3: Oaktree Secured Claims*

(a) **Treatment**: In accordance with ARTICLE VII of this Plan, each holder of an Allowed Oaktree Secured Claim shall receive from the Debtors or Liquidating Agent (as applicable), in full and final satisfaction, settlement, release, and discharge of such Allowed Oaktree Secured Claim, such holder's Pro Rata share of the (i) Oaktree Initial Payment and (ii) Oaktree Additional Recovery Amount. For the avoidance of doubt, the satisfaction, settlement, release, and discharge of such Allowed Oaktree Secured Claim shall in no way, directly or indirectly, affect (i) a holder's Claim, rights, remedies or interests under the Note Purchase Agreement or the Note Purchase Documents, (ii) the legality, validity, binding nature and non-avoidability of Pitney Bowes' or any guarantors' obligations under the Note Purchase Agreement or the Note Purchase Documents, or (iii) the validity, enforceability or perfection of the security interests securing the obligations under the Note Purchase Agreement or the Note Purchase Documents.

(b) **Impairment and Voting**: Allowed Oaktree Secured Claims are Impaired. Holders of Allowed Oaktree Secured Claims are entitled to vote on this Plan.

4.4 *Class 4: General Unsecured Claims.*

(a) **Treatment**: In accordance with the distribution mechanics described in ARTICLE VII of this Plan each holder of an Allowed General Unsecured Claim shall receive, from the Debtors or Liquidating Agent (as applicable), in full and final satisfaction, settlement, release, and discharge of such Allowed General Unsecured Claim, such holder's Pro Rata share of (i) Unsecured Claims Initial Distribution; *provided that*, for the purposes of this clause (i), the PB Unsecured Claim shall not participate in or receive any recovery from the Unsecured Claims Initial Distribution, plus (ii) the Unsecured Claims Subsequent Distribution with such distribution(s) pursuant to this clause (ii) made in accordance with the Debtor Distribution Ratio.

(b) **Impairment and Voting**: Allowed General Unsecured Claims are Impaired. Holders of Allowed General Unsecured Claims are entitled to vote on this Plan.

4.5 ***Class 5: Interdebtor Claims.***

(a) **Treatment**: On or as soon as practicable after the Effective Date, all Interdebtor Claims shall be adjusted, Reinstated, or discharged (each without any distribution) to the extent reasonably determined to be appropriate by the Debtors or Liquidating Agent (as applicable).

(b) **Impairment and Voting**: Holders of Allowed Interdebtor Claims are either (i) Unimpaired and such holders are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code or (ii) Impaired, and such holders are conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, holders of Allowed Interdebtor Claims are not entitled to vote to accept or reject this Plan, and the votes of such holders shall not be solicited with respect to such Allowed Interdebtor Claims.

4.6 ***Class 6A: Existing DRF Logistics Equity Interests.***

(a) **Treatment:** In accordance with the *Amended and Restated Limited Liability Company Agreement* of DRF Logistics, LLC, each holder of an Allowed Existing DRF Logistics Equity Interest as of the Effective Date shall be entitled to receive, from the Debtors or Liquidating Agent (as applicable) any remaining Cash from DRF Logistics, LLC's Estate or Wind Down Estate (as applicable) following the satisfaction in full in accordance with the Bankruptcy Code and the Plan of all (i) Allowed General Unsecured Claims, (ii) Allowed Oaktree Secured Claims, and (iii) Allowed DIP Claims against DRF Logistics, LLC. For the avoidance of doubt, the Existing DRF Logistics Equity Interests shall remain in existence until the day following the Wind Down Completion Date, at which time such interests shall be automatically extinguished.

(b) **Impairment and Voting**: Allowed Existing DRF Logistics Equity Interests are Impaired. Holders of Allowed Existing DRF Logistics Equity Interests are entitled to vote on this Plan.

4.7 ***Class 6B: Interdebtor Interests.***

(a) **Treatment**: On the Effective Date and without the need for any further corporate or limited liability company action or approval of any board of directors, board of managers, member, manager, management, or Security holders of any Debtor or Wind Down Estate, (as applicable) all Interdebtor Interests shall be unaffected by the Plan and continue in place following the Effective Date, solely for the administrative convenience of maintaining the existing corporate structure of the Debtors.

(b) **Impairment and Voting**: Allowed Interdebtor Interests are Unimpaired. In accordance with section 1126(f) of the Bankruptcy Code, the holders of Allowed Interdebtor Interests are conclusively presumed to accept this Plan and are not entitled to vote to accept or reject this Plan, and the votes of such holders shall not be solicited with respect to such Allowed Interdebtor Interests.

ARTICLE V. MEANS FOR IMPLEMENTATION.

5.1 *Sources of Consideration for Plan Distribution.*

The Debtors and Liquidating Agent shall fund Cash distributions under this Plan with Cash proceeds available from: (i) Cash available on or after the Effective Date in accordance with the Plan, including the PB Settlement Amount, and (ii) any additional proceeds of the Wind Down, if any.

5.2 *Liquidating Agent*

(a) Appointment. Hilco shall serve as Liquidating Agent for each of the Debtors and the Wind Down Estates.

(b) Authority. Subject to ARTICLES X and XI of this Plan, the Liquidating Agent shall have the authority and right on behalf of each of the Debtors and the Wind Down Estates, without the need for Bankruptcy Court approval (unless otherwise expressly indicated), to carry out and implement all provisions of this Plan, including, to:

(i) except to the extent Claims have been previously Allowed, control and effectuate the Claims reconciliation process, including to object to, seek to subordinate, compromise, or settle any and all Claims;

(ii) make distributions to holders of Allowed Claims in accordance with this Plan;

(iii) withhold from the amount distributable to any Entity the maximum amount needed to pay any tax or other charge that the Liquidating Agent has determined may be required to be withheld from such distribution under the income tax or other laws of the United States or of any state or political subdivision thereof;

(iv) exercise its business judgment to direct and control the Wind Down, liquidation, sale and/or abandonment of the remaining Assets of the Debtors under this Plan and in accordance with applicable law as necessary to maximize distributions to holders of Allowed Claims;

(v) prosecute any Causes of Action on behalf of the Debtors or Wind Down Estates (as applicable), elect not to pursue any Causes of Action, and determine whether and when to compromise, settle, abandon, dismiss, or otherwise dispose of any such Causes of Action, as the Liquidating Agent may determine is in the best interests of the Debtors or Wind Down Estates (as applicable);

(vi) make payments to existing Professionals that continue to perform after the Effective Date;

(vii) protect and enforce the rights to the assets of the Wind Down Estates (including any Causes of Action) vested in the Wind Down Estates and the Liquidating Agent by any method deemed appropriate, including by judicial proceedings or otherwise;

(viii) open and maintain bank accounts on behalf of or in the name of the Wind Down Estates;

(ix) purchase and carry all insurance policies that the Liquidating Agent deems reasonably necessary or advisable to pay all associated insurance premiums and costs;

(x) maintain the books and records and accounts of the Debtors or Wind Down Estates and obtain any necessary insurance;

(xi) invest Cash of the Debtors or Wind Down Estates, as available, and any income earned thereon;

(xii) prepare, file, and prosecute any necessary filings or pleadings with the Bankruptcy Court to carry out the duties of the Liquidating Agent as described herein;

(xiii) investigate any Assets of the Wind Down Estates, and any other potential Causes of Action;

(xiv) marshal, market for sale, and wind down any of the remaining Assets of the Wind Down Estate;

(xv) acquire litigation and other claims related to the Debtors, and prosecuting such claims;

(xvi) develop and use creditor communication procedures, including a creditor portal (if necessary);

(xvii) review and compel turnover of the property of the Debtors or the Wind Down Estates;

(xviii) pursuant to any investigation related to a Cause of Action, seek the examination of any person pursuant to Federal Rule of Bankruptcy Procedure 2004;

(xix) incur and pay reasonable and necessary expenses in connection with the performance of duties under this Plan, including the reasonable fees and expenses of Professionals retained by the Liquidating Agent;

(xx) administer each Debtor's tax obligations, including (A) filing tax returns and paying tax obligations, (B) requesting, if necessary, an expedited determination of any unpaid tax liability of each Debtor or its

Estate under Bankruptcy Code section 505(b) for all taxable periods of such Debtor ending after the Petition Date through the liquidation of such Debtor as determined under applicable tax laws, and (C) representing the interest and account of each Debtor or its Estate before any taxing authority in all matters including any action, suit, proceeding or audit;

(xxi) prepare and file any and all informational returns, reports, statements, returns, or disclosures relating to the Debtors or Wind Down Estates that are required hereunder, by any Governmental Unit or applicable law;

(xxii) amend, modify, or supplement the Wind Down Budget;

(xxiii) determine, from time to time, whether the amounts available in the Wind Down Reserve are in excess of the amount necessary to satisfy the purpose for which such reserve was established and amend, modify, or supplement the Wind Down Budget accordingly. If the Liquidating Agent determines that a surplus exists in the Wind Down Reserve as of the date of such determination, the Liquidating Agent may allocate such Surplus Reserved Cash pursuant to the Waterfall;

(xxiv) determine, from time to time, whether the amounts available in the Senior Claims Recovery Pool are in excess of the amount necessary to pay holders of Allowed Senior Claims, plus any such Disputed Claims until final Allowance or Disallowance. If the Liquidating Agent determines that a surplus exists in the Senior Claims Recovery Pool as of the date of such determination, the Liquidating Agent may allocate the Surplus Senior Claims Recovery Pool Cash pursuant to the Waterfall;

(xxv) enter into any agreement or execute any document or instrument required by or consistent with the Plan or the Confirmation Order and to perform all obligations thereunder;

(xxvi) close the Chapter 11 Cases;

(xxvii) pay Statutory Fees on behalf of the Debtors or Wind Down Estates in accordance with Section 13.1 of this Plan; and

(xxviii) perform other duties and functions that are consistent with the implementation of this Plan.

For the avoidance of doubt, and notwithstanding anything in the foregoing, the Liquidating Agent's pursuit in respect of any Claim or Cause of Action shall be subject in all respects to ARTICLE XI of this Plan, and no Releasing Party may pursue any Claim or Cause of Action against any Released Party.

(c) Indemnification. Each of the Debtors shall indemnify and hold harmless Hilco and its advisors and attorneys, and any of its directors, officers, and employees, solely in its capacity as the Liquidating Agent for any losses incurred in such capacity, except to the extent such losses were the result of the Liquidating Agent's fraud, gross negligence, willful misconduct, or criminal conduct.

5.3 *Implementation.*

(i) Prior to the Effective Date, the Debtors shall use commercially reasonable efforts to sell their interests in all of their Assets.

(ii) On the Effective Date, PBI shall fund the PB Settlement Amount and Oaktree shall receive the Oaktree Initial Funding Amount;

(iii) On the Effective Date, the Wind Down Estates shall be established pursuant to the Plan.

(iv) On the Effective Date, the Senior Claims Recovery Pool shall be established and funded pursuant to the Plan.

(v) On the Effective Date, DIP Claims shall be paid from the DIP Claims Recovery Pool.

(vi) On or prior to the Effective Date, the Fee Escrow Account shall be established and funded with an amount of Cash sufficient to pay Fee Claims, based upon estimates provided by the Professionals, as set forth in Section 2.2 of this Plan.

(vii) On the Effective Date, the Wind Down Estates shall be funded in accordance with the Wind Down Budget for the Wind Down process and be funded with the Wind Down Amount. An initial Wind Down Budget shall be filed with the Plan Supplement and may be amended, modified, or supplemented from time to time by the Liquidating Agent.

(viii) On the Effective Date, any remaining assets and, subject to ARTICLE XI of this Plan any Causes of Action of the Debtors' Estates shall transfer to the Wind Down Estates automatically and without further action of the Bankruptcy Court.

(ix) In accordance with Section 5.2 of this Plan, the Liquidating Agent may allocate Surplus Reserved Cash pursuant to the Waterfall.

(x) In accordance with Section 5.2 of this Plan, the Liquidating Agent may allocate Surplus Senior Claims Recovery Pool Cash pursuant to the Waterfall.

(xi) At the conclusion of the Wind Down (or sooner as reasonably determined by the Liquidating Agent), any residual amounts remaining

in the Wind Down Estates shall be distributed to holders of Allowed Claims and Interests in accordance with the Waterfall.

5.4 *Compromise and Settlement of Claims, Interests, and Controversies.*

Pursuant to section 363 and 1123(b)(2) of the Bankruptcy Code and Bankruptcy Rule 9019 and in consideration for the distributions and other benefits provided pursuant to this Plan, this Plan shall constitute a good faith compromise and settlement of all Claims, Interests, and controversies relating to the contractual, legal, equitable, and subordination rights that a holder of a Claim or Interest may have with respect to any Claim or Interest and any distribution to be made on account of such Claim or Interest. This Plan shall be deemed a motion to approve the compromises and settlements contained in this Plan. Entry of the Confirmation Order, as of the Effective Date, shall constitute the Bankruptcy Court's approval of the compromise and settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise and settlement is in the best interests of the Debtors, their Estates, and holders of such Claims and Interests, and is fair, equitable, and reasonable. The compromises, settlements, and releases described herein shall be deemed nonseverable from each other and from all other terms of this Plan.

5.5 *Limited Liability Company Action.*

(a) Upon the Effective Date, by virtue of the solicitation of votes in favor of this Plan and entry of the Confirmation Order, all actions contemplated by this Plan (including any action to be undertaken by the Liquidating Agent) shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified without any requirement for further action by holders of Claims or Interests, the Debtors, or any other Entity or Person. All matters provided for in this Plan involving the organizational structure of the Debtors, and any other action required by the Debtors in connection therewith, shall be deemed to have occurred and shall be in effect, without any requirement of further action by the Debtors or the Estates.

(b) The authorizations and approvals contemplated by this Section 5.5 shall be effective notwithstanding any requirements under non-bankruptcy law.

(c) The Confirmation Order shall and shall be deemed, pursuant to sections 363, 1123, and 1142 of the Bankruptcy Code, to authorize and direct parties, as applicable, among other things, to take all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate this Plan.

5.6 *Cancellation of Existing Securities and Agreements.*

(a) On the Effective Date and without the need for any further organizational action or approval of any board of directors, board of managers, member, manager, management, or Security holders of any Debtor, the certificates and all other documents representing the Interdebtor Interests shall be deemed to be in full force and effect.

(b) Following the Wind Down Completion Date, all Existing DRF Logistics Equity Interests shall automatically be extinguished in accordance with Section 4.6 of this Plan.

5.7 ***Settlement and Release Agreement.***

Pursuant to sections 363, 365, and 1123(b)(2) of the Bankruptcy Code (as applicable) and Bankruptcy Rule 9019, and in consideration for the distributions and other benefits provided pursuant to this Plan, and the releases contained in this Plan and in the Settlement and Release Agreement, the provisions of the Plan shall constitute a good faith compromise of Claims, Causes of Action, Interests, and controversies relating to the contractual, legal, equitable, and other rights that any Debtor, its Estates, the Wind Down Estates, or the Liquidating Agent may have with respect to any Claim or Cause of Action against Pitney Bowes and its Related Parties, and the contractual, legal, equitable, and other rights that Pitney Bowes may have with respect to any Claim or Cause of Action against the Debtors. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of (i) the Settlement and Release Agreement (including its assumption) and (ii) the compromise or settlement of all such Claims, Causes of Action, and controversies, as well as a finding by the Bankruptcy Court that such settlement and the releases contained therein and herein, are in the best interests of the Debtors, their Estates, the Wind Down Estates and holders of all Claims, Causes of Action, and Interests, and is fair, equitable, and reasonable. The compromises, settlements, and releases described herein shall be deemed nonseverable from each other and from all other terms of this Plan.

