IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	)	Chapter 11
ATD CORPORATION, *et al.*,[1]	)	Case No. 18-12221 (KJC)
Debtors.	)	(Jointly Administered)

THE AMENDED DISCLOSURE STATEMENT FOR THE JOINT PLAN OF REORGANIZATION OF ATD CORPORATION AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

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THIS IS A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN IN ACCORDANCE WITH BANKRUPTCY CODE SECTION 1125 AND WITHIN THE MEANING OF BANKRUPTCY CODE SECTION 1126. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT YET BEEN APPROVED. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL THIS DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THE INFORMATION IN THIS DISCLOSURE STATEMENT IS SUBJECT TO CHANGE. THIS DISCLOSURE STATEMENT IS NOT AN OFFER TO SELL ANY SECURITIES AND IS NOT SOLICITING AN OFFER TO BUY ANY SECURITIES.

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, where applicable, include: ATD Corporation (3683); Accelerate Holdings Corp. (0528); American Tire Distributors Holdings, Inc. (6143); American Tire Distributors, Inc. (4594); Rubbr Automotive Services, LLC (3334); The Hercules Tire & Rubber Company (3365); Terry's Tire Town Holdings, Inc. (7464); Tire Pros Francorp (1361); and Hercules Asia Pacific, LLC (2499). The location of the Debtors' service address in these chapter 11 cases is 12200 Herbert Wayne Court, Suite 150, Huntersville, North Carolina 28078.

DISCLAIMER

The Debtors are providing the information in this Disclosure Statement to certain Holders[2] of Claims and Interests for the purpose of soliciting votes to accept or reject the *Joint Plan of Reorganization of ATD Corporation and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "Plan"). Nothing in this Disclosure Statement may be relied upon or used by any entity for any other purpose. Each Holder entitled to vote should carefully consider all of the information in this Disclosure Statement, including the risk factors described in section VIII herein, prior to deciding whether and how to vote on the Plan.

Pursuant to the restructuring support agreement entered into in connection with these Chapter 11 Cases, the Debtors, the Consenting Noteholders holding approximately 75 percent of the principal amount of the Senior Subordinated Notes Claims, the Consenting Term Loan Lenders holding approximately 78 percent of the principal amount of the Term Loan Claims, and the Sponsors agreed to support the Plan.

The Debtors urge each Holder of a Claim or Interest to consult with its own advisors with respect to any legal, financial, securities, tax, or business advice in reviewing this Disclosure Statement, the Plan, and all of the actions necessary to effectuate the Plan. Furthermore, the Bankruptcy Court's approval of the adequacy of the information contained in this Disclosure Statement does not constitute the Bankruptcy Court's approval of the Plan.

This Disclosure Statement contains, among other things, summaries of the Plan, certain statutory provisions, certain events in the Debtors' Chapter 11 Cases, and certain documents related to the Plan that are incorporated by reference herein. Although the Debtors believe that these summaries are fair and accurate, these summaries are qualified in their entirety to the extent that they do not set forth the entire text of such documents or statutory provisions or every detail of such events. The Plan or such other documents will govern for all purposes in the event of any inconsistency or discrepancy between a description in this Disclosure Statement and the terms and provisions of the Plan or any other documents incorporated by reference herein. The Debtors' management provided the actual information contained in this Disclosure Statement, except where specifically noted otherwise. The Debtors do not represent or warrant that the information contained herein or attached hereto is without any material inaccuracy or omission.

This Disclosure Statement has been prepared in accordance with section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016(b) and not necessarily in accordance with federal or state securities laws or other similar laws. This Disclosure Statement was not filed with the Securities and Exchange Commission or any state authority, and neither the Securities and Exchange Commission nor any state authority has passed upon the accuracy or adequacy of this Disclosure Statement or upon the merits of the Plan.

This Disclosure Statement contains forward-looking statements within the meaning of section 27a and section 21e of the United States Securities Act of 1933, as amended (the "Securities Act"). Such statements may contain words such as "may," "will," "might," "expect," "believe," "anticipate," "could," "would," "estimate," "continue," "pursue," or the negative thereof or comparable terminology and may include, without limitation, information regarding the Debtors' expectations with respect to future events. Forward-looking statements are inherently uncertain and are subject to certain risks and uncertainties that could cause actual results to differ from those expressed or implied in this Disclosure Statement and the forward-looking statements contained herein. An investment decision that is made based on the information contained in this Disclosure Statement and/or the Plan is, therefore, speculative. The Debtors expressly caution readers not to place undue reliance on any forward-looking statements contained herein.

In preparing this Disclosure Statement, the Debtors relied on financial data derived from their books and records or that was otherwise made available to them at the time of such preparation and on various assumptions regarding the Debtors' businesses. No representations or warranties are made as to the accuracy of the financial information contained herein or assumptions regarding the Debtors' businesses, although the Debtors believe that

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

such financial information fairly reflects the financial condition of the Debtors as of the date hereof and that the assumptions regarding future events reflect reasonable business judgments.

This Disclosure Statement does not constitute and may not be construed as an admission of fact, liability, stipulation, or waiver. The Debtors are making the statements and providing the financial information contained in this Disclosure Statement as of the date hereof, unless otherwise specifically noted. Although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so and expressly disclaim any duty to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise. Holders of Claims and Interests reviewing this Disclosure Statement should not infer that, at the time of their review, the facts set forth herein have not changed since this Disclosure Statement was filed. Information contained herein is subject to completion or amendment. The Debtors reserve the right to file an amended Plan and related amended Disclosure Statement from time to time.

Confirmation and consummation of the Plan are subject to certain material conditions precedent described in Article IX of the Plan. There is no assurance that the Plan will be confirmed or, if confirmed, that such material conditions precedent will be satisfied or waived. You are encouraged to read this Disclosure Statement in its entirety, including but not limited to the Plan and section VIII of this Disclosure Statement entitled "Risk Factors" before submitting your Ballot to vote to accept or reject the Plan.

The Debtors have not authorized any entity to give any information about or concerning the Plan other than that which is contained in this Disclosure Statement. The Debtors have not authorized any representations concerning the Debtors or the value of their property other than as set forth in this Disclosure Statement.

If the Bankruptcy Court confirms the Plan and the Effective Date occurs, all Holders of Claims and Interests (including those Holders of Claims or Interests who do not submit Ballots to accept or reject the Plan or who are not entitled to vote on the Plan) will be bound by the terms of the Plan and any transactions contemplated thereby.

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EXHIBITS

I. INTRODUCTION

ATD Corporation and its debtor affiliates, as debtors and debtors in possession (collectively, the "Debtors"), submit this disclosure statement (the "Disclosure Statement") pursuant to section 1125 of the Bankruptcy Code to Holders of Claims against and Interest in the Debtors in connection with the solicitation of acceptances with respect to the Plan, dated October 15, 2018. A copy of the Plan is attached hereto as **Exhibit A** and incorporated by reference herein. The Plan constitutes a separate chapter 11 plan for ATD Corporation and each of its eight affiliated Debtors.

THE DEBTORS, THE CONSENTING NOTEHOLDERS HOLDING APPROXIMATELY 75 PERCENT OF THE PRINCIPAL AMOUNT OF THE SENIOR SUBORDINATED NOTES CLAIMS, THE TERM LOAN LENDERS HOLDING APPROXIMATELY 78 PERCENT OF THE PRINCIPAL AMOUNT OF THE CONSENTING TERM LOAN CLAIMS, AND THE SPONSORS HAVE EXECUTED THE RSA AND SUPPORT CONFIRMATION OF THE PLAN. THE DEBTORS BELIEVE THAT THE COMPROMISES CONTEMPLATED UNDER THE PLAN ARE FAIR AND EQUITABLE, MAXIMIZE THE VALUE OF THE DEBTORS' ESTATES, AND PROVIDE THE BEST RECOVERY TO STAKEHOLDERS. AT THIS TIME, THE DEBTORS BELIEVE THE PLAN REPRESENTS THE BEST AVAILABLE OPTION FOR COMPLETING THESE CHAPTER 11 CASES. ACCORDINGLY, THE DEBTORS STRONGLY RECOMMEND THAT YOU VOTE TO ACCEPT THE PLAN.

A. Preliminary Statement

ATD Corporation (together with its subsidiaries, "ATD") is the largest distributor of replacement tires in North America based on dollar amount of wholesale sales and number of warehouses. It supplies the most popular tires, tire supplies and tools, and custom wheels and accessories to over 80,000 customers, including tire retailers, mass merchandisers, and automotive dealerships. The company achieved this level of success through strategically executing on a growth-by-acquisition business strategy and continuously enhancing its technological capabilities to meet its customers' needs. Specifically, ATD has grown to approximately 122 distribution and mixing centers across the United States and 24 of such centers in Canada, all of which are integrated pursuant to a sophisticated and comprehensive distribution, routing technology, and inventory management system that allows customers to receive their orders on a same- or next-day basis. Accordingly, ATD is a leader in the replacement tire industry across the United States and Canada.

However, recent macroeconomic trends in the replacement tire industry, including the shift toward disintermediation and online retail shopping, have contributed to ATD's decision to seek to optimize their operations and deleverage their balance sheet. Specifically, several joint venture partnerships have been formed between independent tire manufacturers seeking to distribute their own products directly to tire retailers. Two of ATD's largest tire suppliers—which are also two of the largest tire manufacturers in the United States—formed their own joint venture to supply their products and will no longer use ATD as a distributor going forward. In addition, third-party retailers are starting to break into the replacement tire market to provide consumers with an opportunity to purchase replacement tires online and have them installed at existing retail locations. These developments, among others, have increased competition in the replacement tire industry.

As of October 3, 2018, the Debtors had approximately $2.5 billion in total outstanding debt obligations, including the following:

- approximately $696 million under the ABL/FILO Facility (as defined below);
- approximately $695 million under the Term Loan Facility;
- approximately $1,050 million in Senior Subordinated Notes; and
- approximately $60 million in capital lease obligations.

On October 4, 2018 (the "Petition Date"), the Debtors commenced these Chapter 11 Cases with a plan to deleverage their capital structure by over $1.1 billion. Prior to the Petition Date, the Debtors engaged in extensive

arm's-length negotiations with their existing stakeholders to develop a consensual transaction to right-size their balance sheet and best position the company for long term success. These negotiations eventually led the Debtors to (a) enter into a restructuring support agreement with the Sponsors and the Consenting Noteholders on October 4, 2018 (the "Initial RSA"), which set forth, among other things, the proposed terms of the Debtors' restructuring and (b) reach agreement with respect to the terms of the debtor-in-possession financing. The Initial RSA contemplated the following recoveries for the Debtors' stakeholders: (a) New Equity for the Noteholders; (b) New Equity and New Warrants for the Sponsors; (c) loans under an amended ABL Facility for the ABL Lenders; (d) reinstatement of the Term Loan Facility; and (e) unimpairment of General Unsecured Creditors.

On October 5, 2018, the Debtors announced a deal in principle with certain Term Loan Lenders to support the restructuring outlined in the Initial RSA (the "Term Loan Settlement"), as modified pursuant to the Term Loan Settlement. In accordance with the Term Loan Settlement, the Consenting Term Loan Lenders agreed to amend the existing Term Loan Facility, which includes a three-year extension, modifications of the covenants, collateral package, and economic terms (including interest rate) in the Term Loan Credit Agreement, and an option that allows the Term Loan Lenders to participate in the debtor-in-possession financing, as set forth in more detail below. The remaining treatments proposed under the Initial RSA remained the same. To document the Term Loan Settlement, on October 10, 2018, the parties to the Initial RSA and the Consenting Term Loan Lenders amended the Initial RSA (the "Amended RSA" and, together with the Initial RSA, the "RSA") to include, among other things, that the Term Loan Facility will be amended in the manner contemplated pursuant to the Amended Term Loan Term Sheet, attached hereto as **Exhibit C**. The RSA attached a term sheet that outlines the Plan's key terms and conditions.

The Debtors believe that garnering support from their prepetition funded debtholders and the Sponsors with respect to the terms of the restructuring, as proposed under the Plan, allowed the Debtors to commence these Chapter 11 Cases with less uncertainty, reduce the duration of these Chapter 11 Cases, and maximize recoveries for all creditors.