5.8 ***Merger or Dissolution of Debtors***

On the Effective Date, either (i) any remaining Assets or Causes of Action (subject in all respects to ARTICLE XI of the Plan) of the Debtors shall vest in the Wind Down Estates or (ii) the Debtors shall be merged together into DRF Logistics, LLC, which shall thereafter be liquidated, wound down, and terminated in accordance with Section 5.11 of this Plan. In the event of a merger, (a) the Debtors may effectuate the merger without the necessity for any other or further actions to be taken by or on behalf of such merged Debtor or its equity holders or any payments to be made in connection therewith, other than the filing of a certificate of merger with the appropriate governmental authorities; (b) all Claims filed or scheduled in DRF, LLC's case shall be deemed to have been filed in DRF Logistics, LLC's case; (c) DRF Logistics, LLC may change its name and DRF Logistics, LLC's Chapter 11 Case may be renamed accordingly; and (d) the Chapter 11 Case of DRF, LLC shall be closed. At the discretion of the Liquidating Agent, after the Effective Date, DRF Logistics, LLC may engage in any other transaction in furtherance of this Plan. Any such transactions may be effective after the Effective Date pursuant to the Confirmation Order without any further action by the equity holders, members, managers, general or limited partners, or directors of any of the Debtors.

5.9 ***Effectuating Documents; Further Transactions.***

On and after the Effective Date, the Liquidating Agent is 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 this Plan in the name of and on behalf of the Debtors, without the need for any approvals, authorization, or consents except for those expressly required pursuant to this Plan

5.10 *Wind Down*.

After the Effective Date, pursuant to this Plan, the Liquidating Agent shall, in an expeditious but orderly manner, wind down, sell, and otherwise liquidate and convert to Cash the remaining Assets of the Debtors, with no objective to continue or conduct a trade or business except to the extent reasonably necessary to, and consistent with, the liquidation and orderly wind down of the Debtors and shall not unduly prolong the duration of the liquidation and the wind down. Upon the completion of the liquidation and wind down of the Debtors, the Liquidating Agent shall be authorized to file a certificate of cancellation with the appropriate governmental authorities terminating the legal existence of DRF Logistics, LLC and take such other actions consistent therewith to effect the termination of the legal existence of DRF Logistics, LLC.

5.11 *Closing of the Chapter 11 Cases*

When all Disputed Claims have become Allowed Claims or have been disallowed by Final Order, all Assets have been liquidated into Cash or abandoned, and all remaining available Cash has been distributed in accordance with this Plan and the Chapter 11 Cases have been fully administered, the Liquidating Agent shall seek authority from the Bankruptcy Court to close the Chapter 11 Cases in accordance with the Bankruptcy Code and the Bankruptcy Rules.

5.12 *Certain Tax Matters*

Each holder of an Existing DRF Logistics Equity Interest shall, and shall cause its Affiliates to, not take any action that would (or refrain from taking any action the failure of which would) cause or be reasonably likely to cause the Debtors to cease to be treated as entities disregarded as separate from their owner for U.S. federal, state and local income tax purposes including, but not limited to, (i) making, changing, or revoking an entity classification election for the Debtors that would cause them to be treated as an association taxable as a corporation for U.S. federal income tax purposes pursuant to Treasury Regulations sections 301.7701-2(b) and 301.7701-3(c) (or similar applicable state or local law); (ii) converting the Debtors to an entity treated as an association taxable as a corporation for U.S. federal, state and local income tax purposes; or (iii) engaging in any other transaction that, if implemented, would prevent, alter, or in any way adversely impact the Debtors' classification as entities that are disregarded as separate from their owner for U.S. federal, state and local income tax purposes.

ARTICLE VI. GOVERNANCE

6.1 *Board of Managers and Officers.*

The Liquidating Agent, on behalf of the Debtors, may appoint a manager of DRF Logistics, LLC to serve after the Effective Date, with the identity of such manager to be disclosed in the Plan Supplement. The Liquidating Agent, on behalf of the Debtors, may elect such additional manager(s) and/or officer(s) of DRF Logistics, LLC as the Liquidating Agent deems necessary to implement this Plan and the actions contemplated herein. The Liquidating Agent, on behalf of the Debtors, shall also have the power to act by written consent to remove any manager or officer of DRF Logistics, LLC at any time with or without cause.

6.2 *Governing Documents.*

As of the Effective Date, the governing documents of DRF Logistics, LLC shall be amended to the extent necessary to carry out the provisions of this Plan. All amended and necessary organizational documents of DRF Logistics, LLC shall be contained in the Plan Supplement.

ARTICLE VII. DISTRIBUTIONS.

7.1 *Distributions Generally.*

The Debtors or Liquidating Agent (as applicable) shall make all Plan Distributions to holders of Allowed Claims in accordance with the terms of this Plan.

7.2 *No Postpetition Interest on Claims.*

Unless otherwise provided in this Plan, the Confirmation Order, or other order of the Bankruptcy Court, or required by applicable bankruptcy law, postpetition interest shall not accrue or be paid on any Claim and no holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any such Claim. For the avoidance of doubt, this Section 7.2 shall not apply to DIP Claims.

7.3 *Distribution Record Date.*

As of the close of business on the Distribution Record Date, the various lists of holders of Claims or Interests in each Class, as maintained by the Debtors or their agents, shall be deemed closed, and there shall be no further changes in the record holders of any Claims or Interests after the Distribution Record Date. Neither the Debtors nor the Liquidating Agent shall have any obligation to recognize any transfer of a Claim occurring after the close of business on the Distribution Record Date. In addition, with respect to payment of any Cure Amounts or disputes over any Cure Amounts, neither the Debtors nor the Liquidating Agent shall have any obligation to recognize or deal with any party other than the non-Debtor party to the applicable executory contract or unexpired lease, even if such non-Debtor party has sold, assigned, or otherwise transferred its Claim for a Cure Amount.

7.4 *Distributions on the Effective Date or as Soon as Reasonably Practicable Thereafter.*

The Liquidating Agent shall make distributions, as applicable, on the Effective Date or as soon as reasonably practicable thereafter, in accordance with the Plan:

(a) of Cash in the Senior Claims Recovery Pool to holders of Senior Claims, each to the extent Allowed as of the Effective Date;

(b) of Cash in the Fee Escrow to holders of Fee Claims in accordance with Section 2.2 of this Plan;

(c) of Cash in the DIP Claims Recovery Pool to holders of Allowed DIP Claims, to the extent there are funds in the DIP Claims Recovery Pool;

(d) of the Oaktree Initial Payment Amount, funded by the PB Settlement Amount, and the Oaktree Additional Recovery Amount (if any) to holders of Allowed Oaktree Secured Claims;

(e) of the Unsecured Claims Initial Distribution, funded by the PB Settlement Amount, and the Unsecured Claims Subsequent Distribution (if any) to holders of Allowed General Unsecured Claims to the extent Allowed as of the Effective Date;

(f) of any remaining Cash following payment in full of all Allowed General Unsecured Claims (and subject to appropriate reserves) to holders of Allowed Existing DRF Logistics Equity Interests.

7.5 *Periodic Distributions of the Senior Claims Recovery Pool and Unsecured Claims Subsequent Distribution*

The Liquidating Agent shall make periodic distributions, in the frequency determined by the Liquidating Agent in its sole discretion, as applicable:

(a) of Cash in the Senior Claims Recovery Pool to holders of Senior Claims, each to the extent Allowed after the Effective Date;

(b) of the Oaktree Additional Recovery Amount to holders of Allowed Oaktree Secured Claims;

(c) of the Unsecured Claims Subsequent Distribution to holders of Allowed General Unsecured Claims (as applicable), including Disputed General Unsecured Claims that become Allowed General Unsecured Claims, in accordance with the Plan;

(d) on account of any Allowed DIP Claims not otherwise paid pursuant to Section 2.4 of this Plan; and

(e) of any remaining Cash, following payment in full of all Allowed General Unsecured Claims (and subject to appropriate reserves) and all Allowed DIP Claims, to holders of Allowed Existing DRF Logistics Equity Interests.

7.6 *Date of Distributions.*

(a) In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

(b) Prior to any distributions by the Liquidating Agent of any Surplus Senior Claims Recovery Pool Cash pursuant to the Waterfall, the Liquidating Agent shall make

distributions to holders of all Allowed Administrative Claims, Priority Tax Claims, Other Priority Claims, and Other Secured Claims until such Allowed Claims are indefeasibly paid in full.

(c) After the resolution of a Disputed Senior Claim, the Liquidating Agent shall treat any amounts that were reserved on account of such Disputed Senior Claim that is either (i) Disallowed or (ii) Allowed in a lesser amount than asserted, as Surplus Senior Claims Recovery Pool Cash and such amounts shall be allocated pursuant to the Waterfall.

7.7 *Distributions After Effective Date.*

Distributions made after the Effective Date to holders of Disputed Claims that are not Allowed Claims as of the Effective Date but which later become Allowed Claims shall be deemed to have been made on the Effective Date.

7.8 *Plan Distributions Made by Liquidating Agent.*

All Plan Distributions shall be made by the Liquidating Agent on and after the Effective Date as provided herein. The Liquidating Agent shall not be required to give any bond or surety or other security for the performance of its duties. The Debtors shall use commercially reasonable efforts to provide the Liquidating Agent with the amounts of Claims and the identities and addresses of holders of Claims, in each case, as set forth in the Debtors' books and records. The Debtors shall cooperate in good faith with the applicable Liquidating Agent to comply with the withholding and reporting requirements outlined in Section 7.18 of this Plan.

7.9 *Delivery of Distributions.*

Subject to Bankruptcy Rule 9010, the Liquidating Agent shall make all distributions to any holder of an Allowed Claim or its authorized designee or transferee as and when required by this Plan at (a) the address of such holder on the books and records of the Debtors or their agents, (b) at the address in any written notice of address change delivered to the Debtors or the Liquidating Agent, including any addresses included on any transfers of Claim filed pursuant to Bankruptcy Rule 3001, or (c) the address of the designee of such holder to the extent practicable. Subject to Section 7.10 of this Plan, in the event that any distribution to any holder is returned as undeliverable, no distribution or payment to such holder shall be made unless and until the Liquidating Agent has been notified of the then-current address of such holder, at which time or as soon thereafter as reasonably practicable, such distribution shall be made to such holder without interest.

7.10 *Unclaimed Property.*

(a) One year from the later of: (i) the Effective Date and (ii) the date that is ten (10) Business Days after the date a Claim or Interest is first Allowed, all distributions payable on account of such Claim or Interest that are not claimed or accepted by such date shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and shall revert to the Liquidating Agent or its successor or assigns, and all claims of any other Entity (including the holder of a Claim in the same Class) to such distribution shall be discharged and forever barred. The Liquidating Agent shall have no obligation to attempt to locate any holder of an Allowed Claim other than by reviewing the Debtors' books and records and the Bankruptcy Court's filings.

(b) A distribution shall be deemed unclaimed if a holder has not (i) accepted a particular distribution or, in the case of distribution made by check, by ninety (90) calendar days after issuance, negotiated such check, (ii) given notice to the Liquidating Agent of an intent to accept a particular distribution, (iii) responded to the Debtors' or Liquidating Agent's, as applicable, request for information necessary to facilitate a particular distribution, or (iv) taken any other action necessary to facilitate such distribution.

7.11 *Satisfaction of Claims.*

Unless otherwise provided in this Plan, any distributions and deliveries to be made on account of Allowed Claims under this Plan shall be in complete and final satisfaction, settlement, and discharge of and exchange for such Allowed Claims and shall not exceed the amount of such Allowed Claims.

7.12 *Manner of Payment Under Plan.*

Except as specifically provided herein, at the option of the Debtors or the Liquidating Agent, as applicable, any Cash payment to be made under this Plan may be made by a check or wire transfer or as otherwise required or provided in applicable agreements or customary practices of the Debtors or Liquidating Agent, as applicable.

7.13 *Minimum Distribution.*

The Liquidating Agent shall have no obligation to make a distribution that is less than $100.00 in Cash.

7.14 *No Distribution in Excess of Amount of Allowed Claim.*

Notwithstanding anything to the contrary in this Plan, no holder of an Allowed Claim shall receive, on account of such Allowed Claim, Plan Distributions in excess of the Allowed amount of such Claim.

7.15 *Allocation of Distributions Between Principal and Interest.*

Except as otherwise provided in this Plan or as otherwise required by law (as determined by the Debtors or Liquidating Agent), distributions with respect to an Allowed Claim shall be allocated first to the principal amount of such Allowed Claim (as determined for United States federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of such Allowed Claim, to any portion of such Allowed Claim for accrued but unpaid interest.

7.16 *Setoffs and Recoupments.*

Except as otherwise provided in this Plan, including in all respects Sections 11.6(a), 11.6(b), 11.7, and 11.8, each Debtor or the Liquidating Agent on behalf such Debtor, may, pursuant to applicable nonbankruptcy law, set off or recoup against any Allowed Claim and the distributions to be made pursuant to this Plan on account of such Allowed Claim, any and all claims, rights, and Causes of Action of any nature whatsoever that such Debtor or Wind Down Estate or its successors

may hold against the holder of such Allowed Claim after the Effective Date. Notwithstanding the foregoing, neither the failure to effect a setoff or recoupment nor the allowance of any Claim hereunder shall constitute a waiver or release by a Debtor or Wind Down Estate or its successor of any claims, rights, or Causes of Action that a Debtor or Wind Down Estate or its successor or assign may possess against the holder of such Claim, except as otherwise provided in this Plan, including in all respects Sections 11.6(a), 11.6(b), 11.7, and 11.8.

7.17 ***Expenses of Liquidating Agent.***

Subject to the written agreement of the Debtors and the Liquidating Agent, the amount of any reasonable and documented out-of-pocket fees and expenses incurred by the Liquidating Agent on or after the Effective Date (including taxes other than any income, franchise, capital gain, or similar taxes) and any reasonable and documented compensation and out-of-pocket expense reimbursement Claims (including for reasonable and documented outside attorneys' fees and other professional fees and out-of-pocket expenses) made by the Liquidating Agent shall be paid in Cash by the Liquidating Agent in the ordinary course of business.

7.18 ***Withholding and Reporting Requirements.***

(a) *Withholding Rights*. In connection with this Plan, any Entity issuing any instrument or making any distribution or payment in connection therewith shall comply with all applicable withholding and reporting requirements imposed by any federal, state, or local taxing authority, and all distributions pursuant to the Plan and all related agreements shall be subject to any such withholding or reporting requirements. Any amounts withheld pursuant to this Plan shall be deemed to have been distributed to and received by the applicable recipient for all purposes of this Plan. Notwithstanding the foregoing, each holder of an Allowed Claim or any other Person that receives a distribution pursuant to the Plan shall have responsibility for any taxes imposed by any Governmental Unit, including, without limitation, income, withholding, and other taxes, on account of such distribution. Any Entity issuing any instrument or making any distribution pursuant to the Plan has the right, but not the obligation, to not make a distribution until such holder has made arrangements satisfactory to such issuing or disbursing party for payment of any such tax obligations. Additionally, in the case of a non-Cash distribution that is subject to withholding, the distributing party has the right, but not the obligation, to withhold an appropriate portion of such distributed property and either (i) sell such withheld property to generate Cash necessary to pay over the withholding tax (or reimburse the distributing party for any advance payment of the withholding tax), or (ii) pay the withholding tax using its own funds and retain such withheld property.

(b) *Forms*. Any party entitled to receive any property as an issuance or distribution under this Plan shall, upon reasonable request, deliver to the applicable withholding agent or such other Entity or Estate designated by the Liquidating Agent, an appropriate IRS Form W-9 or (if the payee is a foreign person) IRS Form W-8 and/or any other forms or documents, as applicable, requested by the Liquidating Agent or the applicable withholding agent to reduce or eliminate any required federal, state, or local withholding. If such request is made by a withholding agent or such other Entity or Estate designated by the Liquidating Agent and the party entitled to receive such property as an issuance or distribution fails to comply with any such request within ninety (90) days after the request is made, the amount of such issuance or distribution shall

irrevocably revert to the Entity or Estate, as applicable, and any Claim in respect of such distribution under this Plan shall be discharged and forever barred from assertion against any Debtor, Wind Down Estate and their respective property.