Further, as noted above, the Debtors, with the assistance of their advisors, engaged in substantial arm's-length and good faith negotiations with their existing debtholders to secure debtor-in-possession financing (the "DIP Facility") to satisfy the Debtors' liquidity needs during the Chapter 11 Cases, provide continued liquidity to the Debtors' Canadian affiliates (which are not Debtors), and refinance the Debtors' prepetition FILO Facility. The DIP Facility (a) provides the Debtors with access to approximately $1,230 million in aggregate financing, which consists of an approximately $980 million (including $180 million available to the Debtors' Canadian affiliates) senior secured superpriority revolving credit facility (the "ABL DIP Facility") and a $250 million senior secured superpriority first in, last out credit facility (the "FILO DIP Facility"), and (b) authorizes the consensual use of cash collateral. The Term Loan Settlement allows the Term Loan Lenders and the Noteholders to participate equally under the FILO DIP Facility, thus resulting in each funding $125 million of the liquidity provided thereunder. Since the Petition Date, the full amount outstanding under the prepetition ABL Facility has been "rolled-up" into the ABL DIP Facility; the full amount of the prepetition FILO Facility has been paid down; and $190 million in new liquidity became available thereafter under the FILO DIP Facility in accordance with the terms of the DIP Facility. Access to such liquidity and the consensual use of cash collateral afforded the Debtors a soft landing into these Chapter 11 Cases.

The Debtors actively solicited proposals for alternative DIP financing while contemporaneously negotiating with the parties to the DIP Facility. Ultimately, no third party offered a workable proposal that could serve as a viable alternative to the proposed DIP Facility. Therefore, the Debtors were unable to find an alternative source of financing with equal or better terms. The DIP Facility is critical to the Debtors' ability to operate smoothly postpetition, which requires providing sufficient liquidity to fund the administrative costs of the Chapter 11 Cases and, importantly, pay vendors and other participants in the Debtors' supply chain to ensure the uninterrupted flow of inventory.

The formulation of the RSA and the Plan contemplated thereunder is a significant achievement for the Debtors in their efforts to deleverage their balance sheet. Each of the Debtors strongly believes that the Plan is in the best interests of their estates and represents the best available alternative for all of their stakeholders. Given the Debtors' experienced management and operating team and strategic business plan going-forward, including near- and long-term initiatives to reduce costs and consolidate distribution centers as well as investing in a state-of-the-art delivery platform to modernize all aspects of product delivery, the Debtors believe that they can implement the Plan's balance sheet restructuring to ensure the Debtors' long term viability. All Holders of Claims and Interests

entitled to vote are urged to vote in favor of the Plan and are encouraged to return their ballots to Kurtzman Carson Consultants LLC ("KCC" or the "Solicitation Agent") or electronically submit their Ballots online so that they are actually received on or before **[December 14], 2018, at 5:00 p.m., prevailing Eastern Time** (the "Voting Deadline"). The Debtors will seek the Bankruptcy Court's approval of the Plan at the Confirmation Hearing, assuming the Plan receives the requisite acceptance in accordance with the Bankruptcy Code.

B. Questions and Answers Regarding this Disclosure Statement and the Plan

The following are some frequently asked questions and corresponding answers regarding this Disclosure Statement and the Plan.

1. What is chapter 11?

Chapter 11 is the principal business reorganization chapter in the Bankruptcy Code. This chapter permits a debtor to maximize the value of its operations and promotes equal treatment for creditors and similarly situated equity interest holders, subject to the priority distribution scheme set forth in the Bankruptcy Code. An estate is created when a chapter 11 case is commenced, and it comprises all of a debtor's legal and equitable interests as of the date the case is filed. The Bankruptcy Code provides that a debtor may continue to operate its business and remain in possession of its property as a "debtor in possession."

A principle objective of chapter 11 is to consummate a plan. A confirmed plan will be binding upon the debtor, any person acquiring property under the plan, any creditor or equity interest holder of the debtor, and any other entity as the court may order. Subject to certain limited exceptions, a court's order confirming a plan provides for the treatment of the debtor's liabilities in accordance with the confirmed plan's terms.

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

The Debtors are seeking to obtain Bankruptcy Court approval of the Plan. Before soliciting acceptances of the Plan, section 1125 of the Bankruptcy Code requires the Debtors to prepare a disclosure statement containing adequate information of a kind and in sufficient detail to enable a hypothetical reasonable investor to make an informed judgment about whether to accept the Plan. This Disclosure Statement is being submitted in accordance with these requirements.

3. Am I entitled to vote on the Plan?

Your ability to vote on and your distribution under the Plan, if any, depends on what type of Claim or Interest you hold. Each category of Holders of Claims or Interests, as set forth in Article III of the Plan pursuant to section 1122(a) of the Bankruptcy Code, is referred to as a "Class." Each Class's respective voting status is set forth below.

Class	Claim or Interest	Status	Voting Rights
1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	ABL Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	Impaired	Entitled to Vote
5	Senior Subordinated Notes Claims	Impaired	Entitled to Vote
6	General Unsecured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)

Class	Claim or Interest	Status	Voting Rights
7	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
8	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
10	Interests	Impaired	Entitled to Vote

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

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

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

Class	Classified Claims	Treatment Status	Estimated Allowed Claims	Estimated % Recovery Under the Plan
1	Other Secured Claims	Unimpaired	$500,000	100%
2	Other Priority Claims	Unimpaired	$500,000	100%
3	ABL Claims	Unimpaired	$0	100%
4	Term Loan Claims	Impaired	$695,000,000 (in principal amount)	100%
5	Senior Subordinated Notes Claims	Impaired	$1,050,000,000 (in principal amount)	54.6%
6	General Unsecured Claims	Unimpaired	$616,144,244[3]	100%
7	Intercompany Claims	Unimpaired/Impaired	N/A	N/A
8	Section 510(b) Claims	Impaired	$0	0%

[3] On the Petition Date, the Debtors sought authority to pay approximately $595 million in total amounts outstanding under certain first day motions, including the wages motion [Docket No. 10], critical vendors motion [Docket No. 13], and foreign vendors, lien claimants, and section 503(b)(9) claimants motion [Docket No. 14]. A hearing is scheduled for October 26, 2018, to consider payment of this amount on a final basis.

Class	Classified Claims	Treatment Status	Estimated Allowed Claims	Estimated % Recovery Under the Plan
9	Intercompany Interests	Unimpaired/Impaired	N/A	N/A
10	Interests	Impaired	N/A	Approximately $30 million in aggregate or $0.036 per share[4]

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

In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims and Priority Tax Claims have not been classified and, thus, are excluded from the Classes of Claims or Interests set forth in Article III of the Plan. Additionally, on the Effective Date, the Reorganized Debtors shall make Full Payment (as defined in the DIP Credit Agreement) of all DIP Facility Claims in Cash from the first advances made under the Amended ABL Facility. Unless and until Full Payment of the DIP Facility Claims has occurred, notwithstanding entry of the Confirmation Order and anything to the contrary in this Plan or the Confirmation Order, (a) none of the DIP Facility Claims shall be discharged, satisfied or released or otherwise affected in whole or in part, and each of the DIP Facility Claims shall remain outstanding, and (b) none of the Liens securing the DIP Facility shall be deemed to have been waived, released, satisfied or discharged, in whole or in part.

Unclassified Claim	Plan Treatment	Estimated Allowed Claims	Estimated % Recovery Under the Plan
Administrative Claims	Unimpaired	$526,615,421	100%
Professional Fee Claims	Unimpaired	$15,463,000	100%
Priority Tax Claims	Unimpaired	$8,000,000	100%
DIP Facility Claims	Unimpaired	$635,571,988	100%

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

In the event that the Plan is not confirmed or does not go effective, there is no assurance that the Debtors will be able to reorganize their businesses. It is possible that any alternative to the Plan may provide Holders of Claims and Interests with less than they would have received pursuant to the Plan. A more detailed description of the consequences of an extended chapter 11 case or a liquidation scenario can be found in section IX entitled "Best Interests of Creditors/Liquidation Analysis" in this Disclosure Statement and the Liquidation Analysis attached hereto as **Exhibit E**.

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

"Confirmation" of the Plan refers to the Court's approval of the Plan. Confirmation of the Plan does not guarantee that you will receive the distribution indicated under the Plan. After the Plan is confirmed, there are conditions that need to be satisfied or waived so that the Plan can be consummated and go effective. See section IX of this Disclosure Statement entitled "Confirmation Procedures" for a discussion on the confirmation procedures.

[4] Based on approximately 838,551,089 shares outstanding.

In general, and unless otherwise provided in the Plan, each Holder of an Allowed Claim and Interest shall receive the full amount of the distributions that the Plan provides for such Allowed Claims and Interests in accordance with the applicable Class on the date the Plan becomes effective, i.e. the "Effective Date," or as soon as reasonably practicable thereafter, unless otherwise the Plan provides otherwise.

8. **Is there potential litigation related to the Plan?**

Parties in interest may object to the Plan being confirmed, which could potentially give rise to litigation. In the event that it becomes necessary to confirm the Plan over a Class' objection to or vote to reject the Plan, the Debtors may seek to confirm the Plan notwithstanding such objecting Class' dissent. The Bankruptcy Court may confirm the Plan pursuant to the "cramdown" provisions of the Bankruptcy Code. Section 1129(b) of the Bankruptcy Code allows the Bankruptcy Court to confirm a plan that an impaired Class has rejected, if it determines that the plan meets certain requirements for confirmation.

The Bankruptcy Court has established **[December 14], 2018, at 4:00 p.m., prevailing Eastern Time**, as the deadline to object to Confirmation of the Plan (the "Plan Objection Deadline"). All objections to the Plan's confirmation must be filed with the Bankruptcy Court and served on the Debtors and certain other parties in interest in accordance with the order approving the Disclosure Statement and Solicitation Procedures so that they are **actually received** on or before the Plan Objection Deadline. The Debtors believe the Plan Objection Deadline, as established by the Bankruptcy Court, affords the Bankruptcy Court, the Debtors, and other parties in interest reasonable time to consider the objections to the Plan prior to a Confirmation Hearing.

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

The Reorganized Debtors will fund distributions under the Plan with (a) the proceeds from the Amended ABL Facility, (b) the Amended Term Loan, (c) the New Equity, (d) the New Warrants, and (e) Cash on hand, including Cash from operations.

10. **What is the Employee Incentive Plan and how will it affect the distribution I receive under the Plan?**

The Reorganized Debtors will implement the Employee Incentive Plan after the Effective Date. This plan will (a) reserve an aggregate of ten percent (10%) of the New Equity, on a fully diluted, fully distributed basis, for grants to be made from time to time to employees of the Reorganized ATD at the discretion of the New Board and (b) otherwise contain terms and conditions (including with respect to participants, allocation, structure, and timing and extent of issuance and vesting) in each case as determined at the discretion of the New Board after the Effective Date.

11. **Will there be releases and exculpations granted to parties in interest as part of the Plan?**

Yes. The Plan contains mutual releases and exculpation provisions, as set forth herein under section V.D entitled "Release, Injunction, and Related Provisions." The Released Parties under the Plan are (a) the Debtors, (b) the Reorganized Debtors, (c) each Consenting Stakeholder, (d) each Company Party, (e) each ABL Lender; (f) each Term Loan Lender, (g) each DIP Lender, (h) each Noteholder, (i) each Sponsor, (j) each Agent/Trustee, (k) the Term Lender Committee and each member thereof, (l) all Holders of Interests, (m) each current and former Affiliate of each Entity in clause (a) through (m), and (n) each Related Party of each Entity in clause (a) through (m).

The Releasing Parties are (a the Debtors, (b) the Reorganized Debtors, (c) each Consenting Stakeholder, (d) each Company Party, (e) each ABL Lender, (f) each Term Loan Lender, (g) each Noteholder, (h) each Sponsor, (i) each Agent/Trustee, (j) the Term Lender Committee and each member thereof, (k) all Holders of Claims, (l) all Holders of Interests, (m) each DIP Lender, (n) each current and former Affiliate of each Entity in clause (a) through (n), and (o) each Related Party of each Entity in clause (a) through (n).

Additionally, an Entity will be neither a Releasing Party nor a Released Party if it (a) does not vote to and is not deemed to accept the Plan and (b) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in Article VIII.C of the Plan and such objection is not resolved before

Confirmation. Any such Entity will be identified by name as a non-Releasing Party and non-Released Party in the Confirmation Order.

IMPORTANTLY, ALL HOLDERS OF CLAIMS OR INTERESTS THAT DO NOT FILE AN OBJECTION WITH THE BANKRUPTCY COURT IN THE CHAPTER 11 CASES THAT EXPRESSLY OBJECTS TO THE INCLUSION OF SUCH HOLDER AS A RELEASING PARTY UNDER THE PROVISIONS CONTAINED IN ARTICLE VIII OF THE PLAN WILL BE DEEMED TO HAVE EXPRESSLY, UNCONDITIONALLY, GENERALLY, INDIVIDUALLY, AND COLLECTIVELY CONSENTED TO THE RELEASE AND DISCHARGE OF ALL CLAIMS AND CAUSES OF ACTION AGAINST THE DEBTORS AND THE RELEASED PARTIES. THE RELEASES ARE AN INTEGRAL ELEMENT OF THE PLAN.

The Debtors believe that the releases, third-party releases, and exculpation provided in the Plan are an integral part of the RSA, the Term Loan Settlement, and Plan. The Released Parties and the Exculpated Parties have made substantial and valuable contributions to the Debtors' restructuring efforts leading up to these Chapter 11 Cases, which included engaging in extensive negotiations and agreeing to favorable treatment of their claims and to provide postpetition financing to the Debtors. The Debtors believe that the releases and exculpation in the Plan are necessary and appropriate and meet the applicable legal standard. To the extent necessary, evidence will be presented at the Confirmation Hearing to demonstrate this and the basis for the propriety of the releases and exculpation.

12. **How do I vote on the Plan?**

Detailed instructions regarding how to vote on the Plan are contained on the Ballots distributed to Holders of Claims and Interests that are entitled to vote on the Plan, and information on the voting process is contained in section VI below entitled "Solicitation and Voting Procedures."

BALLOTS
The Solicitation Agent must **actually receive** ballots on or before the Voting Deadline, which is **[December 14], 2018, at 5:00 p.m., prevailing Eastern Time**, either via the online portal, https://www.kccllc.net/ATD, or at the following address: **ATD Ballot Processing,** c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245 If you have any questions on the procedure for voting on the Plans, please call the Debtors at: (866) 967-0495 (toll free) or (310) 751-2695 (international)

13. **What is the deadline to vote on the Plan?**

The Voting Deadline for the Plan is **[December 14], 2018, at 5:00 p.m., prevailing Eastern Time**.

14. **What is the purpose of the Confirmation Hearing? When is it scheduled to occur?**

The Debtors intend to seek Confirmation of the Plan at a hearing to be scheduled on **[December 19], 2018, at [10:00] a.m., prevailing Eastern Time**, before the Honorable Kevin J. Carey, United States Bankruptcy Judge, in Courtroom No. 5 of the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 5th Floor, Wilmington, Delaware 19801 (the "Confirmation Hearing"). A Confirmation Hearing may be continued from time to time without further notice other than an adjournment announced in open court or a notice of

adjournment filed with the Bankruptcy Court and served on the entities who have filed objections to the Plan, without further notice to other parties in interest. The Bankruptcy Court, in its discretion and prior to a Confirmation Hearing, may put in place additional procedures governing that hearing. The Plan may be modified, if necessary, prior to, during, or as a result of the hearing to confirm the Plan without further notice to parties in interest.

15. **Do the Debtors recommend voting in favor of the Plan?**

Yes. The Debtors believe the Plan provides for a larger distribution to the Debtors' creditors than would otherwise result from any other available alternative. The Debtors believe the Plan, which contemplates a significant deleveraging, is in the best interest of all Holders of Claims and Interests and that other alternatives fail to realize or recognize the value inherent under the Plan.

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

A. The Debtors' Corporate History

ATD started out as a family-owned store with a single tire mold recapper and manual gas pumps in Lincolnton, North Carolina in 1935—during the depths of the Great Depression. It eventually grew to become a leader in the replacement tire industry over the next several decades. ATD achieved this success through a growth-by-acquisition business model that allowed the company to tap into new markets at reduced costs. Such growth efforts can be seen in the company's acquisition of several major tire businesses in the United States, including Beach Tire Mart, Commonwealth Tire, and Oliver & Winston in 1985, 1991, and 1997, respectively. This acquisition strategy brought over 135 locations across the southeast under the family brand, which was known as Heafner Tire at the time. In 2002, the company changed its name to American Tire Distributors to reflect its vast distribution network and unyielding growth efforts, which involved acquiring approximately 23 other tire related-businesses in the intervening period.

ATD became an international enterprise in 2013 after it acquired Regional Tire Distributors and formed National Tire Distributors, a wholly-owned ATD subsidiary with headquarters in Burlington, Ontario. Over the last five years, National Tire Distributors has allowed ATD to optimize its distribution network across various Canadian markets, including Alberta, Nova Scotia, and Quebec. As of the date hereof, ATD has 122 distribution and mixing centers across the U.S. and 24 such centers throughout Canada.

In addition, ATD was primarily a family-owned and operated business from its founding until a majority stake in the business was sold to a private equity firm in 1999. After a series of corporate transactions, TPG Capital ("TPG") and certain co-investors purchased an approximately 93 percent interest in ATD for about $1.3 billion in May 2010. In 2014, ATD filed paperwork for an initial public offering, but this process was halted when TPG sold approximately 46 percent of its interest to Ares Management, L.P. ("Ares") and certain co-investors for approximately $620 million in February 2015. This transaction resulted in TPG and Ares owning an equal share in ATD.

B. Business Operations

ATD's position as a leader in the replacement tire market resulted from its commitment to offering customers premium quality products in a timely manner. The company's customer base includes over 80,000 local, regional, and national independent tire retailers, mass merchandisers, warehouse clubs, tire manufacturer-owned stores, automotive dealerships, and web-based marketers—with independent tire retailers accounting for approximately 65% of the company's net sales in 2017. A diverse customer base requires the company to maintain efficient operations, a broad range of products, and an efficient distribution network.

(1) Products Offered

Tire sales accounted for 97% of ATD's net sales while tire supplies, tools, and custom wheels and accessories account for the remaining 3% of net sales. As such, ATD has developed a comprehensive inventory supply that consists of approximately 70,000 types of stock-keeping units (SKUs) at ranging price points to meet its

customers' demands for tires. These SKUs include all season, terrain, passenger, and performance tires. ATD maintains its fleet of products through establishing and maintaining relationships with tire and other manufacturers as well as designing and developing its own private fleet of tires necessary for the company's needs. Such relationships include seven of the top ten leading passenger and light truck tire brands in the United States, and produces the number one private brand, Hercules®, in North America in 2017 based on unit sales**.**

(a) *Tire Supply*

The brands that make up ATD's tire inventory fall into three categories: (a) flag brands; (b) associate brands; and (c) proprietary and exclusive brands. Generally, the leading tire manufacturers in the world produce flag brands that are regarded as top sellers in the market and tend to have the greatest brand recognition. In the United States, the flag brands sold include Continental®, Michelin®, Cooper®, Hankook®, Kumho®, Nexen®, and Pirelli®, among others. In addition to these brands, National Tire Distributors provides Goodyear®, Bridgestone®, and Firestone® tires to customers in Canada. Such tires are regarded as premium-quality in the market that customers are willing to pay premium prices for, which has resulted in stronger sales and higher per-tire profits relative to other brands. Flag brand manufacturers usually provide marketing support for their products**.**

Associate brands are tires from well-known tire manufacturers but are sold under different brand names. These brands tend to be attractive to customers because they are lower in price and are sometimes tied to manufacturer-specific incentive programs. Such associate brands include Fuzion®. Exclusive brands are lower-priced tires brands that third-party manufacturers develop exclusively for ATD. Proprietary brands are those which ATD produces, owns, and markets. ATD holds or controls the trademark to exclusive and proprietary brands but not associate brands. Proprietary and exclusive brands serve capture the entry-level price point for customers that cater to cost conscious consumers in the market. Exclusive brands include Capitol® and Ironman® brands and proprietary brands include Hercules®.

ATD acquired all of the capital stock in the Hercules Tire & Rubber Company ("Hercules") in 2014 pursuant to an Agreement and Plan of Merger, dated January 24, 2014. Hercules' operations entails purchasing, marketing, distributing, and selling replacement tires for passenger cars, trucks, and certain off road vehicles to tire dealers, wholesale distributors, retail distributors, and others in the United States, Canada, and other countries. Since ATD acquired Hercules, sales for the Hercules® brand has expanded and led to Hercules® becoming the best-selling private-label tire brand in the United States.

(b) *Wheels and Accessories*

Aftermarket custom wheels and accessories and related tire supplies and tools directly complement the tire products that ATD sells to their customers. Many customers purchase these products at or around the same time that they obtain replacement tires. ATD offers over 25 different wheel brands and installation and service accessories, including proprietary brands such as ICW® Racing, Pacer®, Drifz®, Cruiser Alloy®, and O.E. Performance®. These brands represent one of the most comprehensive wheel brand and style collections in the industry.

(c) *Tire Supplies*

Customers can also obtain tire supplies and tools from ATD, which allows it to offer a well-rounded product line and helps the company become more profitable. Specifically, such products broaden ATD's portfolio and leverage its customer relationships. The tire supplies and tools that are offered tend to be the most popular brand names from leading manufacturers.

(d) *Sourcing and Procurement Methods*

The ATD enterprise became the largest distributor of replacement tires in North America based on dollar amount of wholesale sales through providing its customers with tires from the leading manufacturers, some of which are sources from manufacturers in China and other countries in the Asia-Pacific region. Other tires and other products are sourced from manufacturers located in various countries around the world. As such, the company maintains an integrated supply chain to ensure that supply flow remains uninterrupted. Generally, ATD purchases inventory pursuant to oral arrangements or written agreements that are renegotiated annually and can be terminated

on short notice. The Debtors do not have long-term supply agreements with tire manufacturers. Notwithstanding this business practice, the company has maintained relationships with certain major tire manufacturers for an average of over twenty years.

(2) **Distribution Network, Routing System, and Inventory Technology**

A comprehensive distribution system is needed to deliver the products procured to customers that are disbursed geographically around North America. ATD has developed a well-integrated distribution network that consists of approximately 1,500 delivery vehicles, which reach more than 122 distribution centers across 44 states in the United States. Certain distribution centers have bin locator systems, material handling equipment, and routing software that link customer orders to the present inventory and delivery routes.

Approximately 73% of ATD's customers place orders on ATDOnline®, which is an online portal that seamlessly integrates ATD's distribution network. ATDOnline® allows the company to both process and print orders automatically at the appropriate distribution center within a few minutes from the time the orders were entered. It also provides solutions for logistics management, distribution, and installation services. As a result, orders are shipped expeditiously and efficiently to meet customers' expectation for same- or next-day delivery.

ATD has invested in its inventory and warehouse management systems and logistics technology to improve efficiency, profit margins, and customer service. For example, the Oracle ERP platform was only in the United States until its implementation was completed in Canada in February 2017. ATD is seeking to further integrate new technical solutions and enhance its existing information technology infrastructure. As such, ATD has been evaluating and incorporating handheld scanning for receiving, picking, and delivering product to customers in addition to customized electronic solutions and POS systems integration for larger customers. Accordingly, its continuous effort to make improvements to the current distribution infrastructure and inventory management and routing technology will provide a competitive advantage in the replacement tire distribution industry.