ARTICLE VIII. PROCEDURES FOR RESOLVING CLAIMS.

8.1 *Allowance of Claims.*

After the Effective Date, the Debtors and the Liquidating Agent (as applicable) shall have and shall retain any and all rights and defenses that the Debtors had with respect to any Claim, except with respect to any Claim deemed Allowed under this Plan. Except as expressly provided in this Plan or in any order entered in the Chapter 11 Cases prior to the Effective Date (including the Confirmation Order), no Claim shall become an Allowed Claim unless and until such Claim is deemed Allowed under this Plan or the Bankruptcy Court has entered a Final Order in the Chapter 11 Cases allowing such Claim.

8.2 *Objections to Claims.*

As of the Effective Date, objections to Claims against the Debtors may be interposed and prosecuted only by the Liquidating Agent. Any objections to Claims shall be served and filed (i) on or before the ninetieth (90th) day following the later of (a) the Effective Date and (b) the date that a Proof of Claim is filed or amended or a Claim is otherwise asserted or amended in writing by or on behalf of a holder of such Claim or (ii) such later date as ordered by the Bankruptcy Court upon motion filed by the Debtors or the Liquidating Agent, as applicable.

8.3 *Estimation of Claims.*

The Debtors or Liquidating Agent, as applicable, may at any time request that the Bankruptcy Court estimate any contingent, unliquidated, or Disputed Claim pursuant to section 502(c) of the Bankruptcy Code, regardless of whether the Debtors had previously objected to or otherwise disputed such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent, unliquidated, or Disputed Claim, the amount so estimated shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on the amount of such Claim, the Liquidating Agent may pursue supplementary proceedings to object to the allowance of such Claim. Notwithstanding section 502(j) of the Bankruptcy Code, in no event shall any holder of a Claim that has been estimated pursuant to section 502(c) of the Bankruptcy Code or otherwise be entitled to seek reconsideration of such estimation unless such holder has filed a motion requesting the right to seek such reconsideration on or before twenty-one (21) calendar days after the date on which such Claim is estimated.

8.4 *Resolution of Claims.*

All of the objection, estimation, and resolution procedures in this Plan are intended to be cumulative and not exclusive of one another. Except as otherwise provided in this Plan, the

Confirmation Order or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with this Plan, in accordance with section 1123(b) of the Bankruptcy Code, the Plan Administrator, subject to the written consent of the Administrative Agent, shall retain and may enforce, sue on, settle, resolve, withdraw, or compromise (or decline to do any of the foregoing) all Claims, Disputed Claims, rights, Causes of Action, suits and proceedings, whether in law or in equity, whether known or unknown, that the Debtors or their Estates may hold against any Person, without the approval of the Bankruptcy Court. The Liquidating Agent or its successor may pursue such retained Claims, rights, Causes of Action, suits or proceedings, as appropriate, in accordance with the best interests of the Debtors.

8.5 *Claim Resolution Procedures Cumulative.*

All of the objection, estimation, and resolution procedures in this Plan are intended to be cumulative and not exclusive of one another. Claims may be estimated and subsequently settled, compromised, withdrawn, or resolved in accordance with this Plan without further notice or Bankruptcy Court approval.

8.6 *Adjustment to Claims Register Without Objection.*

Any Claim or Interest that (a) is a duplicate, (b) has been paid or satisfied, or (c) has been amended or superseded, may be adjusted or expunged on the Claims Register by the Debtors or the Liquidating Agent, as applicable, upon agreement between the parties in interest without an objection having to be filed and without any further notice to or action, order, or approval of the Bankruptcy Court.

8.7 *No Distributions Pending Allowance.*

If an objection, motion to estimate, or other challenge to a Claim is filed, no payment or distribution provided under this Plan shall be made on account of such Claim unless and until (and only to the extent that) such Claim becomes an Allowed Claim.

8.8 *Distributions After Allowance.*

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, distributions (if any) shall be made to the holder of such Allowed Claim in accordance with the provisions of this Plan. On a date that is at least forty-five (45) days after the date on which a Disputed Claim becomes an Allowed Claim, or on an earlier date selected by the Liquidating Agent in the Liquidating Agent's sole discretion, the Liquidating Agent shall provide to the holder of such Claim the Distribution (if any) to which such holder is entitled under this Plan as of the Effective Date, without any interest to be paid on account of such Claim unless required by the Bankruptcy Code.

ARTICLE IX. EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

9.1 *Rejection of Executory Contracts and Unexpired Leases.*

(a) As of and subject to the occurrence of the Effective Date, all executory contracts and unexpired leases to which any of the Debtors are a party shall be deemed rejected

except for an executory contract or unexpired lease that: (i) is specifically designated as a contract or lease to be assumed by the Debtors pursuant to this Plan, including as set forth in the Plan Supplement; (ii) was previously assumed or rejected by the Debtors pursuant to a Final Order of the Bankruptcy Court or assumed and assigned pursuant to pursuant to a Final Order of the Bankruptcy Court; (iii) previously expired or terminated pursuant to its own terms or by agreement of the parties thereto; (iv) is the subject of a separate assumption or rejection motion filed by the Debtors on or before the Confirmation Date; or (v) is the subject of a pending Cure Dispute.

(b) Entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of the assumptions, assumptions and assignments, or rejections provided for in this Plan pursuant to sections 365(a) and 1123 of the Bankruptcy Code and a determination by the Bankruptcy Court that the Debtors, the Liquidating Agent, or the assignee of such executory contract or unexpired lease (as applicable) have provided adequate assurance of future performance under such executory contract or unexpired lease. Each executory contract or unexpired lease assumed pursuant to this Plan shall vest in and be fully enforceable by the applicable Debtor in accordance with its terms, except as modified by the provisions of this Plan, any Final Order of the Bankruptcy Court authorizing and providing for its assumption, or applicable law.

(c) Assumption of any executory contract or unexpired lease pursuant to this Plan, or otherwise, shall result in the full release and satisfaction of any defaults, subject to satisfaction of the Cure Amount, 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 before the Effective Date.

9.2 ***Survival of the Debtors' Indemnification Obligations.***

Notwithstanding anything in this Plan, any and all obligations of the Debtors pursuant to corporate charters, bylaws, limited liability company agreements, other organizational documents, or other agreements to indemnify current and former officers, directors, members, managers, agents, or employees with respect to all present and future actions, suits, and proceedings against the Debtors or such officers, directors, members, managers, agents, or employees, based upon any act or omission for or on behalf of the Debtors shall not be discharged or impaired by confirmation or consummation of this Plan and shall be Reinstated and remain intact, irrevocable, and shall survive the Effective Date on terms no less favorable to such current and former officers, members, managers, directors, agents, or employees than the indemnification provision in place prior to the Effective Date. All such obligations shall be deemed and treated as executory contracts to be assumed by the Debtors under this Plan.

9.3 ***Determination of Cure Disputes and Deemed Consent.***

Any Cure Amount shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the Cure Amount, as reflected in the applicable cure notice, in Cash on the Effective Date, subject to the limitations described below, or on such other terms as the parties to such executory contracts or unexpired leases and the Debtors or Liquidating Agent (as applicable) may otherwise agree.

The Debtors shall file, as part of the Plan Supplement, the Schedule of Assumed Contacts. At least fourteen (14) days before the Confirmation Hearing, the Debtors shall serve a notice on parties to executory contracts or unexpired leases to be assumed or assumed and assigned to the Wind Down Estates, reflecting the Debtors' intention to potentially assume or assume and assign the contract or lease in connection with this Plan and, where applicable, setting forth the proposed Cure Amount (if any). **Any objection by a counterparty to an executory contract or unexpired lease to the proposed assumption, assumption and assignment, or related Cure Amount must be filed, served, and actually received by the Debtors within ten (10) days of the service of the assumption notice, or such shorter period as agreed to by the parties or authorized by the Bankruptcy Court.** Any counterparty to an executory contract or unexpired lease that does not timely object to the notice of the proposed assumption of such executory contract or unexpired lease shall be deemed to have assented to assumption of the applicable executory contract or unexpired lease notwithstanding any provision thereof that purports to (i) prohibit, restrict, or condition the transfer or assignment of such contract or lease; (ii) terminate or modify, or permit the termination or modification of, a contract or lease as a result of any direct or indirect transfer or assignment of the rights of any Debtor under such contract or lease or a change, if any, in the ownership or control to the extent contemplated by the Plan; (iii) increase, accelerate, or otherwise alter any obligations or liabilities of any Debtor, or Wind Down Estate, under such executory contract or unexpired lease; or (iv) create or impose a Lien upon any property or Asset of any Debtor, or Wind Down Estate, as applicable. Each such provision shall be deemed to not apply to the assumption of such executory contract or unexpired lease pursuant to the Plan and counterparties to assumed executory contracts or unexpired leases that fail to object to the proposed assumption in accordance with the terms set forth in this Section 9.3, shall forever be barred and enjoined from objecting to the proposed assumption or to the validity of such assumption (including with respect to any Cure Amounts or the provision of adequate assurance of future performance), or taking actions prohibited by the foregoing or the Bankruptcy Code on account of transactions contemplated by the Plan.

If there is an Cure Dispute pertaining to assumption of an executory contract or unexpired lease (other than a dispute pertaining to a Cure Amount), such dispute shall be heard by the Bankruptcy Court prior to such assumption being effective; provided, that the Debtors or the Wind Down Trust, as applicable, may settle any Assumption Dispute without any further notice to any party or any action, order, or approval of the Bankruptcy Court.

To the extent an Cure Dispute relates solely to the Cure Amount, the Debtor may assume and/or assume and assign the applicable executory contract or unexpired lease prior to the resolution of the Cure; provided, that the Debtors or Wind Down Estates (as applicable) reserve Cash in an amount sufficient to pay the full amount reasonably asserted as the required cure payment by the non-Debtor party to the extent such executory contract or unexpired lease (or such smaller amount as may be fixed or estimated by the Bankruptcy Court or otherwise agreed to by such non-Debtor party and the applicable Debtor or Wind Down Estate (as applicable)). The Debtors or Wind Down Estates (as applicable) may settle any dispute regarding the Cure Amount or the nature thereof without any further notice to any party or any action, order, or approval of the Bankruptcy Court.

Assumption or assumption and assignment of any executory contract or unexpired lease pursuant to the Plan or otherwise shall result in the full release and satisfaction of any Claims

against any Debtor or defaults by any Debtor, 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 before the date that the Debtors assume or assume and assign such executory contract or unexpired lease. Any proofs of Claim filed with respect to an executory contract or unexpired lease that has been assumed or assumed and assigned shall be deemed disallowed and expunged, without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity, upon the assumption of such executory contract or unexpired leases.

9.4 *Rejection Damages Claims*.

Unless an earlier date is otherwise provided for by an order of the Bankruptcy Court, any Proofs of Claim based on the rejection of the Debtors' executory contracts or unexpired leases pursuant to this Plan or otherwise, must be filed with Bankruptcy Court and served on the Claims Agent no later than twenty-one (21) days after the Confirmation Date**.**

Any Claims arising from the rejection of an executory contract or unexpired lease for which proofs of Claim were not timely filed as set forth in the paragraph above shall not (i) be treated as a creditor with respect to such Claim, or (ii) participate in any distribution in the Chapter 11 Cases on account of such Claim, and any Claims arising from the rejection of an executory contract or unexpired lease not filed with the Bankruptcy Court within such time will be automatically disallowed, forever barred from assertion, and shall not be enforceable against the Debtors, the Estates, the Liquidating Agent, the Wind Down Estates, or the property for any of the foregoing without the need for any objection by the Liquidating Agent or further notice to, or action, order, or approval of the Bankruptcy Court or any other Entity, and any Claim arising out of the rejection of such contract or lease shall be deemed fully compromised, settled, and released, notwithstanding anything in the Schedules or a Proof of Claim to the contrary. All Allowed Claims arising from the rejection of the Debtors' prepetition executory contracts or unexpired leases shall be classified as General Unsecured Claims, except as otherwise provided by Final Order of the Bankruptcy Court.

9.5 *Insurance Policies*.

All insurance policies to which any Debtor is a beneficiary as of the Effective Date shall be deemed to be and treated as executory contracts and shall be assumed by the applicable Debtor and shall continue in full force and effect thereafter in accordance with their respective terms and vest in the Debtors and the Wind Down Estates, as applicable.

9.6 *Assignment.*

To the extent provided under the Bankruptcy Code or other applicable law, any executory contract or unexpired lease transferred and assigned to the Wind Down Estates hereunder, if applicable, shall remain in full force and effect for the benefit of the transferee or assignee in accordance with its terms, notwithstanding any provision in such executory contract or unexpired lease (including those of the type set forth in section 365(b)(2) of the Bankruptcy Code) that prohibits, restricts, or conditions such transfer or assignment. To the extent provided under the Bankruptcy Code or other applicable law, any provision that prohibits, restricts, or conditions

the assignment or transfer of any such executory contract or unexpired lease or that terminates or modifies such executory contract or unexpired lease or allows the counterparty to such executory contract or unexpired lease to terminate, modify, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon any such transfer and assignment, constitutes an unenforceable anti-assignment provision and is void and of no force or effect with respect to any assignment pursuant to the Plan.

9.7 *Modifications, Amendments, Supplements, Restatements, or Other Agreements.*

Unless otherwise provided herein or by separate order of the Bankruptcy Court, each executory contract and unexpired lease that is assumed shall include any and all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affects such executory contract or unexpired lease, without regard to whether such agreement, instrument, or other document is listed in the notice of assumed contracts.

9.8 *Reservation of Rights.*

(a) Neither the exclusion nor the inclusion by the Debtors of any contract or lease on any exhibit, schedule, or other annex to this Plan or in the Plan Supplement, nor anything contained in this Plan, shall constitute an admission by the Debtors that any such contract or lease is or is not an executory contract or unexpired lease or that the Debtors, the Wind Down Estates or the Liquidating Agent or their respective Affiliates has any liability thereunder.

(b) Except as explicitly provided in this Plan, nothing in this Plan shall waive, excuse, limit, diminish, or otherwise alter any of the defenses, claims, Causes of Action, or other rights of the Debtors, the Wind Down Estates, or the Liquidating Agent under any executory or non-executory contract or unexpired or expired lease.

(c) Nothing in this Plan shall increase, augment, or add to any of the duties, obligations, responsibilities, or liabilities of the Debtors, the Wind Down Estates, or the Liquidating Agent, as applicable, under any executory or non-executory contract or unexpired or expired lease.

(d) If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of its assumption under this Plan, the Debtors, the Wind Down Estates, or Liquidating Agent, as applicable, shall have thirty (30) calendar days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease.

ARTICLE X. CONDITIONS PRECEDENT TO CONFIRMATION OF PLAN AND OCCURRENCE OF EFFECTIVE DATE.

10.1 *Conditions Precedent to Confirmation.*

The Confirmation Date shall not occur unless the following conditions precedent to confirmation of this Plan have been satisfied:

(a) the Settlement and Release Agreement has been approved by the Bankruptcy Court pursuant to the in the Confirmation Order or other Final Order of the Bankruptcy Court;

(b) this Plan, the Plan Supplement, and any and all of the schedules, documents, and exhibits contained therein shall have been filed with the Bankruptcy Court and shall be consistent in all material respects with this Plan and the RSA; and

(c) the RSA shall not have been terminated and shall be in full force and effect.

10.2 *Conditions Precedent to Effective Date.*

The Effective Date shall not occur unless all of the following conditions precedent have been satisfied:

(a) the RSA shall not have been terminated and shall be in full force and effect with no notice of termination, breach, default, event of default, or similar notice having been delivered by or to any signatory thereto (to the extent such breach, default, event of default, or similar notice has not been cured or waived in accordance with the terms of the RSA);

(b) the Bankruptcy Court shall have entered the Confirmation Order and such order shall not have been vacated, reversed, or stayed pending appeal;

(c) all actions, documents, and agreements necessary to implement and consummate this Plan, and the other transactions and other matters contemplated herein, shall have been effected or executed; and

(d) all authorizations, consents, regulatory or governmental approvals, rulings or documents, including Bankruptcy Court approval, necessary to effectuate and implement this Plan will have been obtained.

10.3 *Waiver of Conditions Precedent.*

(a) Each of the conditions precedent to the occurrence of the Effective Date of the Plan set forth in this ARTICLE X may be waived, in whole or in part, with the reasonable written consent of the DIP Lender and, solely to the extent such waiver would directly or indirectly, affect (i) Oaktree's Claims, or rights, remedies or interests under the Note Purchase Agreement or the Note Purchase Documents, (ii) the legality, validity, binding nature and non-avoidability of Pitney Bowes' or any guarantors' obligations under the Note Purchase Agreement or the Note Purchase Documents, or (iii) the validity, enforceability or perfection of the security interests securing the obligations under the Note Purchase Agreement or the Note Purchase Documents, the reasonable consent of Oaktree, without leave of or order of the Bankruptcy Court.

(b) Except as otherwise provided herein, all actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously and no such action shall be deemed to have occurred prior to the taking of any other such action.

(c) The stay of the Confirmation Order pursuant to Bankruptcy Rule 3020(e) shall be deemed waived by and upon the entry of the Confirmation Order, and the Confirmation Order shall take effect immediately upon its entry.

10.4 *Effect of Failure of a Condition*.

If the conditions listed in Section 10.2 of this Plan are not satisfied or waived in accordance with Section 10.3 of this Plan on or before the later of (a) the first Business Day following the date that is seventy-five (75) calendar days after the date on which the Confirmation Order is entered, and (b) such later date set forth by the Debtors in a notice filed with the Bankruptcy Court prior to the expiration of such period, this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall (i) constitute a waiver or release of any Claims by or against or any Interests in the Debtors, (ii) prejudice in any manner the rights of any Entity, or (iii) constitute an admission, acknowledgement, offer, or undertaking by the Debtors or any other Entity.

ARTICLE XI. EFFECT OF CONFIRMATION.

11.1 *Binding Effect*.

As of the Effective Date, this Plan shall bind (a) the Debtors; (b) the Liquidating Agent; (c) all holders of Claims against and Interests in the Debtors and their respective successors and assigns, regardless of whether any such holders were (i) Impaired or Unimpaired under this Plan, (ii) deemed to accept or reject this Plan, (iii) failed to vote to accept or reject this Plan, and/or (iv) voted to reject this Plan; (d) all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in this Plan; (e) each Entity acquiring property under this Plan and the Confirmation Order; and (f) any and all non-Debtor parties to executory contracts and unexpired leases with the Debtors.

11.2 *Vesting of Assets*.

Except as otherwise provided in this Plan (including in all respects Sections 11.6(a), 11.6(b), 11.7, and 11.8), the Plan Supplement, or the Confirmation Order, on and after the Effective Date, pursuant to sections 1141(b) and (c) of the Bankruptcy Code, all Assets of the Estates, including all claims, rights, and Causes of Action and any property acquired by the Debtors under or in connection with this Plan or the Plan Supplement, shall vest in the Wind Down Estates free and clear of all Claims, Liens, encumbrances, charges, and other interests. Subject to the terms of this Plan, on and after the Effective Date, the Liquidating Agent may operate the Debtors' businesses and may use, acquire, and dispose of property and prosecute, compromise, or settle any Claims (including any Administrative Expense Claims), Interests, and Causes of Action without supervision of or approval by the Bankruptcy Court and free and clear of any restrictions of the Bankruptcy Code or the Bankruptcy Rules other than restrictions expressly imposed by this Plan or the Confirmation Order. Without limiting the foregoing, the Liquidating Agent may pay the charges that it incurs on behalf of the Wind Down Estates after the Confirmation Date for Professionals' fees, disbursements, expenses, or related support services without application to the Bankruptcy Court.

11.3 *Pre-Confirmation Injunctions and Stays.*

Unless otherwise provided in this Plan or a Final Order of the Bankruptcy Court, all injunctions and stays arising under or entered during the Chapter 11 Cases, whether under sections 105 or 362 of the Bankruptcy Code or otherwise, and in existence on the date of entry of the Confirmation Order, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

11.4 *Injunction Against Interference with Plan.*

Upon the entry of the Confirmation Order, all holders of Claims and Interests and all other parties in interest, along with their respective present and former Affiliates, employees, agents, officers, directors, and principals, shall be enjoined from taking any action to interfere with the implementation or the occurrence of the Effective Date.

11.5 *Plan Injunction.*

(a) Except as otherwise expressly provided in this Plan, or for distributions required to be paid or delivered pursuant to this Plan or the Confirmation Order, all Entities that have held, hold, or may hold Claims, Interests, or Causes of Action that are (i) released pursuant to Section 11.6(a) or Section 11.6(b) of this Plan, or (ii) subject to exculpation pursuant to Section 11.7 of this Plan, and (iv) all other parties in interest, are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Wind Down Estates, the Liquidating Agent, an Estate, the Released Parties, and/or the Exculpated Parties (to the extent of the exculpation provided pursuant to Section 11.7 of this Plan with respect to the Exculpated Parties), as applicable, with respect to such Claims, Interests, and Causes of Action: (A) commencing, conducting, or continuing in any manner, directly or indirectly, any suit, action, or other proceeding of any kind (including any proceeding in a judicial, arbitral, administrative, or other forum) on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (B) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering in any manner or by any means, whether directly, or indirectly, any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action; (C) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien or 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 Claims, Interests, or Causes of Action; (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 on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action unless (x) such Entity has timely asserted such setoff right either in a filed proof of Claim, or in another document filed with the Bankruptcy Court explicitly preserving such setoff or that otherwise indicates that such entity asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise or (y) such right to setoff arises under a postpetition agreement with the Debtors or (i) an executory contract or (ii) an unexpired lease, in the case of (i) and (ii), that has been assumed by the Debtors as of the Effective Date; (E) acting or proceeding in any manner, in any place whatsoever, that does not conform to or comply with the provisions of this Plan and Confirmation Order, to the full extent permitted by applicable law; and (F) commencing or continuing, in any manner or in any

place, any action or other proceeding of any kind on account of or in connection with or with respect to any such Claims, Interests, or Causes of Action released, settled, and/or treated, entitled to a distribution, or cancelled pursuant to this Plan; *provided* that such Entities that have held, hold, or may hold Claims against, Interests in, or Causes of Action against, a Debtor, the Liquidating Agent, or an Estate shall not be precluded from exercising their rights and remedies, or obtaining the benefits, solely pursuant to and consistent with the terms of this Plan.

(b) Subject in all respects to Section 12.1 of this Plan, no Entity may commence or pursue a Claim or Cause of Action of any kind against any Released Party or Exculpated Party that arose or arises from, in whole or in part: the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Estates; the Liquidating Agent; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the RSA; the Disclosure Statement; the DIP Orders; the Settlement and Release Agreement; the negotiation, formulation, preparation, dissemination, or consummation of the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with this Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in this Plan; the business or contractual or other arrangements or other interactions between any Releasing Party and any Released Party or Exculpated Party; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of this Plan (including the Plan Supplement); the funding of this Plan; the administration and implementation of this Plan or Confirmation Order, including the distribution of property under this Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date related or relating to the foregoing without the Bankruptcy Court (i) first determining, after notice and a hearing, that such Claim or Cause of Action represents a colorable claim that has not, with respect to a Released Party, been released under this Plan or, with respect to an Exculpated Party, been exculpated under this Plan and (ii) specifically authorizing such Entity to bring such Claim or Cause of Action against any such Released Party or Exculpated Party. The Bankruptcy Court shall have sole and exclusive jurisdiction to determine whether a Claim or Cause of Action is colorable and has not been released or exculpated (as applicable) and, only to the extent legally permissible and as provided for in Section 12.1 of this Plan, shall have jurisdiction to adjudicate the underlying colorable Claim or Cause of Action. For the avoidance of doubt, the foregoing sentence is subject to applicable law regarding the Bankruptcy Court's subject matter jurisdiction to hear such matter.

11.6 *Releases*.

(a) **Releases by the Debtors and their Estates. Notwithstanding anything contained in the Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, as of the Effective Date, the Debtors, the Wind Down Estates, the Liquidating Agent, and the Estates, in each case on behalf of themselves and their respective successors, assigns, any Estate representative(s) appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy**

Code, and any and all other Entities that may purport to assert any Cause of Action derivatively by or through any of the foregoing Entities, shall be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged the Released Parties from any and all Claims, Interests, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever (including any derivative claims, asserted or assertable on behalf of the Debtors, the Wind Down Estates, the Liquidating Agent, or the Estates), whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise that the Debtors, the Wind Down Estates, the Liquidating Agent, or the Estates, would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part: any act or omission, obligation, transaction, transfer, agreement, event, or other occurrence taking place on or before the Effective Date, including any Claims or Causes of Action based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Estates; the Liquidating Agent; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the RSA; the Disclosure Statement; the DIP Orders; the Settlement and Release Agreement; the Note Purchase Agreement (other than with respect to Pitney Bowes and any guarantor, whose obligations under the Note Purchase Agreement or the Note Purchase Documents shall continue as legal, valid, binding and non-avoidable obligations and the security interests securing those obligations shall remain valid, binding, enforceable, non-avoidable and properly perfected); the Secured Senior Takeback Note; the negotiation, formulation, preparation, dissemination, or consummation of the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with this Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in this Plan; the business or contractual or other arrangements or other interactions between any Debtor and any Released Party; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of this Plan (including the Plan Supplement); the funding of this Plan; the administration and implementation of this Plan or the Confirmation Order, including the distribution of property under this Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases contained in this Section 11.6(a) (i) shall not be construed as (a) releasing any Released Party from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud (provided that actual fraud shall not exempt from the scope of these Debtor releases any Claims or Causes of Action arising under sections 544 or 548 of the Bankruptcy Code or state or foreign laws governing fraudulent or otherwise avoidable obligations, transfers or conveyances), willful misconduct, or gross negligence, or (b) releasing any post-Effective Date obligations of any party or Entity under the Plan, the

Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan; and (ii) shall not release any Claims or Causes of Action reflected on the Schedule of Retained Causes of Action, which, for the avoidance of doubt, shall not include any Claims or Causes of Action against any Released Parties.

(b) **Third-Party Releases. Notwithstanding anything contained in the Plan to the contrary, as of the Effective Date, each Releasing Party is deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged each Released Party from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies, and liabilities whatsoever, including any derivative Claims or Causes of Action asserted or assertable on behalf of the Releasing Parties that such Releasing Parties would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the holder of any Claim or Interest or other Entity, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise based on or relating to, or in any manner arising from, in whole or in part: any act or omission, obligation, transaction, transfer, agreement, event, or other occurrence taking place on or before the Effective Date, including any Claims or Causes of Action based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Estates; the Liquidating Agent; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the RSA; the Disclosure Statement; the DIP Orders, the Settlement and Release Agreement; the Note Purchase Agreement (other than with respect to Pitney Bowes and any guarantor, whose obligations under the Note Purchase Agreement or the Note Purchase Documents shall continue as legal, valid, binding and non-avoidable obligations and the security interests securing those obligations shall remain valid, binding, enforceable, non-avoidable and properly perfected); the Secured Senior Takeback Note; the negotiation, formulation, preparation, dissemination, or consummation of the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with this Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the subject matter of, or the transactions or events giving rise to any Claim or Interest that is treated in this Plan; the business or contractual or other arrangements or other interactions between any Releasing Party and any Released Party in connection with the Debtors; the restructuring of any Claim or Interest before or during the Chapter 11 Cases; any other in-or-out-of-court restructuring efforts of the Debtors; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of this Plan (including the Plan Supplement); the funding of this Plan; the administration and implementation of this Plan or the Confirmation Order, including the distribution of property under this Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the releases contained in this Section 11.6(b) shall not be construed as (a) releasing any Released Party from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud (provided that actual fraud**

shall not exempt from the scope of these third-party releases any Claims or Causes of Action arising under sections 544 or 548 of the Bankruptcy Code or state or foreign laws governing fraudulent or otherwise avoidable transfers or conveyances), willful misconduct, or gross negligence, or (b) releasing any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

11.7 *Exculpation*.

To the fullest extent permitted by applicable law, no Exculpated Party shall have or incur liability for, and each Exculpated Party is hereby released and exculpated from, any Cause of Action based on, relating to, or in any manner arising from, in whole or in part, from the Petition Date through the Effective Date: the Debtors (including the governance, management, direct or indirect ownership, transactions with, or operation thereof) or their Estates; the Wind Down Estates; the Liquidating Agent; the Chapter 11 Cases (including the filing and administration thereof); the Wind Down; the RSA; the Disclosure Statement; the DIP Orders, the Settlement and Release Agreement, the negotiation, formulation, preparation, dissemination, or consummation of the Definitive Documents or any other contract, instrument, release, or document created or entered into in connection with this Plan (including the Plan Supplement) or any of the other Definitive Documents; any other debt or Security of the Debtors and the ownership thereof; the purchase, sale, or rescission of the purchase or sale of any debt or Security of the Debtors; the business or contractual or other arrangements or other interactions between any Debtor and any Exculpated Party; the restructuring of any Claim or Interest during the Chapter 11 Cases or on the Effective Date; any intercompany obligations, transactions, or transfers; the formulation, preparation, negotiation, dissemination, solicitation, filing, confirmation, and consummation of this Plan (including the Plan Supplement); the funding of this Plan; the administration and implementation of this Plan or Confirmation Order, including the distribution of property under this Plan; or any other agreement, act or omission, transaction, transfer, event, or other occurrence related to the foregoing and taking place on or before the Effective Date. Notwithstanding anything to the contrary in the foregoing, the exculpations in this Section 11.7 shall not release or exculpate any Entity from Claims or Causes of Action arising from an act or omission that is judicially determined by a Final Order to have constituted actual fraud (provided that actual fraud shall not exempt from the scope of these exculpations any Claims or Causes of Action arising under sections 544 or 548 of the Bankruptcy Code or state or foreign laws governing fraudulent or otherwise avoidable transfers or conveyances), willful misconduct, or gross negligence, or (b) exculpating any post-Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Definitive Document, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan.

11.8 *Injunction Related to Releases and Exculpation*.

The Confirmation Order shall permanently enjoin the commencement or prosecution by any Entity, whether directly, derivatively, or otherwise, of any Claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action, losses, or liabilities released or exculpated pursuant to this Plan, including the claims, obligations, suits, judgments, damages,

demands, debts, rights, Causes of Action, and liabilities released or exculpated in this Plan or the Confirmation Order.

11.9 *Subordinated Claims.*

The allowance, classification, and treatment of all Allowed Claims and Interests and the respective distributions and treatments thereof under this Plan take into account and conform to the relative priority and rights of the Claims and Interests in each Class in connection with any contractual, legal, and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, sections 510(a), 510(b), or 510(c) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Debtors reserve the right, to reclassify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination relating thereto.

11.10 *Retention of Causes of Action and Reservation of Rights.*

Except as otherwise provided in this Plan, including in all respects Sections 11.6(a), 11.6(b), 11.7, and 11.8, nothing contained in this Plan or the Confirmation Order shall be deemed to be a waiver or relinquishment of any rights, claims, Causes of Action, rights of setoff or recoupment, or other legal or equitable defenses that the Debtors had immediately prior to the Effective Date on behalf of the Estates or of themselves in accordance with any provision of the Bankruptcy Code or any applicable nonbankruptcy law. Except as otherwise provided in this Plan, including in all respects Sections 11.6(a), 11.6(b), 11.7, and 11.8, the Liquidating Agent, on behalf of the Debtors and/or the Wind Down Estates (as applicable), shall have, retain, reserve, and be entitled to assert all such claims, Causes of Action, rights of setoff or recoupment, and other legal or equitable defenses as fully as if the Chapter 11 Cases had not been commenced, and all of the Debtors' legal and equitable rights in respect of any Unimpaired Claim may be asserted after the Confirmation Date and Effective Date to the same extent as if the Chapter 11 Cases had not been commenced.