(3) **Online Services**

The Debtors have developed an array of resources that enable customers to operate their businesses more profitably and better serve their respective markets. These services range from access to and timely delivery of the broadest product offerings available in the industry to fundamental business support services, which include administering tire manufacturer affiliate programs and credit and training and access to consumer market data. In addition to ATDOnline®, the company relaunched TireBuyer.com® in 2012 to allow U.S. independent tire retailers to market their tires on the Internet to prospective consumers that would not otherwise be accessible. TireBuyer.com®'s updated website enhances the overall consumer experience and resulted in increased traffic to the site. Moreover, the Tire Pros® franchise program enables the Company to deliver advertising and marketing support to tire retailers operating as Tire Pros® franchisees. ATD has been focused on continuing to upgrade and improve the Tire Pros® franchise program and seek opportunities to develop similar opportunities for its customers in the future. It is ATD's belief these enhancements, combined with other initiatives, will continue to provide ATD with significant growth opportunities.

Tire Pros® is a franchise program through which qualified U.S. independent tire retailers can receive advertising and marketing support. Additionally, local participants in the program can receive the benefits of a national brand identity with minimal investment while still maintaining their local identities. ATD is able to increase volume penetration among and further align itself with their franchisees in the process. As such, the value-added services improve their ability to integrate their infrastructure with their customers' operations and enable them to maintain high rates of customer retention and build strong customer loyalty.

(4) **Business Development**

Various marketing strategies have been designed to drive growth through customer service. Such strategies add significant value to the Debtors' customers, thus promoting retention and loyalty to the brand. One such marketing initiative that the Debtors' employ involves assisting manufacturers in administering and managing certain manufacturer-run programs designed for tire retailers that sell the respective manufacturer's products. These programs provide cooperative advertising funds, volume discounts, and other incentives for participating tire

retailers, which provides them with significant value. Such programs include Continental's Gold®, Kumho's Fuel®, and Michelin's Alliance®.

In addition, there is also a structured sales team in the company that is intended to both serve its existing customers and develop new prospective customers. This sales force is made up of two components: (a) personnel and customer service representatives across regions that the Debtors' distribution networks service and (b) a sales administrative team that is centrally located at the field support center in Huntersville, North Carolina. Generally, sales personnel are tasked with either visiting targeted customers to promote business opportunities or remaining at the company's facility to perform outreach to customers to advance specific products or programs. Customer service representatives manage incoming calls from customers and provide assistance with order placement, inventory inquiries, and general customer support. The salespeople and customer service representatives also play a consultative role to tire retailers in light of tire manufacturers reducing their own sales teams that used to serve in such roles to tire retailers. They are also continuously seeking to acquire to new customers, including automotive dealerships that are focused on growing their service business to expand profitability.

(5) Legal Proceedings

From time to time, the Debtors are involved in various lawsuits that either arise out of or are incidental to conducting business in the ordinary course. Such proceedings include contract disputes, employment matters, and personal injury allegations, among other things, that have been brought against the Debtors. There are also lawsuits that the company has initiated against third parties in an effort to protect its rights. The Debtors believe that the pending legal proceedings are not material and likely will not adversely affect their operations and financial conditions.

C. Prepetition Transactions

(1) TPG Acquisition

On April 20, 2010, American Tire Distributors Holdings, Inc. ("Holdings") entered into an Agreement and Plan of Merger (the "Agreement") with Accelerate Holdings Corp., a Delaware corporation, (the "Buyer") Accelerate Acquisition Corp., a Delaware corporation and the Buyer's wholly owned subsidiary, (the "Merger Sub") and another entity that served as a representative for Holdings' stockholders, option holders, and warrant holders. The Agreement provided that Merger Sub and Holdings would merge, and Holdings would continue as the surviving corporation. ATD Distributors, Inc. issued $250 million in aggregate principal amount of senior secured notes due 2017 to finance the merger under the Agreement, among other things. TPG Capital, L.P. ("TPG"), a private equity and venture capital firm, controlled the Buyer, which paid approximately $1.3 billion under the Agreement for approximately 93% of Holdings' outstanding shares.

The board of directors of Holdings reviewed and unanimously approved the Agreement as fair to and in the best interest of the company and its stakeholders. Accordingly, the board declared the Agreement advisable and resolved to recommend that the stockholders adopt the Agreement. Shortly thereafter, stockholders representing 100% of Holdings' outstanding capital stock delivered a written consent to adopt the Agreement, the transaction, and the merger contemplated thereunder.

(2) Ares Transaction

In February 2015, TPG sold approximately half of its equity stake in Holdings to Ares Management, L.P. ("Ares") and certain co-investors for $620 million (the "Ares Transaction"). As a result, TPG and Ares own an equal share of the Debtors. Further details regarding the debt transaction, including the dividend payment to TPG, are included in section II.D.4 entitled "Senior Subordinated Notes."

D. Prepetition Capital Structure

On the Petition Date, the Debtors had approximately $2,568 million of funded debt. This amount included approximately $639 million under the senior secured ABL Facility, $695 million in aggregate principal amount outstanding under the Debtors' senior secured Term Loan Facility, and $1,050 million in aggregate principal amount

of Senior Subordinated Notes. Although the ABL/FILO Facility is split between U.S. and Canadian facilities, each with a revolving tranche and a FILO tranche, the Canadian entities are not debtors in these Chapter 11 Cases. Moreover, since the Petition Date, amounts outstanding under the ABL Facility have been "rolled up" into the ABL DIP Facility and amounts outstanding under the FILO Facility have been paid down. Additional details regarding this and the instruments evidencing the Debtors' funded debt are discussed below.

(1) **The ABL/FILO Facility**

American Tire Distributors, Inc. ("ATDI") and Hercules, as borrowers, Holdings, as guarantor, certain lender parties, and Bank of America, N.A., as administrative agent and collateral agent, (the "ABL Agent") are parties to an amended and restated credit agreement, dated April 21, 2015 (as amended pursuant to the First Amendment thereto dated as of September 23, 2015, the Second Amendment thereto dated as of January 19, 2016, the Third Amendment thereto dated as of February 10, 2017, and the Fourth Amendment thereto dated as of September 4, 2018, and as at any time further amended, restated, supplemented, or otherwise modified from time to time, the "ABL Credit Agreement"). This agreement allowed the U.S. business to access approximately $917.5 million in revolving credit commitments, including approximately $80 million in letters of credit (the "ABL Facility"). In addition, the ABL Credit Agreement provided approximately $80 million from a first in, last out facility (the "FILO Facility" and, collectively with the ABL Facility, the "ABL/FILO Facility"). The U.S. entities' eligible receivables and inventory served as the primary collateral and borrowing base for the ABL/FILO Facility.

On the Petition Date, approximately $639 million remained outstanding under the ABL Facility with approximately $71 million outstanding in letters of credit, leaving approximately $14 million available for additional borrowings under the ABL Facility. However, pursuant to the terms of the DIP Facility, the $639 million under the ABL Facility has been "rolled-up" into the ABL DIP Facility. Additionally, approximately $57 million also remained outstanding under the FILO Facility on the Petition Date, but such amount has been subsequently paid down and approximately $190 million of new liquidity became available to the Debtors thereafter under the FILO DIP Facility.

(2) **Term Loan Credit Facility**

ATDI, as borrower, Holdings, Hercules, and Terry's Tire Town Holdings, Inc., as guarantors, certain lender parties, and Bank of America N.A., as administrative agent, (the "Term Loan Agent") entered into a term loan agreement March 28, 2014 (as amended by that certain Incremental Amendment No. 1, dated as of June 16, 2014, that certain Amendment No. 2, dated as of February 25, 2015 and that certain Amendment No. 3, dated as of April 1, 2015, and as further amended, restated, supplemented, or otherwise modified from time to time, the "Term Loan Credit Agreement"). Substantially all U.S. assets other than inventory (with a junior lien on the other assets constituting borrowing base collateral (including receivables) for the ABL Facility), but including proceeds from any inventory, serve as collateral for the Term Loan Facility provided for under the Term Loan Credit Agreement (the "Term Loan Facility"). The maturity date for the Term Loan Facility is September 1, 2021. As of the Petition Date, approximately $695 million in aggregate principal amount remained outstanding under the Term Loan Facility.

(3) **Intercreditor Agreement**

ATDI entered into a lien subordination and intercreditor agreement dated May 28, 2010, (the "Intercreditor Agreement") among ATDI, ABL Agent, and The Bank of New York Mellon Trust Company, N.A. (formerly, the collateral agent and trustee for the noteholders under the indenture governing certain senior secured notes due 2017). Subsequently, the Term Loan Agent became the replacement noteholder collateral agent thereunder. The Intercreditor Agreement sets forth the agreements between the ABL Agent and the Term Loan Agent with respect to the priority of liens in the collateral securing the ABL/FILO Facility and the Term Loan Facility and the rights and remedies with respect thereto.

(4) **Senior Subordinated Notes**

In connection with the Ares Transaction, on February 25, 2015, ATD Finance Corp., an ATDI wholly-owned subsidiary and non-debtor in these chapter 11 cases, issued $855 million in aggregate principal of 10.25%

senior subordinated notes due 2022 (the "Initial 10.25% Subordinated Notes"). The net proceeds were used to repay indebtedness outstanding under its U.S. ABL Facility, redeem all of its then outstanding 11.5% senior subordinated notes due 2018, pay a cash dividend to enable the company's ultimate parent company to fund a cash dividend or other payment to certain of its existing equity security holders prior to the Ares Transaction, and pay related fees and expenses. Concurrently with the closing of the Ares Transaction, ATDI assumed all of ATD Finance Corp.'s obligations under the Initial 10.25% Subordinated Notes.

Additionally, the Debtors acquired Albert Tire, LLC in June 2015 as part of their growth-by-acquisition strategy, which resulted in ATDI issuing an additional $75 million in the aggregate principal amount of its 10.25% senior subordinated notes due 2022 (the "Additional 10.25% Subordinated Notes") on June 30, 2015. The Additional 10.25% Subordinated Notes were issued at a premium from their principal amount at maturity and generated approximately $76.1 million in net proceeds.

On March 30, 2017, ATDI issued an additional $120 million in aggregate principal amount of its 10.25% senior subordinated notes due 2022 (the "New 10.25% Subordinated Notes" and, collectively with the Initial 10.25% Subordinated Notes and the Additional 10.25% Subordinated Notes, the "Senior Subordinated Notes"). The New 10.25% Subordinated Notes were issued at par. ATDI used the proceeds to repay indebtedness outstanding under the U.S. ABL Facility and to pay related fees and expenses. Holdings and substantially all of ATDI's existing and future wholly-owned domestic subsidiaries, other than Tire Pros Francorp, guarantee the Senior Subordinated Notes, all of which have identical terms. The Senior Subordinated Notes will mature on March 1, 2022.

(5) Capital Lease Obligations

During the fiscal year ending January 2, 2016, ATD entered into a lease agreement for a 1,000,000 square foot redistribution center building in Shafter, California. The lease has a 20-year term with two five-year renewal options.

In addition, in 2002, the Debtors completed an agreement for the sale and leaseback of three facilities owned by the Debtors. On February 1, 2012, the Debtors reacquired one of the three facilities included in the 2002 sale-leaseback transaction for approximately $1.5 million. Accordingly, the original lease was amended to extend the lease term on the two remaining facilities an additional five years as well as to adjust the future lease payments over the remaining 15 years. At the end of the lease term, the Debtors will recognize the sale of the remaining facilities; however, no gain or loss will be recognized as the financing obligation will equal the expected carrying value of the facilities. As of the Petition Date, the outstanding balance of the financing obligation is $60 million.

III. EVENTS LEADING TO THE CHAPTER 11 CASES

The Debtors' Plan provides for a comprehensive balance sheet restructuring of their funded debt obligations. Given the events described in greater detail below and other considerations, the Debtors have concluded in an exercise of their business judgment and as fiduciaries for all of the Debtors' stakeholders that the best path to maximize the value of their businesses is to implement the Plan in accordance with the RSA.

A. Changes in the Replacement Tire Market

(1) Disintermediation Risk

In 2018, several tire manufacturers have formed joint venture partnerships to distribute their products directly to tire retailers, thus posing a disintermediation risk to the industry and increasing competition. Two of such joint venture partnerships were formed between (a) Bridgestone Americas, Inc. ("Bridgestone") and Goodyear Tire & Rubber Company ("Goodyear") and (b) Michelin North America Inc. ("Michelin") and Sumitomo Corporation of Americas ("Sumitomo"). Bridgestone and Goodyear formed TireHub, LLC ("Tirehub") in April 2018 and stopped supplying ATD with inventory in August and September 2018, respectively, which together accounted for approximately 25% or nine million units in aggregate unit sales for fiscal 2017. ATD recognizes that this disruption to their inventory supply might cause their EBITDA to decline, which was flat year-over-year for the second quarter in 2018. The company's transition away from Goodyear and Bridgestone affected their inventory supply levels and, thus, its borrowing base under their ABL Facility, as the company seeks to develop new relationships with other tire

manufacturers. However, Michelin and Sumitomo have continued to supply ATD with tires and other products as of the date hereof, even though they have created a joint venture partnership to operate under the NTW brand.

(2) **Online Disruptions**

The retail environment has been experiencing a shift towards online sales and marketing, thus causing companies with a primarily online business to have a competitive edge over those with significant brick-and-mortar operations. The replacement tire industry is not an exception to this trend. In particular, Amazon® and Sears® announced that they reached a deal to allow customers to purchase replacement tires online and have them installed at a Sears® store location. This development, among other things, have increased competition in the industry, which further impacts pricing power, market share, and liquidity in the replacement tire market.

Despite these developments, ATD has designed a strategic path forward to continue providing exceptional value to customers through offering one of the broadest product selections in the industry in addition to various online services, marketing support, and a reliable delivery system, among other things. This strategy involves maintaining strong relationships with existing suppliers and creating new relationships with vendors and manufacturers around the world. The company also intends to continue investing in its technology and online platforms so as to optimize its operations and allow the company to stay ahead of consumer trends and preferences. The initiatives that ATD has implemented places it in a position to execute on its customer value proposition while it enhances the services, tools, and support provided to customers.

B. <u>Response to Market Conditions</u>

(1) **Operational Responses to Market Risks and Liquidity Concerns**

In response to deteriorating market conditions, the Debtors remain strategically focused on maximizing the value of their enterprise and seizing opportunities for growth.

(a) *Strategic Efforts*

ATD has started to address their financial difficulties and the risks in replacement tire industry through executing the following initiatives:

- creating new management roles tasked with targeting vendors and customers to help increase sales and strengthen and expand the Debtors' relationships with retailers;
- developing strategies with key tire retailers, rental companies, and automotive aftermarket retailers to increase sales of productions from competitors of Goodyear and Bridgestone to replace anticipated volume losses that might result from TireHub;
- streamlining the distribution network in oversaturated markets;
- expanding product availability and increasing the market share that the Debtors' proprietary brands currently occupy;
- continuing to upgrade and improve the Tire Pros® franchise program and seeking other opportunities that will benefit its customers;
- investing in inventory and warehouse management systems and logistics technology to improve efficiency, profit margins, and customer service, including further integrating new technical solutions to enhance the Debtors' existing information technology infrastructure;
- implementing strategic operational cost savings initiatives across the enterprise, which has led to the company (a) re-examining its travel and procurement policies and rationalizing purchasing authority, which represents estimated savings between $30 million to $35 million, and (b) terminating approximately 100 associates at the company's field support office, which has generated approximately $6 million in total cost savings; and

- retaining Kirkland & Ellis LLP ("K&E"), as legal advisor, Moelis & Company ("Moelis"), as financial advisor and investment banker, and AlixPartners LLP ("AlixPartners"), as restructuring advisors, to explore restructuring alternatives, which has involved analyzing the company's capital structure and potential liquidity sources and determining the right runway to enable the company to right-size its balance sheet and address its debt servicing load.

(b) *Organizational Changes*

The Debtors' leadership team has been instrumental in the company being at the forefront of technology, customer service, and product development. Accordingly, in 2018, ATD created a new executive role—chief growth and innovation officer—to oversee the retail, marketing, e-commerce, brand, digital investment, and innovation aspects of the company and ensure that ATD was staying ahead of consumer trends and evolving shopping behavior. A new chief of digital and technology services was also hired to facilitate these operational initiatives, among other things.

In June 2018, the board of directors of ATD Corporation established a transactions committee (the "Transactions Committee") and appointed Thomas B. Mangas and James Micali to the Transactions Committee as independent directors. These steps were taken to ensure a thorough and fair process with respect to analyzing, developing, and implementing the Debtors' strategic alternatives. In particular, the Transactions Committee is authorized to review transactions and negotiations that could result in a conflict of interest, including a potential restructuring transaction. The Transaction Committee met regularly throughout July and August 2018 with the Debtors and their advisors to evaluate the merits of proposed transactions.

On August 13, 2018, two independent board members were appointed to ATD's board of directors and Transactions Committee: Marc Beilinson and Russell A. Belinsky. Messrs. Beilinson and Belinsky have significant restructuring experience and can assist with the Debtors' current operational and financial matters. Their appointment to the board will better position the Debtors to address their present financial and operational challenges in the changing replacement tire industry.

(2) **The RSA and DIP Financing**

In July 2018, ATD commenced discussions with an ad hoc group of Noteholders, an the Term Loan Lender Committee, and the Sponsors regarding a transaction that would enable the Debtors to right-size their balance sheet and manage their vendor issues. These good faith and arm's-length negotiations eventually led the Debtors, the Sponsors, and the Consenting Noteholders to enter into the Initial RSA on October 4, 2018. The Debtors later announced on October 5, 2018, that an agreement in principal had been reached with certain Term Loan Lenders holding a majority of the outstanding Term Loan Claims to support the terms of the Initial RSA and participate in the DIP Facility. On October 10, 2018, the Debtors, the Consenting Noteholders holding approximately 75 percent of the Senior Subordinated Notes Claims, the Consenting Term Loan Lenders holding approximately 78 percent of the Term Loan Claims, and the Sponsors entered into the Amended RSA, attached hereto as **Exhibit B**, which incorporates the terms of the Term Loan Settlement.

The RSA contemplates a comprehensive reorganization that will deleverage the company's balance sheet by over $1.1 billion. The key terms of the restructuring are as follows:

- Holders of Senior Subordinated Notes will receive their pro rata share (based on the aggregate principal amount of Senior Subordinated Notes Claims) of 95% of the common equity of Reorganized ATD (the "New Equity"), subject to dilution by the Employee Incentive Plan and the New Warrants;

- The Sponsors will receive (a) 5% of the New Equity, subject to dilution by the Employee Incentive Plan and the New Warrants, and (b) warrants to acquire New Equity on a fully diluted basis (the "New Warrants");

- The Amended ABL Facility will be used to, among other things, make Full Payment of the DIP Facility Claims and the ABL Facility Claims;

- The Term Loan Facility will remain outstanding, with a maturity extension, modifications of the covenants, collateral package, and economic terms (including interest rate) in the Term Loan Credit Agreement, and additional terms consistent with the Plan and the RSA; and

- Allowed General Unsecured Claims will receive (a) payment in full, in cash or (b) other treatment that will render such Claims unimpaired.

Additionally, the Debtors have secured the DIP Facility to ensure adequate liquidity during the Chapter 11 Cases. The DIP Facility provides approximately $1,230 million in aggregate postpetition financing, including approximately $980 million (including $180 million available to the Debtors' non-Debtor Canadian affiliates) under a senior secured superpriority ABL DIP Facility and $250 million in senior secured superpriority FILO DIP Facility. The $639 million outstanding under the ABL Facility on the Petition Date has been "rolled up" into the ABL Facility, $57 million under the FILO Facility was paid down, and $190 million of new liquidity became available thereafter in accordance with the terms of the FILO DIP Facility. The Term Loan Lenders and Consenting Noteholders (and other Noteholders that may choose to participate) will fund the FILO DIP Facility and provide such new money financing in accordance with the Term Loan Settlement.

Moreover, the RSA provides that the Term Loan Facility will be amended and extended three years to and including September 1, 2024, and will modify the covenants, collateral package, and economic terms (including interest rate) in the Term Loan Credit Agreement. The Debtors have agreed pursuant to the RSA to provide additional collateral to the Term Loan Lenders as security, which includes a junior lien on inventory and a lien on the equity of the Canadian entity and assets. Certain Canadian entities may also serve as guarantors in accordance with the terms of the Term Loan Settlement, as incorporated in the Plan and the RSA. Further, the Debtors and the Consenting Noteholders (including certain Noteholders that may choose to participate) and Term Loan Lenders that participate in the FILO DIP Facility pursuant to the DIP Credit Agreement have agreed to convert the FILO DIP Facility into exit financing, which consists of $100 million of additional term loans identical to the Amended Term Loan Facility and to be issued under the Amended Term Loan Credit Agreement and a $150 million first in, last out tranche under the Amended ABL Facility.

The RSA contains important milestones designed to ensure that ATD moves expeditiously towards Plan confirmation. These milestones include, among other things, that (a) no later than **December 31, 2018**, the Bankruptcy Court must have entered an order approving the Disclosure Statement; (b) no later than **February 15, 2019**, the Bankruptcy Court must have entered the Confirmation Order; and (c) no later than **February 28, 2019**, the Plan's Effective Date must have occurred.

IV. EVENTS OF THESE CHAPTER 11 CASES

A. First Day Relief

On the Petition Date, the Debtors filed voluntary petitions for relief under chapter 11 (the "Petitions") of the Bankruptcy Code and various motions to facilitate the Chapter 11 Cases, minimize disruption to the Debtors' businesses, and continue operating as a going concern. The relief sought in the "first day" pleadings allowed the Debtors to transition seamlessly into chapter 11 and aided in preserving the Company's going-concern value. The Bankruptcy Court approved certain first day pleadings on an interim basis on October 5, 2018. Importantly, the Debtors received interim authority to, among other things, enter into the DIP Facility, pay employee wages and benefits, continue to utilize its cash management system, and continue to pay critical suppliers and vendors in full under pre-existing trade terms. The Interim DIP Order also granted adequate protection in the form of postpetition interest payments, replacement liens, and reimbursement of professional fees and expenses to the ABL Lenders and Term Loan Lenders. A hearing to consider approving these and other "first day" motions on a final basis is scheduled for October 26, 2018. A copy of the first day motions and the orders that have been entered thereto can be viewed at http://www.kccllc.net/ATD.

B. Retention of Chapter 11 Professionals

On October 15, 2018, the Debtors filed several applications to obtain authority to retain various professionals to assist their Chapter 11 Cases. These professionals include (a) K&E, as counsel, (b) Pachulski Stang Ziehl & Jones, as local counsel, (c) AlixPartners, as restructuring advisors, (d) Moelis, as investment banker, and (e) KCC, as solicitation agent and administrative agent. A hearing to consider approving these retention applications is scheduled for November 5, 2018. A copy of the retention applications can be viewed at http://www.kccllc.net/ATD.

C. Appointment of Committee of Unsecured Creditors

On October 19, 2018, the U.S. Trustee appointed the following constituents to the Committee of Unsecured Creditors: (a) Continental Tire The Americas, LLC; (b) Cooper Tire & Rubber Company; (c) Michelin North America, Inc.; (d) Sumitomo Rubber of North America; (e) Sailun Jinyu Group, LTD.; (f) Pirelli Tire LLC c/o Pirelli North America, Inc.; and (g) Ryder Truck Rental d/b/a Ryder Transportation Services.

D. Debtor in Possession Financing

The Debtors secured their DIP financing from their current ABL Lenders, the Noteholders, and the Term Loan Lenders pursuant to a post-petition credit agreement dated as of October 9, 2018 (the "DIP Credit Agreement"). The DIP Facility consists of an approximately $980 million (including $180 million available to the Debtors' Canadian affiliates) senior secured superpriority revolving credit facility and $250 million in senior secured superpriority first in, last out credit facility, which the Noteholders and Term Loan Lenders will each fund $125 million.