11.11 *Ipso Facto and Similar Provisions Ineffective.*

Any term of any prepetition policy, prepetition contract, or other prepetition obligation applicable to a Debtor shall be void and of no further force or effect with respect to any Debtor to the extent that such policy, contract, or other obligation is conditioned on, creates an obligation of the Debtor as a result of, or gives rise to a right of any Entity based on (i) the insolvency or financial condition of a Debtor, (ii) the commencement of the Chapter 11 Cases, or (iii) the confirmation or consummation of this Plan, including any change of control that shall occur as a result of such consummation.

ARTICLE XII. RETENTION OF JURISDICTION.

12.1 *Retention of Jurisdiction.*

On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction, pursuant to sections 1334 and 157 of title 28 of the United States Code, over all matters arising in, arising under, or related to the Chapter 11 Cases for, among other things, the following purposes:

(a) to hear and determine motions and/or applications for the assumption or rejection of executory contracts or unexpired leases and any disputes over Cure Amounts resulting therefrom;

(b) to determine any motion, adversary proceeding, application, contested matter, and other litigated matter pending on or commenced after the entry of the Confirmation Order;

(c) to hear and resolve any disputes arising from or related to (i) any orders of the Bankruptcy Court granting relief under Bankruptcy Rule 2004 or (ii) any protective orders entered by the Bankruptcy Court in connection with the foregoing;

(d) to ensure that distributions to holders of Allowed Claims and Interests are accomplished as provided in this Plan and the Confirmation Order and to adjudicate any and all disputes arising from or relating to distributions under this Plan;

(e) to consider Claims or the allowance, classification, priority, compromise, estimation, or payment of any Claim;

(f) to enter, implement, or enforce such orders as may be appropriate in the event that the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

(g) to issue and enforce injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any Entity with the consummation, implementation, or enforcement of this Plan, the Confirmation Order, or any other order of the Bankruptcy Court;

(h) to hear and determine any application to modify this Plan in accordance with section 1127 of the Bankruptcy Code or approve any modification of the Confirmation Order or any contract, instrument, release, or other agreements or document created in connection with this Plan, the Disclosure Statement, or the Confirmation Order (in each case, to the extent Bankruptcy Court approval is necessary), or to remedy any defect or omission or reconcile any inconsistency in this Plan, the Disclosure Statement, the Confirmation Order, or any order of the Bankruptcy Court, in such a manner as may be necessary to carry out the purposes and effects thereof;

(i) to hear and determine all Fee Claims;

(j) to resolve disputes concerning any reserves with respect to Disputed Claims or the administration thereof;

(k) to hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan, the Confirmation Order, any transactions or payments in furtherance of either, or any agreement, instrument, or other document governing or related to any of the foregoing;

(l) to take any action and issue such orders, including any such action or orders as may be necessary after entry of the Confirmation Order or the occurrence of the Effective Date, as may be necessary to construe, enforce, implement, execute, and consummate this Plan, Plan Supplement, and Confirmation Order;

(m) to determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(n) to hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code (including any requests for expedited determinations under section 505(b) of the Bankruptcy Code);

(o) to hear and determine any other matters related to the Chapter 11 Cases and not inconsistent with the Bankruptcy Code or title 28 of the United States Code;

(p) to resolve any disputes concerning whether an Entity had sufficient notice of the Chapter 11 Cases, the Disclosure Statement, any solicitation conducted in connection with the Chapter 11 Cases, any bar date established in the Chapter 11 Cases, or any deadline for responding or objecting to a Cure Amount, in each case, for the purpose for determining whether a Claim or Interest is discharged hereunder or for any other purposes;

(q) to hear, adjudicate, decide, or resolve any and all matters related to ARTICLE XI of this Plan, including the releases, discharge, exculpations, and injunctions issued thereunder;

(r) to enforce all orders previously entered by the Bankruptcy Court

(s) to hear and determine any rights, Claims, or Causes of Action held by or accruing to the Debtors pursuant to the Bankruptcy Code or pursuant to any federal statute or legal theory;

(t) to recover all Assets of the Debtors and property of the Estates, wherever located; and

(u) to enter a final decree closing each of the Chapter 11 Cases.

12.2 *Courts of Competent Jurisdiction*.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of this Plan, such abstention, refusal, or failure of jurisdiction shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

ARTICLE XIII. MISCELLANEOUS PROVISIONS.

13.1 *Statutory Fees.*

All Statutory Fees due and payable prior to the Effective Date shall be paid by the Debtors or the Liquidating Agent in full on the Effective Date. On and after the Effective Date, the Liquidating Agent shall pay any and all Statutory Fees when due and payable, and shall file with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the U.S. Trustee. After the Effective Date, each Debtor or Liquidating Agent, as applicable, shall remain obligated to file post-confirmation quarterly reports and to pay Statutory Fees to the U.S. Trustee until the earliest of that particular Debtor's, or Liquidating Agent's (on behalf of a Debtor), as applicable, case being closed, dismissed, or converted to a case under Chapter 7 of the Bankruptcy Code. Notwithstanding anything to the contrary herein, the U.S. Trustee shall not be required to file a proof of Claim or any other request for payment of Statutory Fees.

13.2 *Exemption from Certain Transfer Taxes.*

Pursuant to and to the fullest extent permitted by section 1146(a) of the Bankruptcy Code, (a) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors; or (b) the issuance, renewal, modification, or securing of indebtedness by such means, and 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 instruments of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan (including the Confirmation Order), shall not be subject to any document recording tax, stamp tax, conveyance fee or other similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, document recording tax, intangibles or similar tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, sales tax, use tax or other similar tax or governmental assessment. Consistent with the foregoing, each recorder of deeds or similar official for any county, city or Governmental Unit in which any instrument hereunder is to be recorded shall, pursuant to the Confirmation Order, be ordered and directed to accept such instrument without requiring the payment of any filing fees, documentary stamp tax, deed stamps, stamp tax, transfer tax, intangible tax or similar tax.

13.3 *Dissolution of Creditors' Committee.*

On the Effective Date, the Creditors' Committee, if any, shall dissolve, and the members thereof shall be released and discharged from all rights and duties arising from, or related to, the Chapter 11 Cases.

13.4 *Request for Expedited Determination of Taxes.*

The Debtors and Liquidating Agent shall have the right to request an expedited determination under section 505(b) of the Bankruptcy Code with respect to tax returns filed, or to be filed, for any and all taxable periods ending after the Petition Date through the Wind Down Completion Date.

13.5 *Dates of Actions to Implement Plan.*

In the event that any payment or act under this Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on or as soon as reasonably practicable after the next succeeding Business Day but shall be deemed to have been completed as of the required date.

13.6 *Amendments.*

(a) Plan Modifications. Subject to the applicable provisions of the RSA and the DIP Note Documents, this Plan may be amended, supplemented, or otherwise modified by the Debtors in the manner provided for by section 1127 of the Bankruptcy Code or as otherwise permitted by law, without additional disclosure pursuant to section 1125 of the Bankruptcy Code, except as otherwise ordered by the Bankruptcy Court. In addition, after the Confirmation Date, so long as such action does not materially and adversely affect the treatment of holders of Allowed Claims pursuant to this Plan, and subject to the applicable provisions of the RSA and the DIP Note Documents, the Debtors may remedy any defect or omission or reconcile any inconsistencies in this Plan or the Confirmation Order with respect to such matters as may be necessary to carry out the purposes of effects of this Plan and any holder of a Claim or Interest that has accepted this Plan shall be deemed to have accepted this Plan as amended, supplemented, or otherwise modified.

(b) Certain Technical Amendments. Prior to the Effective Date, the Debtors may make appropriate technical adjustments and modifications to this Plan without further order or approval of the Bankruptcy Court, as long as such technical adjustments and modifications do not adversely affect in a material way the treatment of the holders of Claims or Interests under this Plan.

13.7 *Revocation or Withdrawal of Plan.*

The Debtors reserve the right to revoke or withdraw this Plan prior to the Effective Date. If this Plan has been revoked or withdrawn prior to the Effective Date, or if confirmation or the occurrence of the Effective Date does not occur on the Effective Date, then (a) this Plan shall be null and void in all respects, (b) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount any Claim or Interest or Class of Claims or Interests), assumption or rejection of executory contracts or unexpired leases affected by this Plan, and any document or agreement executed pursuant to this Plan shall be deemed null and void, and (c) nothing contained in this Plan shall (i) constitute a waiver or release of any Claim by or against, or any Interest in, any Debtor or any other Entity, (ii) prejudice in any manner the rights of the Debtors or any other Entity, including the holders of Claims, or (iii) constitute an admission, acknowledgement, offering, or undertaking of any sort by any Debtor or any other Entity.

13.8 *Governing Law.*

Except to the extent that the Bankruptcy Code or other federal law is applicable or to the extent that this Plan or the Confirmation Order provides otherwise, the rights, duties, and obligations arising under this Plan and the Confirmation Order shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York, without giving effect

to the principles of conflicts of laws thereof (other than section 5-1401 and section 5-1402 of the New York General Obligations Law).

13.9 *Immediate Binding Effect*.

Notwithstanding Bankruptcy Rules 3020(e), 6004(h), 7062, or otherwise, upon the occurrence of the Effective Date, the terms of this Plan, the Plan Supplement, and the Confirmation Order shall be immediately effective and enforceable and deemed binding upon and inure to the benefit of the Debtors, the Liquidating Agent, the holders of Claims or Interests (regardless of whether the holders of such Claims or Interests are deemed to have accepted or rejected this Plan), the Released Parties, and each of their respective successors and assigns.

13.10 *Waiver of Stay.*

The requirements under Bankruptcy Rule 3020(e) that an order confirming a plan is stayed until the expiration of fourteen days after entry of the order shall be waived by the Confirmation Order. The Confirmation Order shall take effect immediately and shall not be stayed pursuant to the Bankruptcy Code, Bankruptcy Rules 3020(e), 6004(h), 6006(d), or 7062 or otherwise.

13.11 *Successors and Assigns*.

The rights, benefits, and obligations of any Entity named or referred to in this Plan shall be binding on and shall inure to the benefit of any heir, executor, administrator, successor, or permitted assign, Affiliate, officer, director, manager, agent, representative, attorney, beneficiaries, or guardian, if any, of each such Entity.

13.12 *Entire Agreement*.

On the Effective Date, this Plan, the Plan Supplement, the Confirmation Order, and the Settlement and Release Agreement (the assumption of which agreement is, to the extent not already approved pursuant to a Final Order, approved by the Confirmation Order) shall supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into the Plan and Confirmation Order; *provided, however*, nothing in this Section 13.12 shall have any effect on the validity or enforceability of the RSA.

13.13 *Computing Time*.

In computing any period of time prescribed or allowed by this Plan, unless otherwise set forth in this Plan or determined by the Bankruptcy Court, the provisions of Bankruptcy Rule 9006 shall apply.

13.14 *Exhibits to Plan*.

All exhibits, schedules, supplements, and appendices to this Plan (including the Plan Supplement) are incorporated into and are a part of this Plan as if set forth in full in this Plan.

13.15 ***Notices.***

All notices, requests, and demands hereunder shall be in writing (including by facsimile or email transmission) and, unless otherwise provided herein, shall be deemed to have been duly given or made only when actually delivered or, in the case of notice by facsimile or email transmission, upon confirmation of transmission, addressed as follows:

(1) If to the Debtors, to:

DRF Logistics LLC
DRF, LLC
7171 Southwest Parkway
Austin, TX 78735

Attention: Eric Kaup, Chief Restructuring Officer

with a copy (which will not constitute notice) to:

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153

Attention: Ray Schrock, Esq. (Ray.Schrock@weil.com)
Ronit Berkovich, Esq. (Ronit.Berkovich@weil.com)
Lauren Tauro, Esq. (Lauren.Tauro@weil.com)
Alexander P. Cohen, Esq. (Alexander.Cohen@weil.com)

(2) If to Pitney Bowes, to:

Gibson, Dunn & Crutcher LLP
200 Park Avenue
New York, New York 10166

Attention: Matthew J. Williams, Esq. (MJWilliams@gibsondunn.com)
C. Lee Wilson, Esq. (CLWilson@gibsondunn.com)
Keith R. Martorana, Esq. (KMartorana@gibsondunn.com)

(3) If to Oaktree, to:

Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004
Attention: Ari Blaut, Esq. (blauta@sullcrom.com)
Benjamin Beller, Esq. (bellerb@sullcrom.com)

After the occurrence of the Effective Date, the Liquidating Agent has authority to send a notice to Entities that, to continue to receive documents pursuant to Bankruptcy Rule 2002, such entities must file a renewed request to receive documents pursuant to Bankruptcy Rule 2002. Notwithstanding the foregoing, the U.S. Trustee need not file such a renewed request and shall continue to receive documents without any further action being necessary. After the occurrence of the Effective Date, the Liquidating Agent is authorized to limit the list of entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities that have filed such renewed requests.

13.16 *Reservation of Rights*.

Except as otherwise provided herein, this Plan shall be of no force or effect unless the Bankruptcy Court enters the Confirmation Order. None of the filing of this Plan, any statement or provision of this Plan, or the taking of any action by the Debtors with respect to this Plan, the Disclosure Statement, the Confirmation Order, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of the Debtors with respect to any Claims or Interests prior to the Effective Date.

[*Remainder of Page Intentionally Left Blank*]

Dated: September 24, 2024
Northbrook, Illinois

DRF Logistics, LLC

By: */s/ Eric Kaup*
Name: Eric Kaup
Title: Chief Restructuring Officer

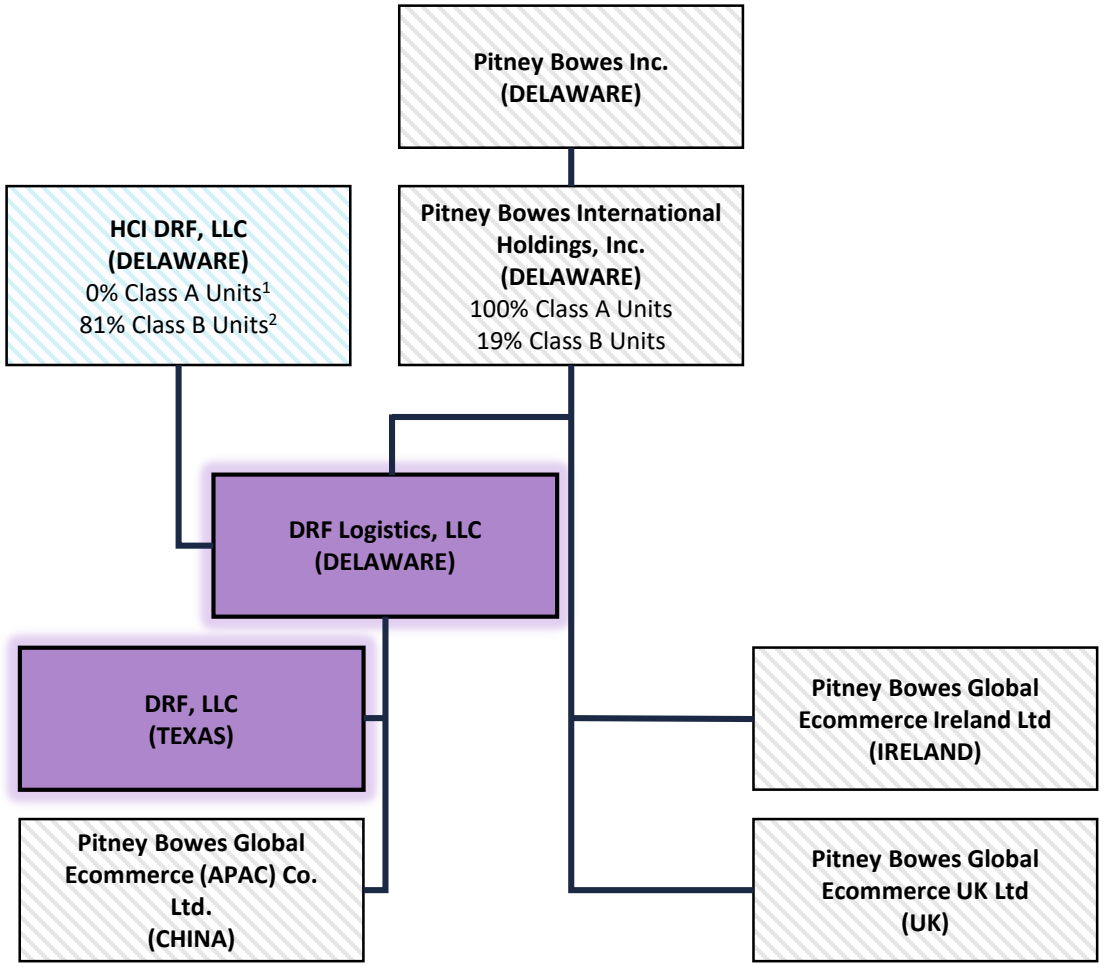
DRF, LLC

By: */s/ Eric Kaup*
Name: Eric Kaup
Title: Chief Restructuring Officer

EXHIBIT B

Debtors' Prepetition Organizational Structure

LEGEND Hilco (Non-Debtor) Non-Debtor Pitney Bowes Entity Debtor



[1] Class A Units have economic rights but no voting rights.
[2] Class B Units have voting rights but no economic rights.

EXHIBIT C

Liquidation Analysis

LIQUIDATION ANALYSIS

Introduction

DRF Logistics, LLC and DRF, LLC (together, the "**Debtors**"), with the assistance of their legal and restructuring advisors, have prepared this hypothetical liquidation analysis (the "**Liquidation Analysis**") in connection with the *Debtors' Joint Plan of Liquidation* (Docket No. 36) (as amended, supplemented, or otherwise modified from time to time, the "**Plan**")[1] and related *Disclosure Statement For Debtors' Joint Plan of Liquidation* (Docket No. 116) (as amended, supplemented, or otherwise modified from time to time, the "**Disclosure Statement**") pursuant to chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**").

The Liquidation Analysis permits holders of Claims and Interests and other parties in interest to evaluate whether the Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code, also referred to as the "best interests of creditors" test. Under this test, the Bankruptcy Court must find, as a condition to confirmation of the Plan, that each holder of an impaired Claim against or Interest in the Debtors either (i) has accepted the Plan or (ii) will receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the amount that such Person would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. The Liquidation Analysis is based upon certain assumptions discussed in the Disclosure Statement and in the accompanying notes to the Liquidation Analysis.

To demonstrate satisfaction of the "best interests of creditors" test, the Debtors have:

i. estimated the cash proceeds (the "**Liquidation Proceeds**") a chapter 7 trustee (the "**Trustee**") would generate if each Debtor's chapter 11 case were converted to a case under chapter 7 and the assets of such Debtor's Estate were liquidated;

ii. determined the distribution (the "**Liquidation Distribution**") each holder of a Claim or Interest would receive from the Liquidation Proceeds under the priority scheme set forth in chapter 7 of the Bankruptcy Code; and

iii. compared each holder's Liquidation Distribution to such holder's distribution under the Plan if the Plan were confirmed and consummated.

Statement of Limitations

The determination of costs of, and Liquidation Proceeds from, the hypothetical liquidation of the Debtors' assets in chapter 7 cases is an uncertain process requiring estimates and assumptions that, although reasonable based on the Debtors' business judgment and input from the Debtors' experienced legal and restructuring advisors, are inherently subject to significant uncertainties and contingencies beyond the control of the Debtors, their management, and their advisors. Inevitably, some assumptions in the Liquidation Analysis may not materialize in an actual liquidation under chapter 7, and unanticipated events and circumstances could materially affect the ultimate results in such a liquidation.

The Liquidation Analysis was prepared for the sole purpose of generating a reasonable, good faith estimate of the Liquidation Proceeds that would be realized in cases under chapter 7 of the Bankruptcy Code. The

[1] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

Liquidation Analysis is not intended and should not be used for any other purpose. The underlying financial information in the Liquidation Analysis was not compiled or examined by independent accountants.

THE DEBTORS MAKE NO REPRESENTATIONS OR WARRANTIES REGARDING THE ACCURACY OF THE ESTIMATES AND ASSUMPTIONS CONTAINED HEREIN OR IN THE DISCLOSURE STATEMENT OR A CHAPTER 7 TRUSTEE'S ABILITY TO ACHIEVE FORECASTED RESULTS. IF THE CHAPTER 11 CASES ARE CONVERTED UNDER CHAPTER 7 OF THE BANKRUPTCY CODE, ACTUAL RESULTS COULD VARY MATERIALLY FROM THE ESTIMATES AND PROJECTIONS SET FORTH IN THIS LIQUIDATION ANALYSIS. THE DEBTORS RESERVE ALL RIGHTS TO SUPPLEMENT, MODIFY, OR AMEND THIS LIQUIDATION ANALYSIS. NOTHING CONTAINED IN THIS LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION, ADMISSION, OR ALLOWANCE BY THE DEBTORS (OR ANY OTHER PARTY) OR OF ANY CLAIMS BY OR AGAINST THE DEBTORS. THE ESTIMATED AMOUNT OF ALLOWED CLAIMS SET FORTH HEREIN SHOULD NOT BE RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING ANY DETERMINATION OF THE VALUE OF ANY DISTRIBUTION TO BE MADE ON ACCOUNT OF ALLOWED CLAIMS UNDER THE PLAN, OTHER THAN THE PRESENTATION OF A HYPOTHETICAL LIQUIDATION ANALYSIS. ACCORDINGLY, THE ASSET VALUES, AMOUNTS, AND PRIORITY OF ALLOWED CLAIMS IN THIS LIQUIDATION ANALYSIS COULD DIFFER MATERIALLY FROM THE AMOUNTS SET FORTH IN THE PLAN OR THE DISCLOSURE STATEMENT.

Basis of Presentation

The Liquidation Analysis was prepared by the Debtors, with the assistance of their advisors, and assumes that the Debtors' assets would be liquidated on a jointly administered but non-consolidated basis. The Liquidation Analysis further assumes that the Debtors' chapter 11 cases are converted into cases under chapter 7 cases of the Bankruptcy Code on November 15, 2024 (the "**Conversion Date**"), which is the milestone for the entry of a Confirmation Order as set forth in the DIP Note. All calculations in the Liquidation Analysis are based on the unaudited book values as of July 31, 2024, except for Cash, accounts receivables ("**Accounts Receivables**"), and DIP Claims, which are estimated as of the Conversion Date. These values, in total, are assumed to be representative of the Debtors' assets and liabilities as of the Conversion Date.[2] Under section 704 of the Bankruptcy Code, a trustee must, among other duties, collect and convert the property of the estate as expeditiously (generally at distressed prices) as is compatible with the best interests of parties in interest.

The Liquidation Analysis assumes that, on the Conversion Date, the Bankruptcy Court would appoint the Trustee, who would sell the Estates' assets. The Trustee would oversee the orderly process of liquidating such assets and making Liquidation Distributions to the Debtors' creditors in accordance with the priority scheme set forth in the Bankruptcy Code. The Debtors have assumed that the liquidation process would take approximately 3–6 months.

The Liquidation Analysis includes an estimate of the amount of Claims that could ultimately be allowed under a hypothetical chapter 7 liquidation. No recovery or related litigation costs have been attributed to any potential avoidance actions under the Bankruptcy Code, including potential preferences or fraudulent transfer actions, due to, among other issues, the cost of such litigation, the uncertainty of the outcome, and anticipated disputes regarding these matters. Additionally, the Liquidation Analysis does not include

[2] The Liquidation Analysis assumes that activities contemplated under the Debtors' budget submitted in connection with the DIP Financing will continue until the Conversion Date.

estimates for tax consequences that may be triggered upon the liquidation and sale of the Debtors' assets. The tax consequences could be material.

In preparing the Liquidation Analysis, the amount of Allowed Claims have been projected based upon a review of scheduled Claims and projections of postpetition obligations. In addition, the Liquidation Analysis includes estimates for Claims not currently asserted in the chapter 11 cases, but which could be asserted and allowed in a chapter 7 liquidation, including unpaid chapter 11 Administrative Expense Claims and chapter 7 Administrative Expense Claims, such as wind-down costs, Trustee fees, and tax liabilities. To date, the Bankruptcy Court has not estimated or otherwise fixed the total amount of Allowed Claims incorporated into this Liquidation Analysis. Consequently, Claims asserted or allowed against the Debtors' Estates could be materially higher in a chapter 7 liquidation.

In these chapter 11 cases, the Debtors intend to sell substantially all of their assets prior to and following the Effective Date. Accordingly, many of the assumptions and transactions underlying the Plan would remain the same in a chapter 7 liquidation. However, if a Trustee is appointed, the Debtors expect that the Trustee would be required to invest substantial time and resources to diligence and analyze the Debtors' remaining assets (including Causes of Action) and investigate the Claims filed against the Debtors' estates. The Debtors also expect that there would be additional administrative costs in a chapter 7 liquidation on account of the (i) delay associated with appointing a Trustee, (ii) expected fees of the Trustee, and (iii) the Trustee's professional fees, which would impact creditors' recoveries.

NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE, OR CONSTITUTES, A CONCESSION, ADMISSION, OR ALLOWANCE BY THE DEBTORS (OR ANY OTHER PARTY) OF ANY CLAIMS BY OR AGAINST THE DEBTORS. THE ACTUAL AMOUNT OR PRIORITY OF ALLOWED CLAIMS IN THE CHAPTER 11 CASES COULD MATERIALLY DIFFER FROM THE ESTIMATED AMOUNTS SET FORTH AND USED IN THE LIQUIDATION ANALYSIS. THE DEBTORS RESERVE ALL RIGHTS TO SUPPLEMENT, MODIFY, OR AMEND THE ANALYSIS SET FORTH HEREIN.

Liquidation Distribution of Net Proceeds

Any Liquidation Proceeds would be allocated to holders of Claims and Interests in accordance with section 726 of the Bankruptcy Code, which provides for the following priority scheme:

- *Liquidation Costs*: includes estimated fees paid to the U.S. Trustee, wind-down costs, Trustee fees, and fees and expenses of advisors and other professionals retained by the Trustee, including expenses associated with selling or otherwise monetizing the Debtors' assets;

- *DIP Claims*: includes any Claim held by the DIP Lender on account of, arising under, or relating to the DIP Documents, including Claims for all principal amounts outstanding, and any and all fees, interest and expenses due;

- *Oaktree Secured Claims*: the Secured Claim held by Oaktree against the Debtors, including any Claim arising from the Secured Senior Takeback Note;

- *Other Priority and Administrative Claims*: includes Claims from counterparties that are able to assert senior priority liens on the Debtors' assets and/or priority or administrative status for their Claims, including certain trade vendors, taxing authorities, and other holders of potential Other Priority Claims;

- *General Unsecured Claims*: includes trade Claims, rejection damages Claims, deficiency Claims, and Claims held by Pitney Bowes against the Debtors; and

- *Interests*: includes Existing DRF Logistics Equity Interests and Interdebtor Interests.

Under the absolute priority rule, no junior creditor shall receive any distribution until all senior creditors are paid in full, and no equityholder shall receive any distribution until all creditors are paid in full. The assumed distributions to creditors as reflected in the Liquidation Analysis are estimated in accordance with the absolute priority rule.

Conclusion

Applying the estimates and assumptions described herein, the Debtors have determined, as summarized in the table below, that upon the Effective Date, the Plan will provide all holders of Claims against and Interests in the Debtors with a recovery (if any) that is not less than what they would otherwise receive pursuant to a liquidation of the Debtors' assets under chapter 7 of the Bankruptcy Code and thus believe the Plan satisfies the requirement of section 1129(a)(7) of the Bankruptcy Code.

Liquidation Analysis for the Debtors

The schedule below presents the net Liquidation Proceeds available for distribution in hypothetical chapter 7 cases. The Liquidation Analysis estimates recoveries under an assumed liquidation of the Debtors' assets including high and low asset recoveries.

		DRF, LLC			DRF Logistics, LLC		
	Notes	Book Value	% Recovery	$ Recovery	Book Value	% Recovery	$ Recovery
Liquidation Proceeds *($ in Actuals)*							
Cash	1	$ 5,065,646	100%	$ 5,065,646	$ -	0%	$ -
Accounts Receivable	2	-	0%	-	20,330,509	5%	1,016,525
Supplies and Parts Inventory	3	8,320,712	5%	416,036	-	0%	-
Property, Plant and Equipment	4	67,137,142	0%	-	27,511,270	0%	-
Other Assets	5	11,236,367	5%	561,818	2,974,954	5%	148,748
Gross Proceeds Available for Liquidation		**$ 91,759,867**	**7%**	**$ 6,043,500**	**$ 50,816,733**	**2%**	**$ 1,165,273**
Less: Liquidation Costs	6						
Wind-Down Costs				$ 2,095,884			$ 404,116
U.S. Trustee Fees				250,000			250,000
Chapter 7 Trustee Fees	7			204,555			58,208
Total Liquidation Costs				**$ 2,550,438**			**$ 712,324**
Net Liquidation Proceeds Available for Distribution				**$ 3,493,061**			**$ 452,949**

		DRF, LLC			DRF Logistics, LLC			Plan Recoveries [4]	
Claims		Est. Value	% Recovery	$ Recovery	Est. Value	% Recovery	$ Recovery	DRF, LLC	DRF Logistics, LLC
Debtor-In-Possession Claims	8	$ 29,018,882	12%	$ 3,493,061	$ 29,018,882	2%	$ 452,949	N/A	N/A
Oaktree Secured Claims	9	3,300,000	0%	-	3,300,000	0%	-	91%	91%
Chapter 11 Administrative and Priority Claims	10	938,139	0%	-	-	0%	-	100%	100%
General Unsecured Claims [3]	11	351,774,101	0%	-	190,608,432	0%	-	3% - 10%	3% - 10%
Net Proceeds Remaining for Existing Equity Interests and Interdebtor Interests	12			-			-		

[3] "General Unsecured Claims" in this chart include (i) deficiency claims resulting from the DIP Claims and the Oaktree Secured Claims receiving partial recoveries in hypothetical chapter 7 cases as to each Debtor and (ii) Claims held by Pitney Bowes against the Debtors.

[4] Recoveries calculated using potential $15.5 million Plan distribution to General Unsecured Claims exclude (i) any deficiency Claims related to the DIP Claims and Oaktree Secured Claims and (ii) any intercompany claims.

Specific Notes and Assumptions

The following notes detail the assumed treatment and value of (i) the Debtors' assets, (ii) costs associated with the liquidation of these assets, and (iii) any Claims that have been asserted or could be asserted against these assets.

1. **Cash**
   The Debtors' Cash balance is estimated at $4.9 million as of the Conversion Date, which includes funds currently in the account maintained by the Debtors to provide adequate assurance to the Debtors' utility providers in accordance with the Court's order related thereto (Docket No. 54). The estimated recovery for this asset in chapter 7 cases is 100%.

2. **Accounts Receivables**
   Accounts Receivables include amounts owed to the Debtors by customers of the Debtors' delivery and returns business. This amount reflects Accounts Receivables that the Debtors estimate will remain uncollected as of the Conversion Date. The estimated recovery for this asset in chapter 7 cases is between 0% and 10%.