On October 5, 2018, the Bankruptcy Court approved the DIP financing for the Debtors' operations, working capital, and other general corporate purposes on an interim basis [Docket No. 109] (the "Interim DIP Order"). Upon entry of the Interim DIP Order, $639 million in outstanding obligations under the U.S. portion of the ABL Facility was "rolled-up" into the ABL DIP Facility and $57 million of the U.S. portion of the FILO Facility was paid down, at which time $190 million of new liquidity became available to the Debtors under the FILO DIP Facility. A hearing to consider approving the DIP Facility on a final basis is scheduled for October 26, 2018.

E. Schedules and Statements

On the Petition Date, the Debtors filed a motion (the "Schedules and Statements Motion") [Docket No. 9] seeking to extend the time to file their schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases, and statements of financial affairs (collectively, the "Schedules and Statements") to December 3, 2018. The Bankruptcy Court will consider the Schedules and Statements Motion at the October 26, 2018, hearing.

F. Litigation Matters

In the ordinary course of business, the Debtors are parties to certain lawsuits, legal proceedings, collection proceedings, and claims arising out of their operations. The Debtors cannot predict with certainty the outcome of these lawsuits, legal proceedings, and claims. With certain exceptions, the filing of the Chapter 11 Cases operates as a stay with respect to litigation being commenced or continued against the Debtors that was or could have been commenced before the Petition Date. Any litigant's ability to collect on liabilities resulting therefrom is stayed due to these Chapter 11 Cases generally, with such claims being subject to discharge, settlement, and release upon Plan confirmation, with certain exceptions.

V. THE PLAN

A. Unclassified Claims

(a) *Administrative Claims*

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

Except as otherwise provided in Article II.A of the Plan, and except with respect to Administrative Claims that are DIP Facility Claims, Professional Fee Claims, or Cure Claims, requests for payment of Administrative Claims must be Filed with the Bankruptcy Court and served on the Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be Filed with the Bankruptcy Court and served on the Debtors and the requesting party no later than sixty (60) days after the Administrative Claims Bar Date, subject to extensions by the Bankruptcy Court, agreement in writing of the parties, or on motion of a party in interest approved by the Bankruptcy Court. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be Filed with the Bankruptcy Court with respect to an Administrative Claim previously Allowed.

(b) *Professional Fee Claims*

All requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than forty-five (45) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Reorganized Debtors shall pay Professional Fee Claims in Cash in the amount the Bankruptcy Court Allows, including from the Professional Fee Escrow Account, which the Reorganized Debtors will establish in trust for the Professionals and fund with Cash equal to the Professional Fee Amount on the Effective Date. Professionals shall deliver to the Debtors their estimates for purposes of the Reorganized Debtors computing the Professional Fee Amount no later than five (5) Business Days prior to the anticipated Effective Date. For the avoidance of doubt, no such estimate shall be deemed to limit the amount of the fees and expenses that are the subject of a Professional's final request for payment of Professional Fee Claims Filed with the Bankruptcy Court. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. No funds in the Professional Fee Escrow Account shall be property of the Estates. Any funds remaining in the Professional Fee Escrow Account after all Allowed Professional Fee Claims have been paid will be turned over to the Reorganized Debtors.

From and after the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such

date shall terminate, and the Reorganized Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

(c) *DIP Facility Claims*

i. Allowance

The DIP Facility Claims shall be deemed to be finally Allowed for all purposes as fully Secured Claims and shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity.

ii. Full Payment of DIP Facility Claims

Except to the extent that a Holder of an Allowed DIP Facility Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of each Allowed DIP Facility Claim, on the Effective Date, each Holder thereof will receive the DIP Facility Payoff. Unless and until the DIP Facility Payoff has occurred, notwithstanding entry of the Confirmation Order and anything to the contrary in this Plan or the Confirmation Order, (i) none of the DIP Facility Claims shall be discharged, satisfied or released or otherwise affected in whole or in part, and each of the DIP Facility Claims shall remain outstanding, (ii) none of the Liens securing the DIP Facility shall be deemed to have been waived, released, satisfied or discharged, in whole or in part, and (iii) neither the DIP Credit Agreement nor any other agreement, instrument or document executed at any time in connection therewith shall be deemed terminated, discharged, satisfied or released or otherwise affected in whole or in part, and each such agreement, instrument and document shall remain in effect.

(d) *Priority Tax Claims*

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code and, for the avoidance of doubt, Holders of Allowed Priority Tax Claims will receive interest on such Allowed Priority Tax Claims after the Effective Date in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code.

(e) *United States Trustee Statutory Fees*

The Debtors and the Reorganized Debtors, as applicable, shall pay all United States Trustee quarterly fees under 28 U.S.C. § 1930(a)(6), plus any interest due and payable under 31 U.S.C. § 3717 on all disbursements, including Plan payments and disbursements in and outside the ordinary course of the Debtors' or Reorganized Debtors' business (or such amount agreed to with the United States Trustee or ordered by the Bankruptcy Court), for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

B. Classified Claims and Interests

(1) Classified Claims and Interests Summary

The Plan establishes a comprehensive classification of Claims and Interests. The table below summarizes each Claim's and Interest's classification, treatment, and voting rights under the Plan.

(2) Classified Claims and Interests Treatment

Each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, settlement, release, and discharge of and in exchange for such Holder's Allowed Claim or Allowed Interest, except to the extent that a Holder agrees to less favorable

treatment. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the Effective Date.

Class	Classified Claims	Treatment	Voting Rights
1	Other Secured Claims	Each Holder of an Allowed Other Secured Claim shall receive, at the option of the Debtors and, if outside the ordinary course of business, with the consent of the Required Consenting Noteholders with respect to Allowed Other Secured Claims in excess of $1,250,000 (which consent shall not be unreasonably withheld), either: (a) payment in full in Cash; (b) Reinstatement of such Allowed Other Secured Claim pursuant to section 1124 of the Bankruptcy Code; (c) delivery of the collateral securing any such Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; or (d) such other treatment rendering such Allowed Other Secured Claim Unimpaired.	Not Entitled to Vote (Deemed to Accept)
2	Other Priority Claims	Each Holder of an Allowed Other Priority Claim shall receive, at the option of the Debtors and, if outside the ordinary course of business, with the consent of the Required Consenting Noteholders with respect to Other Priority Claims in excess of $1,250,000 (which consent shall not be unreasonably withheld), either: (a) payment in full in Cash; (b) Reinstatement of such Allowed Other Priority Claim pursuant to section 1124 of the Bankruptcy Code; or (c) such other treatment rendering such Allowed Other Priority Claim Unimpaired.	Not Entitled to Vote (Deemed to Accept)
3	ABL Claims	On the Effective Date, each Holder of an Allowed ABL Claim shall receive, at the election of such Holder, either: (a) Full Payment of such Allowed ABL Claim in Cash; or (b)(i) new loans under the Amended ABL Facility in an amount equal to the principal amount of loans under the ABL Facility held by such Holder as of the Effective Date, and (ii) Cash in an amount equal to the accrued but unpaid non-default interest payable to such Holder under the ABL Credit Agreement as of the Effective Date (if any).	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	On the Effective Date, each Holder of an Allowed Term Loan Claim shall receive (a) new term loans under the Amended Term Loan Facility in a principal amount equal to the principal amount of Term Loan Claims under the Term Loan Facility held by such Holder as of the Effective Date, (b) its Pro Rata Share of the Amended Term Loan Additional Amount; and (c) Cash in an amount equal to the accrued but unpaid non-default interest payable to such Holder under the Term Loan Facility as of the Effective Date and any other amounts due and owing pursuant to the Term Loan Credit Agreement through and including the Effective Date.	Entitled to Vote
5	Senior Subordinated Notes Claims	Each Noteholder shall receive its Pro Rata Share of the Noteholder Equity Recovery.	Entitled to Vote

Class	Classified Claims	Treatment	Voting Rights
6	General Unsecured Claims	Each Holder of an Allowed General Unsecured Claim shall receive either: (a) Reinstatement of such Allowed General Unsecured Claim pursuant to section 1124 of the Bankruptcy Code; or (b) payment in full in Cash on (i) the Effective Date, or (ii) the date due in the ordinary course of business in accordance with the terms and conditions of the particular transaction giving rise to such Allowed General Unsecured Claim.	Not Entitled to Vote (Deemed to Accept)
7	Intercompany Claims	Intercompany Claims shall be, at the option of Reorganized ATD, either: (a) Reinstated; or (b) cancelled and released without any distribution on account of such Claims.	Not Entitled to Vote (Deemed to Accept or Reject)
8	Section 510(b) Claims	Section 510(b) Claims shall be discharged, cancelled, released and extinguished without any distribution and Holders of Class 8 Section 510(b) Claims shall receive no recovery.	Not Entitled to Vote (Deemed to Reject)
9	Intercompany Interests	Intercompany Interests shall be, at the option of Reorganized ATD, either: (a) Reinstated; or (b) cancelled and released without any distribution on account of such Interests.	Not Entitled to Vote (Deemed to Accept or Reject)
10	Interests	Each Holder of an Allowed Interest shall receive its Pro Rata Share of: (a) the Equity Recovery, subject to dilution by the Employee Incentive Plan and the New Warrants; and (b) the New Warrants. In addition, on the Effective Date, the Debtors or the Reorganized Debtors, as applicable, shall pay in full in Cash all Sponsor Fees and Expenses and TPG Field Operations Fees, as applicable. Such payment shall be fully approved and authorized by the Confirmation Order without need for: (a) any separate application by the Sponsors or their professionals; or (b) the entry of any order from the Bankruptcy Court other than the Confirmation Order.	Entitled to Vote

(3) **Special Provision Governing Unimpaired Claims**

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' or the Reorganized Debtors' rights in respect of any Unimpaired Claim, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claim.

C. <u>Provisions for Implementing the Plan</u>

(1) **Restructuring Transactions**

On or before the Effective Date, the Debtors, with the consent (not to be unreasonably withheld) of the Required Consenting Noteholders and, to the extent such consent is required under the RSA, the Required Consenting Term Loan Lenders may take any actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by or necessary to effectuate the Plan, in each case subject to the Financing Order and any limitations or agreements set forth in the RSA, the DIP Credit Agreement, the Amended Term Loan Documentation, or the Amended ABL Documentation, including: (a) the execution and delivery of appropriate agreements, including any Definitive Documentation, or other documents of merger, amalgamation, consolidation,

restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or reorganization containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law and any other terms to which the applicable Entities may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, duty, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (c) the filing of appropriate certificates of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, dissolution, or other organizational documents pursuant to applicable law; (d) all transactions necessary to provide for the purchase of substantially all of the assets or Interests of any of the Debtors by one or more Entities to be wholly owned by Reorganized ATD, which purchase may be structured as a taxable transaction for United States federal income tax purposes; and (e) all other actions that the applicable Debtors or Reorganized Debtors determine are necessary or appropriate.

The Confirmation Order shall and shall be deemed to, pursuant to both section 1123 and section 363 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan.

(2) **Reorganized Debtors**

On the Effective Date, the New Board shall be established, and the Reorganized Debtors shall adopt their respective New Organizational Documents. The Reorganized Debtors shall be authorized to adopt any other agreements, documents, and instruments and to take any other actions contemplated under the Plan as necessary to consummate the Plan and the New Board shall adopt the Employee Incentive Plan as of the Effective Date.

(3) **Sources of Consideration for Plan Distributions**

The Reorganized Debtors will fund Plan distributions with (a) the proceeds from the Amended ABL Facility, (b) the Amended Term Loan, (c) the New Equity, (d) the New Warrants, and (e) Cash on hand, including Cash from operations. All related documents and distributions made thereto shall become effective in accordance with their terms and the Plan.