3. **Supplies and Parts Inventory**
   As the Debtors' business primarily involves the transportation of packages and fulfillment of e-commerce purchase orders, the Debtors' do not hold inventory on their books similar to a consumer or industrial company in the business of holding goods for sale. The Debtors, however, do hold an inventory of parts for their fleet of trucks and trailers and other spare materials for on-site equipment. The estimated recovery for this asset in chapter 7 cases is between 0% and 10%.

4. **Property, Plant, and Equipment**
   Property, Plant, and Equipment is comprised of the Debtors' plant and machinery assets, office furniture and fixtures, capitalized leasehold improvements, and capitalized software. The Debtors are expected to have sold, rejected, or abandoned most equipment leases by the Conversion Date. Accordingly, the estimated recovery for this asset in chapter 7 cases is 0%.

5. **Other Assets**
   Other Assets includes items such as prepaid rent, prepaid postage, derivative assets, and other miscellaneous assets. The estimated recovery for this asset in the chapter 7 cases is between 0% and 10%.

6. **Liquidation Costs**
   Assumed liquidation costs include Trustee and professional fees associated with the wind-down of the Estates, including liquidation and recovery of assets, claims reconciliation, and other administrative duties of the Trustee related to such a wind-down, as well as estimated expenses that would be incurred during the wind-down period, including technology expenses and overhead costs.

   Certain non-essential functions, such as administration, are assumed to cease upon the commencement of the wind-down period. All other support functions are assumed to continue at heavily reduced

proportions to normal operating environments. These functions are assumed to continue to be scaled back over the wind-down period.

7. **Chapter 7 Trustee Fees**
Section 326(a) of the Bankruptcy Code provides for Trustee fees of 3.0% for Liquidation Proceeds in excess of $1 million. Accordingly, the Debtors have estimated the Trustee fees based on section 326(a) of the Bankruptcy Code.

8. **DIP Claims**
The aggregate amount of the DIP Claims includes the estimated balance, inclusive of accrued interest, of the DIP Loans and any other accrued amounts arising from the DIP Notes Documents as of the Conversion Date. While the Plan recovery on the DIP Claims is noted as "N/A," this assumption is based upon the debtor-in-possession budget dated September 16, 2024 (the "**DIP Budget**"). The DIP Loan is secured by liens on the Debtors' assets, and the DIP Lender is entitled to certain mandatory prepayments prior to the Effective Date in accordance with the terms of the DIP Note. Further, the Plan provides that the DIP Claims will recover any Cash in the Estates available for distribution, excluding the PB Settlement Amount, following the funding of the (i) Senior Claims Recovery Pool and (ii) Wind Down Reserve. Accordingly, to the extent the Debtors perform better than expected under the DIP Budget, DIP Claims may receive a recovery under the Plan.

9. **Oaktree Secured Claims**
Represents Secured Claims related to Senior Secured Takeback Notes owed to Oaktree. The aggregate balance of those Secured Claims as of the Conversion Date totals $3.3 million.

10. **Administrative and Priority Claims**
This amount includes Administrative Expense Claims, Priority Tax Claims, and Other Priority Claims that are senior in priority to General Unsecured Claims, including postpetition accounts payable, certain accrued expenses, postpetition accrued and equipment costs, postpetition payroll, and WARN payments, in each case solely to the extent such amounts are entitled to priority status as of the Conversion Date.

11. **General Unsecured Claims**
This amount includes Claims arising from the Debtors' estimation of General Unsecured Claims based on Claims that have been scheduled, unsecured deficiency claims arising from the DIP Claims and the Oaktree Secured Claims, and General Unsecured Claims arising from the rejection of executory contracts and unexpired leases in cases under chapter 7 of the Bankruptcy Code. Such rejection damages claims do not account for any assumption and assignment of executory contracts and unexpired leases that may occur prior to the Conversion Date or for the claims reconciliation process, including mitigation on the part of the claimant. The estimated General Unsecured Claims do not include Claims that are speculative in amount, including disputed litigation Claims, that may be asserted against the Debtors.

12. **Net Proceeds Remaining for Existing Equity Interests and Interdebtor Interests**
This line item represents any residual recovery value that would be allocated to Existing Equity Interests in DRF Logistics or any Interdebtor Interests. The above analysis does not contemplate any recovery for these Interests.

EXHIBIT D

Release, Exculpation, and Plan Injunction Provisions

11.3 **Pre-Confirmation Injunction and Stays.**

UNLESS OTHERWISE PROVIDED IN THIS PLAN OR A FINAL ORDER OF THE BANKRUPTCY COURT, ALL INJUNCTIONS AND STAYS ARISING UNDER OR ENTERED DURING THE CHAPTER 11 CASES, WHETHER UNDER SECTIONS 105 OR 362 OF THE BANKRUPTCY CODE OR OTHERWISE, AND IN EXISTENCE ON THE DATE OF ENTRY OF THE CONFIRMATION ORDER, SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL THE LATER OF THE EFFECTIVE DATE AND THE DATE INDICATED IN THE ORDER PROVIDING FOR SUCH INJUNCTION OR STAY.

11.4 **Injunction Against Interference with Plan.**

UPON THE ENTRY OF THE CONFIRMATION ORDER, ALL HOLDERS OF CLAIMS AND INTERESTS AND ALL OTHER PARTIES IN INTEREST, ALONG WITH THEIR RESPECTIVE PRESENT AND FORMER AFFILIATES, EMPLOYEES, AGENTS, OFFICERS, DIRECTORS, AND PRINCIPALS, SHALL BE ENJOINED FROM TAKING ANY ACTION TO INTERFERE WITH THE IMPLEMENTATION OR THE OCCURRENCE OF THE EFFECTIVE DATE.

11.5 **Plan Injunction.**

(a) **EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE PLAN, OR FOR DISTRIBUTIONS REQUIRED TO BE PAID OR DELIVERED PURSUANT TO THE PLAN OR THE CONFIRMATION ORDER, ALL ENTITIES THAT HAVE HELD, HOLD, OR MAY HOLD CLAIMS, INTERESTS, OR CAUSES OF ACTION THAT ARE (I) RELEASED PURSUANT TO SECTION 11.6(A) OR SECTION 11.6(B) OF THE PLAN, OR (II) SUBJECT TO EXCULPATION PURSUANT TO SECTION 11.7 OF THE PLAN, AND (IV) ALL OTHER PARTIES IN INTEREST, ARE PERMANENTLY ENJOINED, FROM AND AFTER THE EFFECTIVE DATE, FROM TAKING ANY OF THE FOLLOWING ACTIONS AGAINST, AS APPLICABLE, THE DEBTORS, THE WIND DOWN ESTATES, THE LIQUIDATING AGENT, AN ESTATE, THE RELEASED PARTIES, AND/OR THE EXCULPATED PARTIES (TO THE EXTENT OF THE EXCULPATION PROVIDED PURSUANT TO SECTION 11.7 OF THE PLAN WITH RESPECT TO THE EXCULPATED PARTIES), AS APPLICABLE, WITH RESPECT TO SUCH CLAIMS, INTERESTS, AND CAUSES OF ACTION: (A) COMMENCING, CONDUCTING, OR CONTINUING IN ANY MANNER, DIRECTLY OR INDIRECTLY, ANY SUIT, ACTION, OR OTHER PROCEEDING OF ANY KIND (INCLUDING ANY PROCEEDING IN A JUDICIAL, ARBITRAL, ADMINISTRATIVE, OR OTHER FORUM) ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS, INTERESTS, OR CAUSES OF ACTION; (B) ENFORCING, LEVYING, ATTACHING (INCLUDING ANY PREJUDGMENT ATTACHMENT), COLLECTING, OR OTHERWISE RECOVERING IN ANY MANNER OR BY ANY MEANS, WHETHER DIRECTLY, OR INDIRECTLY, ANY JUDGMENT, AWARD, DECREE, OR ORDER AGAINST SUCH ENTITIES ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS, INTERESTS, OR CAUSES OF ACTION; (C) CREATING, PERFECTING, OR OTHERWISE ENFORCING IN ANY MANNER, DIRECTLY OR INDIRECTLY, ANY**

LIEN OR 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 CLAIMS, INTERESTS, OR CAUSES OF ACTION; (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 ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS, INTERESTS, OR CAUSES OF ACTION UNLESS (X) SUCH ENTITY HAS TIMELY ASSERTED SUCH SETOFF RIGHT EITHER IN A FILED PROOF OF CLAIM, OR IN ANOTHER DOCUMENT FILED WITH THE BANKRUPTCY COURT EXPLICITLY PRESERVING SUCH SETOFF OR THAT OTHERWISE INDICATES THAT SUCH ENTITY ASSERTS, HAS, OR INTENDS TO PRESERVE ANY RIGHT OF SETOFF PURSUANT TO APPLICABLE LAW OR OTHERWISE OR (Y) SUCH RIGHT TO SETOFF ARISES UNDER A POSTPETITION AGREEMENT WITH THE DEBTORS OR (I) AN EXECUTORY CONTRACT OR (II) AN UNEXPIRED LEASE, IN THE CASE OF (I) AND (II), THAT HAS BEEN ASSUMED BY THE DEBTORS AS OF THE EFFECTIVE DATE; (E) ACTING OR PROCEEDING IN ANY MANNER, IN ANY PLACE WHATSOEVER, THAT DOES NOT CONFORM TO OR COMPLY WITH THE PROVISIONS OF THE PLAN AND CONFIRMATION ORDER, TO THE FULL EXTENT PERMITTED BY APPLICABLE LAW; AND (F) COMMENCING OR CONTINUING, IN ANY MANNER OR IN ANY PLACE, ANY ACTION OR OTHER PROCEEDING OF ANY KIND ON ACCOUNT OF OR IN CONNECTION WITH OR WITH RESPECT TO ANY SUCH CLAIMS, INTERESTS, OR CAUSES OF ACTION RELEASED, SETTLED, AND/OR TREATED, ENTITLED TO A DISTRIBUTION, OR CANCELLED PURSUANT TO THE PLAN; *PROVIDED* THAT SUCH ENTITIES THAT HAVE HELD, HOLD, OR MAY HOLD CLAIMS AGAINST, INTERESTS IN, OR CAUSES OF ACTION AGAINST, A DEBTOR, THE LIQUIDATING AGENT, OR AN ESTATE SHALL NOT BE PRECLUDED FROM EXERCISING THEIR RIGHTS AND REMEDIES, OR OBTAINING THE BENEFITS, SOLELY PURSUANT TO AND CONSISTENT WITH THE TERMS OF THE PLAN.

(b) **SUBJECT IN ALL RESPECTS TO SECTION 12.1 OF THE PLAN, NO ENTITY MAY COMMENCE OR PURSUE A CLAIM OR CAUSE OF ACTION OF ANY KIND AGAINST ANY RELEASED PARTY OR EXCULPATED PARTY THAT AROSE OR ARISES FROM, IN WHOLE OR IN PART: THE DEBTORS (INCLUDING THE GOVERNANCE, MANAGEMENT, DIRECT OR INDIRECT OWNERSHIP, TRANSACTIONS WITH, OR OPERATION THEREOF) OR THEIR ESTATES; THE WIND DOWN ESTATES; THE LIQUIDATING AGENT; THE CHAPTER 11 CASES (INCLUDING THE FILING AND ADMINISTRATION THEREOF); THE WIND DOWN; THE RSA; THE DISCLOSURE STATEMENT; THE DIP ORDERS; THE SETTLEMENT AND RELEASE AGREEMENT; THE NEGOTIATION, FORMULATION, PREPARATION, DISSEMINATION, OR CONSUMMATION OF THE DEFINITIVE DOCUMENTS OR ANY OTHER CONTRACT, INSTRUMENT, RELEASE, OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN (INCLUDING THE PLAN SUPPLEMENT) OR ANY OF THE OTHER DEFINITIVE DOCUMENTS; ANY OTHER DEBT OR SECURITY OF THE DEBTORS AND THE OWNERSHIP THEREOF; THE PURCHASE, SALE, OR RESCISSION OF THE**

PURCHASE OR SALE OF ANY DEBT OR SECURITY OF THE DEBTORS; THE SUBJECT MATTER OF, OR THE TRANSACTIONS OR EVENTS GIVING RISE TO ANY CLAIM OR INTEREST THAT IS TREATED IN THE PLAN; THE BUSINESS OR CONTRACTUAL OR OTHER ARRANGEMENTS OR OTHER INTERACTIONS BETWEEN ANY RELEASING PARTY AND ANY RELEASED PARTY OR EXCULPATED PARTY; THE RESTRUCTURING OF ANY CLAIM OR INTEREST BEFORE OR DURING THE CHAPTER 11 CASES; ANY OTHER IN-OR-OUT-OF-COURT RESTRUCTURING EFFORTS OF THE DEBTORS; ANY INTERCOMPANY OBLIGATIONS, TRANSACTIONS, OR TRANSFERS; THE FORMULATION, PREPARATION, NEGOTIATION, DISSEMINATION, SOLICITATION, FILING, CONFIRMATION, AND CONSUMMATION OF THE PLAN (INCLUDING THE PLAN SUPPLEMENT); THE FUNDING OF THE PLAN; THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN OR CONFIRMATION ORDER, INCLUDING THE DISTRIBUTION OF PROPERTY UNDER THE PLAN; OR ANY OTHER AGREEMENT, ACT OR OMISSION, TRANSACTION, TRANSFER, EVENT, OR OTHER OCCURRENCE RELATED TO THE FOREGOING AND TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE RELATED OR RELATING TO THE FOREGOING WITHOUT THE BANKRUPTCY COURT (I) FIRST DETERMINING, AFTER NOTICE AND A HEARING, THAT SUCH CLAIM OR CAUSE OF ACTION REPRESENTS A COLORABLE CLAIM THAT HAS NOT, WITH RESPECT TO A RELEASED PARTY, BEEN RELEASED UNDER THE PLAN OR, WITH RESPECT TO AN EXCULPATED PARTY, BEEN EXCULPATED UNDER THE PLAN AND (II) SPECIFICALLY AUTHORIZING SUCH ENTITY TO BRING SUCH CLAIM OR CAUSE OF ACTION AGAINST ANY SUCH RELEASED PARTY OR EXCULPATED PARTY. THE BANKRUPTCY COURT SHALL HAVE SOLE AND EXCLUSIVE JURISDICTION TO DETERMINE WHETHER A CLAIM OR CAUSE OF ACTION IS COLORABLE AND HAS NOT BEEN RELEASED OR EXCULPATED (AS APPLICABLE) AND, ONLY TO THE EXTENT LEGALLY PERMISSIBLE AND AS PROVIDED FOR IN SECTION 12.1 OF THE PLAN, SHALL HAVE JURISDICTION TO ADJUDICATE THE UNDERLYING COLORABLE CLAIM OR CAUSE OF ACTION. FOR THE AVOIDANCE OF DOUBT, THE FOREGOING SENTENCE IS SUBJECT TO APPLICABLE LAW REGARDING THE BANKRUPTCY COURT'S SUBJECT MATTER JURISDICTION TO HEAR SUCH MATTER.