(a) *Amended ABL Facility*

On the Effective Date, the Reorganized Debtors shall enter into the Amended ABL Facility on the terms and conditions set forth in the Amended ABL Documentation. Confirmation of the Plan shall be deemed approval of the Amended ABL Facility and the Amended ABL Documentation and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including, without limitation, the granting of Liens on and security interests in all of the assets of each Reorganized Debtor securing such Reorganized Debtor's indebtedness, liabilities and obligations under the Amended ABL Documentation and the payment of all fees, indemnities, and expenses provided for therein, and authorization of the Reorganized Debtors to enter into and execute the Amended ABL Documentation and such other documents as may be required to effectuate the Amended ABL Facility. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Amended ABL Documentation (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Amended ABL Documentation, (c) shall be deemed perfected on the Effective Date automatically, without the necessity of filing or recording any financing statement, assignment, pledge, notice of lien or any similar document or instrument or taking any action (including taking possession of any such collateral), but the Amended ABL Agent and the Amended ABL Lenders, in their discretion, shall be authorized to make any such recording or filing or to take any such action, and in such event the Reorganized Debtors shall cooperate with and assist the Amended ABL Agent and the Amended ABL Lenders, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

(b) *Amended Term Loan Facility*

On the Effective Date, the Reorganized Debtors shall enter into the Amended Term Loan Facility on the terms and conditions set forth in the Amended Term Loan Documentation. Confirmation of the Plan shall be

deemed approval of the Amended Term Loan Facility and the Amended Term Loan Documentation and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including, without limitation, the granting of Liens on and security interests in all of the assets of each Reorganized Debtor securing such Reorganized Debtor's indebtedness, liabilities, and obligations under the Amended Term Loan Documentation and the payment of all fees, indemnities, and expenses provided for therein, and authorization of the Reorganized Debtors to enter into and execute the Amended Term Loan Documentation and such other documents as may be required to effectuate the Amended Term Loan Facility. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Amended Term Loan Documentation (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Amended Term Loan Documentation, (c) shall be deemed perfected on the Effective Date automatically, without the necessity of filing or recording any financing statement, assignment, pledge, notice of lien or any similar document or instrument or taking any action (including taking possession of any such collateral), and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

(c) *New Equity*

On the Effective Date, upon cancellation of the Interests, Reorganized ATD will issue the New Equity directly or indirectly to Holders of Claims and Interests to the extent provided in the Plan. The issuance of the New Equity, including New Equity reserved under the Employee Incentive Plan, shall be authorized without the need for any further corporate action and without any further action by the Holders of Claims or Interests or the Debtors or the Reorganized Debtors, as applicable. The New Organizational Documents shall authorize the issuance and distribution on the Effective Date of the New Equity to the Distribution Agent for the benefit of Entities entitled to receive the New Equity pursuant to the Plan. All of the New Equity issued under the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance of the New Equity under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

(d) *New Warrants*

On the Effective Date, Reorganized ATD shall issue the New Warrants directly or indirectly to the Holders of Interests in Class 10, in accordance with the Warrant Agreement. All of the New Warrants issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable.

(e) *Cash on Hand*

The Reorganized Debtors shall use Cash on hand to fund distributions to certain Holders of Claims, including the payment of Allowed General Unsecured Claims as set forth in Article III of the Plan.

(4) **Corporate Existence**

Except as otherwise provided in the Plan, each Debtor shall continue to exist as of the Effective Date as a separate corporation, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended by the Plan or otherwise, in each case, consistent with the RSA, and to the extent such documents are amended, such documents are deemed to be pursuant to the Plan and require no further action or approval.

(5) **Vesting of Assets in the Reorganized Debtors**

Except as otherwise provided in the Plan (including, for the avoidance of doubt, the Restructuring Transactions), in any agreement, instrument, or other document entered into in connection with or pursuant to the Plan, on the Effective Date, all property in each Debtor's Estate, all Causes of Action of the Debtors, and any property acquired by any of the Debtors under the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

(6) **Cancellation of Agreements and Equity Interests**

On the Effective Date, except as otherwise provided in the Plan (including, without limitation, with respect to the Amended Term Loan Documentation and the Amended ABL Documentation and any obligations thereunder, which shall not be cancelled or discharged hereunder), the Confirmation Order, any agreement, instrument, or other document entered into in connection with or pursuant to the Plan, all notes, instruments, Certificates, and other documents evidencing Claims against or Interests in the Debtors, shall be cancelled and the obligations of the Debtors or the Reorganized Debtors thereunder or in any way related thereto shall be discharged. Notwithstanding such cancellation and discharge, anything to the contrary contained in the Plan or Confirmation Order, or Confirmation or the occurrence of the Effective Date, however, any indenture, credit document or agreement and any other instrument, Certificate, agreement or other document that governs the rights, claims or remedies of the Holder of a Claim or Interest shall continue in full force and effect solely for purposes of: (a) allowing Holders of Allowed Claims and Allowed Interests to receive distributions under the Plan; and (b) allowing and preserving the rights of any Servicer, as applicable, to make distributions on account of Allowed Claims or Allowed Interests as provided in the Plan.

The offering, issuance, and distribution of any Securities, including the New Equity and the New Warrants (and the New Equity issued upon exercise of the New Warrants), pursuant to the Plan will be exempt from the registration requirements of section 5 of the Securities Act pursuant to section 1145 of the Bankruptcy Code or any other available exemption from registration under the Securities Act, as applicable. All shares of New Equity issued under the Plan will be issued without registration under the Securities Act or any similar federal, state, or local law in reliance upon section 1145 of the Bankruptcy Code. Shares of New Equity issued under the Plan in reliance upon section 1145 of the Bankruptcy Code are exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration prior to the offering, issuance, distribution, or sale of securities. Pursuant to section 1145 of the Bankruptcy Code, the New Equity and the New Warrants (and the New Equity issued upon exercise of the New Warrants) issued under the Plan: (a) are not "restricted securities" as defined in Rule 144(a)(3) under the Securities Act; and (b) are freely tradable and transferable by any holder thereof that (i) is not an "affiliate" of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act, (ii) has not been such an "affiliate" within ninety (90) days of such transfer, (iii) has not acquired the New Equity from an "affiliate" within one year of such transfer, and (iv) is not an Entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code.

Should the Reorganized Debtors elect, on or after the Effective Date, to reflect all or any portion of the ownership of the New Equity through the facilities of DTC, the Reorganized Debtors shall not be required to provide any further evidence other than the Plan or Confirmation Order with respect to the treatment of such applicable portion of the New Equity, and such Plan or Confirmation Order shall be deemed to be legal and binding obligations of the Reorganized Debtors in all respects.

DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the New Equity is exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

Notwithstanding anything to the contrary in the Plan, no Entity (including, for the avoidance of doubt, DTC) may require a legal opinion regarding the offering, issuance, and distribution of any Securities contemplated

by the Plan, including, for the avoidance of doubt, whether the New Equity is exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

(7) **New Organizational Documents**

To the extent required under the Plan or applicable non-bankruptcy law, on or as soon as reasonably practicable after the Effective Date, except as otherwise provided in the Plan, the Reorganized Debtors will file the New Organizational Documents with the applicable Secretary of State and/or other applicable authorities in the state, province, or country of incorporation in accordance with the applicable corporate laws of the respective state, province, or country of incorporation. No term of the New Organizational Documents with respect to the New Equity shall be inconsistent, other than to a de minimis extent, with the terms set forth herein or materially and adversely or disproportionately affect the rights or obligations of any holder of New Equity as compared to any other similarly situated holder of New Equity without the consent of such materially and adversely or disproportionately affected holder of New Equity. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Organizational Documents will prohibit the issuance of non-voting equity securities. After the Effective Date, the Reorganized Debtors may amend and restate New Organizational Documents, and the Reorganized Debtors may file their respective certificates or articles of incorporation, bylaws, or such other applicable formation documents, and other constituent documents as permitted by the laws of the respective states, provinces, or countries of incorporation and the New Organizational Documents.

(8) **Exemption from Certain Transfer Taxes and Recording Fees**

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a Reorganized Debtor or to any other Entity) of property under the Plan or pursuant to: (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Reorganized Debtors; (2) the Restructuring Transactions; (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, financing statement, or other security interest, or the securing of additional indebtedness by such or other means; (4) the making, assignment, or recording of any lease or sublease; (5) the grant or maintenance of collateral as security for any or all of the Amended ABL Facility or the Amended Term Loan Facility, as applicable; or (6) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forego the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

(9) **Directors and Officers of the Reorganized Debtor**

As of the Effective Date, the terms of the current members of the board of directors of the Debtors shall expire, and the New Board and new officers of each of the Reorganized Debtors shall be appointed in accordance with the New Organizational Documents and other constituent documents of each Reorganized Debtor. On the Effective Date, the New Board shall consist of: (a) the Chief Executive Officer of Reorganized ATD; (b) two (2) directors designated by the Sponsors; and (c) the remaining directors in a number to be determined by and designated by the Required Consenting Noteholders.

Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will, to the extent reasonably practicable, disclose in advance of the Confirmation Hearing the identity and affiliations of any person proposed to serve on the New Board, as well as those persons that will serve as officers of the Reorganized Debtors.

(10) **Insurance Policies**

The Debtors or the Reorganized Debtors, as applicable, shall not terminate or otherwise reduce the coverage under any directors' and officers' insurance policies (including, without limitation, any "tail policy") in effect prior to the Effective Date, and any directors and officers of the Debtors who served in such capacity at any time before or after the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and/or officers remain in such positions after the Effective Date. Notwithstanding anything to the contrary in this Plan, the Debtors or the Reorganized Debtors, as applicable, shall retain the ability to supplement such directors' and officers' insurance policies as the Debtors or Reorganized Debtors may deem necessary, including by purchasing any employee liability tail coverage.

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as Executory Contracts under the Plan. Unless otherwise provided in the Plan, on the Effective Date: (1) the Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims; and (2) such insurance policies and any agreements, documents, or instruments relating thereto shall revest in the Reorganized Debtors.

(11) **Preservation of Rights of Action**

In accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue any and all Causes of Action of the Debtors, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date, other than the following: (a) the Causes of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII of the Plan, which shall be deemed released and waived by the Debtors and Reorganized Debtors as of the Effective Date; and (b) all Causes of Action that arise under chapter 5 of the Bankruptcy Code and state preferential and fraudulent-conveyance law.

The Reorganized Debtors may pursue such retained Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action of the Debtors against it. Except as specifically released under the Plan or pursuant to a Final Order, the Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity.** Unless any Causes of Action of the Debtors against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or pursuant to a Final Order, the Reorganized Debtors expressly reserve all such Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or consummation of the Plan.

The Reorganized Debtors reserve and shall retain the Causes of Action of the Debtors notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action, or to decline to do any of the foregoing, without the consent or approval of any third party or any further notice to or action, order, or approval of the Bankruptcy Court.

(12) **Corporate Action**

Upon the Effective Date, all actions contemplated under the Plan and consistent with the RSA shall be deemed authorized and approved in all respects, including: (1) selection of the directors and officers for the Reorganized Debtors; (2) the distribution of the New Equity and New Warrants, as applicable; (3) entry into the Warrant Agreement, the Amended ABL Documentation, the Amended Term Loan Documentation, and the New Equity Documentation, each as to the extent applicable; (4) implementation of the Restructuring Transactions,

including the issuance of the New Equity; (5) adoption of the Employee Incentive Plan; (6) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date); (7) adoption of the New Organizational Documents; (8) the rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; and (9) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtor, as applicable, in connection with the Plan shall be deemed to have occurred and shall be in effect except as set forth in the RSA, without any requirement of further action by the security holders, directors, or officers of the Debtors or the Reorganized Debtors, as applicable. On or (as applicable) prior to the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors, as applicable, shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Reorganized Debtors, including the New Equity, the New Warrants, the New Organizational Documents, the Amended ABL Documentation, the Amended Term Loan Documentation, and any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by Article IV.M shall be effective notwithstanding any requirements under non-bankruptcy law.

(13) **Effectuating Documents; Further Transactions**

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors and managers thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the RSA, the Amended Term Loan Documentation, the Amended ABL Documentation, and the Securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorizations, or consents except for those expressly required under the Plan, the Confirmation Order, and RSA.

(14) **Employee Incentive Plan**

The entry of the Confirmation Order shall constitute approval of the Employee Incentive Plan and the authorization for the New Board to adopt such plan.

(15) **Employee Matters**

Subject to Article V.B of the Plan, on the Plan Effective Date, Reorganized ATD shall: (a) assume certain employment agreements, indemnification agreements, or other agreements with current and former employees, officers or directors of the Company Parties; or (b) enter into new agreements with such persons on terms and conditions acceptable to the Debtors, the Required Consenting Noteholders, and such person. Any such new agreement with respect to a director appointed by a Sponsor shall not provide for compensation for such director. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law.