11.6 **Releases.**

(a) **RELEASES BY THE DEBTORS AND THEIR ESTATES. NOTWITHSTANDING ANYTHING CONTAINED IN THE PLAN TO THE CONTRARY, PURSUANT TO SECTION 1123(B) OF THE BANKRUPTCY CODE, FOR GOOD AND VALUABLE CONSIDERATION, THE ADEQUACY OF WHICH IS HEREBY CONFIRMED, AS OF THE EFFECTIVE DATE, THE DEBTORS, THE WIND DOWN ESTATES, THE LIQUIDATING AGENT, AND THE ESTATES, IN EACH CASE ON BEHALF OF THEMSELVES AND THEIR RESPECTIVE SUCCESSORS, ASSIGNS, ANY ESTATE REPRESENTATIVE(S) APPOINTED OR SELECTED PURSUANT TO SECTION 1123(B)(3) OF THE BANKRUPTCY CODE, AND ANY AND ALL OTHER ENTITIES THAT MAY PURPORT TO ASSERT ANY CAUSE OF ACTION DERIVATIVELY BY OR THROUGH ANY OF THE FOREGOING ENTITIES, SHALL**

BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED THE RELEASED PARTIES FROM ANY AND ALL CLAIMS, INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, REMEDIES, AND LIABILITIES WHATSOEVER (INCLUDING ANY DERIVATIVE CLAIMS, ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTORS, THE WIND DOWN ESTATES, THE LIQUIDATING AGENT, OR THE ESTATES), WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREINAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE THAT THE DEBTORS, THE WIND DOWN ESTATES, THE LIQUIDATING AGENT, OR THE ESTATES, WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST OR OTHER ENTITY, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART: ANY ACT OR OMISSION, OBLIGATION, TRANSACTION, TRANSFER, AGREEMENT, EVENT, OR OTHER OCCURRENCE TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE, INCLUDING ANY CLAIMS OR CAUSES OF ACTION BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, THE DEBTORS (INCLUDING THE GOVERNANCE, MANAGEMENT, DIRECT OR INDIRECT OWNERSHIP, TRANSACTIONS WITH, OR OPERATION THEREOF) OR THEIR ESTATES; THE WIND DOWN ESTATES; THE LIQUIDATING AGENT; THE CHAPTER 11 CASES (INCLUDING THE FILING AND ADMINISTRATION THEREOF); THE WIND DOWN; THE RSA; THE DISCLOSURE STATEMENT; THE DIP ORDERS; THE SETTLEMENT AND RELEASE AGREEMENT; THE NOTE PURCHASE AGREEMENT (OTHER THAN WITH RESPECT TO PITNEY BOWES AND ANY GUARANTOR, WHOSE OBLIGATIONS UNDER THE NOTE PURCHASE AGREEMENT OR THE NOTE PURCHASE DOCUMENTS SHALL CONTINUE AS LEGAL, VALID, BINDING AND NON-AVOIDABLE OBLIGATIONS AND THE SECURITY INTERESTS SECURING THOSE OBLIGATIONS SHALL REMAIN VALID, BINDING, ENFORCEABLE, NON-AVOIDABLE AND PROPERLY PERFECTED); THE SECURED SENIOR TAKEBACK NOTE; THE NEGOTIATION, FORMULATION, PREPARATION, DISSEMINATION, OR CONSUMMATION OF THE DEFINITIVE DOCUMENTS OR ANY OTHER CONTRACT, INSTRUMENT, RELEASE, OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN (INCLUDING THE PLAN SUPPLEMENT) OR ANY OF THE OTHER DEFINITIVE DOCUMENTS; ANY OTHER DEBT OR SECURITY OF THE DEBTORS AND THE OWNERSHIP THEREOF; THE PURCHASE, SALE, OR RESCISSION OF THE PURCHASE OR SALE OF ANY DEBT OR SECURITY OF THE DEBTORS; THE SUBJECT MATTER OF, OR THE TRANSACTIONS OR EVENTS GIVING RISE TO ANY CLAIM OR INTEREST THAT IS TREATED IN THE PLAN; THE BUSINESS OR CONTRACTUAL OR OTHER ARRANGEMENTS OR OTHER INTERACTIONS BETWEEN ANY DEBTOR AND ANY RELEASED PARTY; THE RESTRUCTURING OF ANY CLAIM OR INTEREST BEFORE OR DURING THE CHAPTER 11 CASES; ANY OTHER IN-OR-OUT-OF-COURT RESTRUCTURING EFFORTS OF THE DEBTORS; ANY INTERCOMPANY OBLIGATIONS, TRANSACTIONS, OR TRANSFERS; THE FORMULATION, PREPARATION, NEGOTIATION, DISSEMINATION, SOLICITATION, FILING, CONFIRMATION,

AND CONSUMMATION OF THE PLAN (INCLUDING THE PLAN SUPPLEMENT); THE FUNDING OF THE PLAN; THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN OR THE CONFIRMATION ORDER, INCLUDING THE DISTRIBUTION OF PROPERTY UNDER THE PLAN; OR ANY OTHER AGREEMENT, ACT OR OMISSION, TRANSACTION, TRANSFER, EVENT, OR OTHER OCCURRENCE RELATED TO THE FOREGOING AND TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASES CONTAINED IN THIS SECTION 11.6(A) (I) SHALL NOT BE CONSTRUED AS (A) RELEASING ANY RELEASED PARTY FROM CLAIMS OR CAUSES OF ACTION ARISING FROM AN ACT OR OMISSION THAT IS JUDICIALLY DETERMINED BY A FINAL ORDER TO HAVE CONSTITUTED ACTUAL FRAUD (PROVIDED THAT ACTUAL FRAUD SHALL NOT EXEMPT FROM THE SCOPE OF THESE DEBTOR RELEASES ANY CLAIMS OR CAUSES OF ACTION ARISING UNDER SECTIONS 544 OR 548 OF THE BANKRUPTCY CODE OR STATE OR FOREIGN LAWS GOVERNING FRAUDULENT OR OTHERWISE AVOIDABLE OBLIGATIONS, TRANSFERS OR CONVEYANCES), WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE, OR (B) RELEASING ANY POST-EFFECTIVE DATE OBLIGATIONS OF ANY PARTY OR ENTITY UNDER THE PLAN, THE CONFIRMATION ORDER, ANY DEFINITIVE DOCUMENT, OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE SET FORTH IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN; AND (II) SHALL NOT RELEASE ANY CLAIMS OR CAUSES OF ACTION REFLECTED ON THE SCHEDULE OF RETAINED CAUSES OF ACTION, WHICH, FOR THE AVOIDANCE OF DOUBT, SHALL NOT INCLUDE ANY CLAIMS OR CAUSES OF ACTION AGAINST ANY RELEASED PARTIES.

(b) **THIRD-PARTY RELEASES. NOTWITHSTANDING ANYTHING CONTAINED IN THE PLAN TO THE CONTRARY, AS OF THE EFFECTIVE DATE, EACH RELEASING PARTY IS DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY, AND FOREVER RELEASED AND DISCHARGED EACH RELEASED PARTY FROM ANY AND ALL CLAIMS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, REMEDIES, AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS OR CAUSES OF ACTION ASSERTED OR ASSERTABLE ON BEHALF OF THE RELEASING PARTIES THAT SUCH RELEASING PARTIES WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN THEIR OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR INTEREST OR OTHER ENTITY, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREINAFTER ARISING, IN LAW, EQUITY, OR OTHERWISE BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART: ANY ACT OR OMISSION, OBLIGATION, TRANSACTION, TRANSFER, AGREEMENT, EVENT, OR OTHER OCCURRENCE TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE, INCLUDING ANY CLAIMS OR CAUSES OF ACTION BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, THE DEBTORS (INCLUDING THE GOVERNANCE, MANAGEMENT, DIRECT OR INDIRECT OWNERSHIP, TRANSACTIONS WITH, OR OPERATION THEREOF) OR THEIR ESTATES; THE WIND DOWN ESTATES; THE**

LIQUIDATING AGENT; THE CHAPTER 11 CASES (INCLUDING THE FILING AND ADMINISTRATION THEREOF); THE WIND DOWN; THE RSA; THE DISCLOSURE STATEMENT; THE DIP ORDERS, THE SETTLEMENT AND RELEASE AGREEMENT; THE NOTE PURCHASE AGREEMENT (OTHER THAN WITH RESPECT TO PITNEY BOWES AND ANY GUARANTOR, WHOSE OBLIGATIONS UNDER THE NOTE PURCHASE AGREEMENT OR THE NOTE PURCHASE DOCUMENTS SHALL CONTINUE AS LEGAL, VALID, BINDING AND NON-AVOIDABLE OBLIGATIONS AND THE SECURITY INTERESTS SECURING THOSE OBLIGATIONS SHALL REMAIN VALID, BINDING, ENFORCEABLE, NON-AVOIDABLE AND PROPERLY PERFECTED); THE SECURED SENIOR TAKEBACK NOTE; THE NEGOTIATION, FORMULATION, PREPARATION, DISSEMINATION, OR CONSUMMATION OF THE DEFINITIVE DOCUMENTS OR ANY OTHER CONTRACT, INSTRUMENT, RELEASE, OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN (INCLUDING THE PLAN SUPPLEMENT) OR ANY OF THE OTHER DEFINITIVE DOCUMENTS; ANY OTHER DEBT OR SECURITY OF THE DEBTORS AND THE OWNERSHIP THEREOF; THE PURCHASE, SALE, OR RESCISSION OF THE PURCHASE OR SALE OF ANY DEBT OR SECURITY OF THE DEBTORS; THE SUBJECT MATTER OF, OR THE TRANSACTIONS OR EVENTS GIVING RISE TO ANY CLAIM OR INTEREST THAT IS TREATED IN THE PLAN; THE BUSINESS OR CONTRACTUAL OR OTHER ARRANGEMENTS OR OTHER INTERACTIONS BETWEEN ANY RELEASING PARTY AND ANY RELEASED PARTY IN CONNECTION WITH THE DEBTORS; THE RESTRUCTURING OF ANY CLAIM OR INTEREST BEFORE OR DURING THE CHAPTER 11 CASES; ANY OTHER IN-OR-OUT-OF-COURT RESTRUCTURING EFFORTS OF THE DEBTORS; ANY INTERCOMPANY OBLIGATIONS, TRANSACTIONS, OR TRANSFERS; THE FORMULATION, PREPARATION, NEGOTIATION, DISSEMINATION, SOLICITATION, FILING, CONFIRMATION, AND CONSUMMATION OF THE PLAN (INCLUDING THE PLAN SUPPLEMENT); THE FUNDING OF THE PLAN; THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN OR THE CONFIRMATION ORDER, INCLUDING THE DISTRIBUTION OF PROPERTY UNDER THE PLAN; OR ANY OTHER AGREEMENT, ACT OR OMISSION, TRANSACTION, TRANSFER, EVENT, OR OTHER OCCURRENCE RELATED TO THE FOREGOING AND TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASES CONTAINED IN THIS SECTION 11.6(B) SHALL NOT BE CONSTRUED AS (A) RELEASING ANY RELEASED PARTY FROM CLAIMS OR CAUSES OF ACTION ARISING FROM AN ACT OR OMISSION THAT IS JUDICIALLY DETERMINED BY A FINAL ORDER TO HAVE CONSTITUTED ACTUAL FRAUD (PROVIDED THAT ACTUAL FRAUD SHALL NOT EXEMPT FROM THE SCOPE OF THESE THIRD-PARTY RELEASES ANY CLAIMS OR CAUSES OF ACTION ARISING UNDER SECTIONS 544 OR 548 OF THE BANKRUPTCY CODE OR STATE OR FOREIGN LAWS GOVERNING FRAUDULENT OR OTHERWISE AVOIDABLE TRANSFERS OR CONVEYANCES), WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE, OR (B) RELEASING ANY POST-EFFECTIVE DATE OBLIGATIONS OF ANY PARTY OR ENTITY UNDER THE PLAN, THE CONFIRMATION ORDER, ANY DEFINITIVE DOCUMENT, OR ANY DOCUMENT, INSTRUMENT, OR

AGREEMENT (INCLUDING THOSE SET FORTH IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN.

11.7 **Exculpation.**

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, NO EXCULPATED PARTY SHALL HAVE OR INCUR LIABILITY FOR, AND EACH EXCULPATED PARTY IS HEREBY RELEASED AND EXCULPATED FROM, ANY CAUSE OF ACTION BASED ON, RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, FROM THE PETITION DATE THROUGH THE EFFECTIVE DATE: THE DEBTORS (INCLUDING THE GOVERNANCE, MANAGEMENT, DIRECT OR INDIRECT OWNERSHIP, TRANSACTIONS WITH, OR OPERATION THEREOF) OR THEIR ESTATES; THE WIND DOWN ESTATES; THE LIQUIDATING AGENT; THE CHAPTER 11 CASES (INCLUDING THE FILING AND ADMINISTRATION THEREOF); THE WIND DOWN; THE RSA; THE DISCLOSURE STATEMENT; THE DIP ORDERS, THE SETTLEMENT AND RELEASE AGREEMENT, THE NEGOTIATION, FORMULATION, PREPARATION, DISSEMINATION, OR CONSUMMATION OF THE DEFINITIVE DOCUMENTS OR ANY OTHER CONTRACT, INSTRUMENT, RELEASE, OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION WITH THE PLAN (INCLUDING THE PLAN SUPPLEMENT) OR ANY OF THE OTHER DEFINITIVE DOCUMENTS; ANY OTHER DEBT OR SECURITY OF THE DEBTORS AND THE OWNERSHIP THEREOF; THE PURCHASE, SALE, OR RESCISSION OF THE PURCHASE OR SALE OF ANY DEBT OR SECURITY OF THE DEBTORS; THE BUSINESS OR CONTRACTUAL OR OTHER ARRANGEMENTS OR OTHER INTERACTIONS BETWEEN ANY DEBTOR AND ANY EXCULPATED PARTY; THE RESTRUCTURING OF ANY CLAIM OR INTEREST DURING THE CHAPTER 11 CASES OR ON THE EFFECTIVE DATE; ANY INTERCOMPANY OBLIGATIONS, TRANSACTIONS, OR TRANSFERS; THE FORMULATION, PREPARATION, NEGOTIATION, DISSEMINATION, SOLICITATION, FILING, CONFIRMATION, AND CONSUMMATION OF THE PLAN (INCLUDING THE PLAN SUPPLEMENT); THE FUNDING OF THE PLAN; THE ADMINISTRATION AND IMPLEMENTATION OF THE PLAN OR CONFIRMATION ORDER, INCLUDING THE DISTRIBUTION OF PROPERTY UNDER THE PLAN; OR ANY OTHER AGREEMENT, ACT OR OMISSION, TRANSACTION, TRANSFER, EVENT, OR OTHER OCCURRENCE RELATED TO THE FOREGOING AND TAKING PLACE ON OR BEFORE THE EFFECTIVE DATE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE EXCULPATIONS IN THIS SECTION 11.7 SHALL NOT RELEASE OR EXCULPATE ANY ENTITY FROM CLAIMS OR CAUSES OF ACTION ARISING FROM AN ACT OR OMISSION THAT IS JUDICIALLY DETERMINED BY A FINAL ORDER TO HAVE CONSTITUTED ACTUAL FRAUD (PROVIDED THAT ACTUAL FRAUD SHALL NOT EXEMPT FROM THE SCOPE OF THESE EXCULPATIONS ANY CLAIMS OR CAUSES OF ACTION ARISING UNDER SECTIONS 544 OR 548 OF THE BANKRUPTCY CODE OR STATE OR FOREIGN LAWS GOVERNING FRAUDULENT OR OTHERWISE AVOIDABLE TRANSFERS OR CONVEYANCES), WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE, OR (B) EXCULPATING ANY POST-EFFECTIVE DATE OBLIGATIONS OF ANY PARTY OR ENTITY UNDER THE PLAN, THE

CONFIRMATION ORDER, ANY DEFINITIVE DOCUMENT, OR ANY DOCUMENT, INSTRUMENT, OR AGREEMENT (INCLUDING THOSE SET FORTH IN THE PLAN SUPPLEMENT) EXECUTED TO IMPLEMENT THE PLAN.

11.8 **Injunction Related to Releases and Exculpation.**

THE CONFIRMATION ORDER SHALL PERMANENTLY ENJOIN THE COMMENCEMENT OR PROSECUTION BY ANY ENTITY, WHETHER DIRECTLY, DERIVATIVELY, OR OTHERWISE, OF ANY CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION, LOSSES, OR LIABILITIES RELEASED OR EXCULPATED PURSUANT TO THE PLAN, INCLUDING THE CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, DEBTS, RIGHTS, CAUSES OF ACTION, AND LIABILITIES RELEASED OR EXCULPATED IN THE PLAN OR THE CONFIRMATION ORDER.