D. <u>Release, Injunction, and Related Provisions</u>

(1) **Discharge of Claims and Termination of Interests**

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created or entered into pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, liens on, obligations of, rights against, and interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have

been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (a) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (b) a Claim or Interest based upon such debt, right, or interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (c) the Holder of such a Claim or Interest has accepted the Plan. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the occurrence of the Effective Date.

(2) **Releases by the Debtors**

Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, on and after the Effective Date, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged by the Debtors, the Reorganized Debtors, and their Estates, from any and all Causes of Action, including any derivative claims asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, that the Debtors, the Reorganized Debtors, or their 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 against, or Interest in, a Debtor or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' capital structure, the assertion or enforcement of rights and remedies against the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions between or among a Company Party and another Company Party, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Definitive Documentation, the Amended ABL Facility, the Amended ABL Documentation, the Amended Term Loan Facility, the Amended Term Loan Documentation, the DIP Facility, the DIP Credit Agreement, the ABL Facility, the ABL Credit Agreement, the Disclosure Statement, the Plan, the Plan Supplement or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date related or relating to any of the foregoing. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the Amended ABL Documentation and the Amended Term Loan Documentation.

(3) **Releases by Holders of Claims and Interests**

Except as otherwise expressly set forth in this Plan or the Confirmation Order, on and after the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged by each Debtor, Reorganized Debtor, the Debtors' Estates and each Releasing Party from any and all Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions between or among a Company Party and another Company Party, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Definitive Documentation, the Amended

ABL Facility, the Amended ABL Documentation, the Amended Term Loan Facility, the Amended Term Loan Documentation, the DIP Facility, the DIP Credit Agreement, the ABL Facility, the ABL Credit Agreement, the Disclosure Statement, the Plan, the Plan Supplement or any Restructuring Transaction, contract, instrument, release, or other agreement or document relating to any of the foregoing, created or entered into before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date related or relating to any of the foregoing. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the Amended ABL Documentation and the Amended Term Loan Documentation, or any Claim or obligation arising under the Plan. For the avoidance of doubt, nothing in this Plan shall be deemed to be, or construed as, a release, waiver, or discharge of any of the Company Indemnification Obligations.

In the case of the ABL Agent, the ABL Lenders, the DIP Agent, the DIP Lenders, the Term Loan Agent, and the Term Loan Lenders, the foregoing release shall be in addition to the stipulations, releases, and exculpations set forth in the Financing Order.

(4) **Exculpation**

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is released and exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA and related prepetition transactions, the Disclosure Statement, the Plan, the Plan Supplement, the Definitive Documentation, the Amended ABL Facility, the Amended ABL Documentation, the Amended Term Loan Facility, the Amended Term Loan Documentation, the DIP Facility, or any Restructuring Transaction, contract, instrument, release or other agreement or document relating to the foregoing created or entered into before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, except for claims related to any act or omission that is determined in a Final Order to have constituted actual fraud or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

(5) **Injunction**

Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities who have held, hold, or may hold claims or interests that have been released, discharged, or are subject to exculpation are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties: (a) commencing or continuing in any manner any action, suit, or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (b) enforcing, attaching, collecting, or recovering by any manner or means

any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (c) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the Estates of such Entities on account of or in connection with or with respect to any such claims or interests; (d) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a claim or interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (e) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan.

Notwithstanding anything to the contrary in the foregoing, the injunction does not enjoin any party under the Plan or under any document, instrument or agreement (including those included in the Plan Supplement) executed to implement the Plan from bringing an action to enforce the terms of the Plan or such document, instrument or agreement (including those included in the Plan Supplement) executed to implement the Plan.

(6) **Release of Liens**

Except: (a) with respect to the Liens securing (i) any indebtedness, liabilities or obligations under the Amended ABL Facility, (ii) any indebtedness, liabilities or obligations under the Amended Term Loan Facility, and (iii) Other Secured Claims that are Reinstated pursuant to the Plan; or (b) as otherwise provided in the Plan or in any contract, instrument, release, or other agreement or document created or entered into pursuant to the Plan, on the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates, but subject to the consummation of the applicable distributions contemplated in the Plan, shall be fully released and discharged, and the Holders of such mortgages, deeds of trust, Liens, pledges, or other security interests shall execute such documents as may be reasonably requested by the Debtors or the Reorganized Debtors, as applicable, to reflect or effectuate such releases, and all of the right, title, and interest of any Holders of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtor and its successors and assigns.

(7) **Reimbursement or Contribution**

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent; or (2) the relevant Holder of a Claim has Filed a Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

E. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan, as if set forth in full in the Plan. After any of such documents included in the Plan Supplement are filed, copies of such documents shall be made available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents for free from the Solicitation Agent's website at http://www.kccllc.net/ATD or for a fee via PACER at http://www.deb.uscourts.gov.

VI. SOLICITATION AND VOTING PROCEDURES

A. Classes Entitled to Vote on the Plan

The following Classes are entitled to vote to accept or reject the Plan (collectively, the "Voting Classes"):

Class	Claim or Interest	Status
4	Term Loan Claims	Impaired
5	Senior Subordinated Notes Claims	Impaired
10	Interests	Impaired

If your Claim or Interest is not included in the Voting Classes, you are not entitled to vote and you will not receive a Solicitation Package (as defined below). If you are a Holder of a Claim or Interest in one or more of the Voting Classes, you should read carefully your Ballot(s) and follow the instructions included therein. Please use only the Ballot(s) that accompanies this Disclosure Statement or the Ballot(s) that the Debtors or the Solicitation Agent on the Debtors' behalf have provided to you. If you are a Holder of a Claim or Interest in more than one of the Voting Classes, you will receive a Ballot for each such Claim or Interest.

B. Votes Required for Acceptance by a Class

Under the Bankruptcy Code, whether a plan of reorganization has been accepted requires the amount and number of claims that voted to accept the plan to be calculated. A class is determined to have accepted a plan if creditors holding at least two-thirds in amount and a majority in number of the allowed claims in the class vote in favor of the plan.

C. Certain Factors to Be Considered Prior to Voting

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

- the financial information contained in the Disclosure Statement has not been audited and is based on an analysis of data available at the time the Plan and the Disclosure Statement was prepared, unless otherwise specifically indicated;

- the Plan has to comply with all applicable provisions of the Bankruptcy Code, and, although the Debtors believe that the Plan is in compliance, they can neither assure such compliance nor guarantee that the Bankruptcy Court will confirm the Plan;

- the Debtors will request Confirmation of the Plan without the acceptance of all Impaired Classes in accordance with section 1129(b) of the Bankruptcy Code; and

- any delays of either Confirmation or consummation of the Plan could result in, among other things, increased Administrative Claims and Professional Fee Claims.

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

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

D. Classes Not Entitled To Vote on the Plan

Under the Bankruptcy Code, holders of claims and interests are not entitled to vote if their contractual rights are unimpaired under the proposed plan or if they will not receive property under the plan. Accordingly, the following Classes of Claims against and Interests in the Debtors are not entitled to vote to accept or reject the Plan:

Class	Claim or Interest	Status	Voting Rights
1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	ABL Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
6	General Unsecured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
7	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept / Deemed to Reject)
8	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept / Deemed to Reject)

E. Solicitation Procedures

(1) Solicitation Agent

The Debtors have retained KCC to act, among other things, as the Solicitation Agent in connection with the solicitation of votes to accept or reject the Plan.

(2) Solicitation Package

The following materials constitute the solicitation package (the "Solicitation Package") that will be distributed to Holders of Claims and Interests in the Voting Classes:

- the Debtors' cover letter in support of the Plan;
- a Ballot and applicable voting instructions, together with a pre-paid, pre-addressed return envelope; and
- this Disclosure Statement and all exhibits hereto, including the Plan and all exhibits thereto; *provided* that the Plan Supplement documents shall not be part of the Solicitation Package and will be filed with the Bankruptcy Court no later than seven (7) days prior to the Confirmation Hearing in accordance with the Plan.

(3) Distribution of the Solicitation Package and Plan Supplement

The Debtors will cause the Solicitation Agent to distribute the Solicitation Package to Holders of Claims and Interests in the Voting Classes on **[November 16], 2018** (or as soon as reasonably practicable thereafter).

The Solicitation Package (without Ballots, unless you are an eligible voting party) may also be obtained from the Solicitation Agent by (a) calling the Solicitation Agent toll free at (866) 967-0495 (domestic) or (310) 751-2695 (international), (b) emailing ATDinfo@kccllc.com and referencing "ATD" in the subject line, and/or (c) writing to the Solicitation Agent at ATD Ballot Processing, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245. After the Debtors file their Chapter 11 Cases, you may also obtain copies of any pleadings filed with the Bankruptcy Court for free on the Debtors' restructuring website, https://www.kccllc.net/ATD or for a fee via PACER at http://www.deb.uscourts.gov. Holders should choose only one method to return their Ballot.

At least (7) seven days before the Confirmation Hearing, the Debtors intend to file the Plan Supplement. If the Plan Supplement is updated or otherwise modified, such modified or updated documents will be made available on the Debtors' restructuring website. The Debtors will not serve copies of the Plan Supplement; however, parties may obtain a copy of the Plan Supplement from the Solicitation Agent by (a) calling the Solicitation Agent at the telephone number set forth above, (b) visiting the Debtors' restructuring website, https://www.kccllc.net/ATD, or (c) writing to the Solicitation Agent at ATD Ballot Processing, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245.

F. Voting Procedures

[November 12,] 2018, (the "Voting Record Date") is the date that will be used for determining which Holders of Claims and Interests are entitled to vote to accept or reject the Plan and receive the Solicitation Package in accordance with the solicitation procedures. Except as otherwise set forth herein, the Voting Record Date and all of the Debtors' solicitation and voting procedures shall apply to all of the Debtors' creditors and other parties in interest.

In order for the Holder of a Claim or Interest to have its Ballot counted as a vote to accept or reject the Plan, such Holder's Ballot must be properly completed, executed, and delivered by (a) using the enclosed pre-paid, pre-addressed return envelope, (b) via first class mail, overnight courier, or hand delivery to ATD Ballot Processing, c/o Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245, (c) via email (attaching a scanned PDF of the fully executed ballot) to ATDinfo@kccllc.com and referencing "ATD" in the subject line, or (d) via the Solicitation Agent's online voting portal at https://www.kccllc.net/ATD and click on the "Submit E-Ballot" section of the website, so that the Solicitation Agent **actually receives** the Holder's Ballot on or before the Voting Deadline, which is **[December 14], 2018, at 5:00 p.m. (prevailing Eastern Time)**.

If a Holder of a Claim or Interest in a Voting Class transfers all of such Claim or Interest to one or more parties on or after the Voting Record Date and before the Holder has cast its vote on the Plan, such Claim or Interest Holder is automatically deemed to have provided a voting proxy to the purchaser(s) of the Holder's Claim or Interest, and such purchaser(s) shall be deemed to be the Holder(s) thereof as of the Voting Record Date for purposes of voting on the Plan, provided that the transfer complies with the applicable requirements under the RSA, if applicable, and the purchaser and the Agent/Trustee, as applicable, provide satisfactory confirmation of the transfer to the Solicitation Agent.

If you hold Claims or Interests in more than one Voting Class under the Plan, you should receive a separate Ballot for each Class of Claims or Interests, coded by Class number, and a set of solicitation materials. You may also receive more than one Ballot if you hold Claims through one or more affiliated funds, in which case the vote cast by each such affiliated fund will be counted separately. Separate Claims held by affiliated funds in a particular Class shall not be aggregated, and the vote of each such affiliated fund related to its Claims shall be treated as a separate vote to accept or reject the Plan (as applicable). If you hold any portion of a single Claim, you and all other Holders of any portion of such Claim will be (a) treated as a single creditor for voting purposes and (b) required to vote every portion of such Claim collectively to either accept or reject the Plan.

IF A BALLOT IS RECEIVED AFTER THE VOTING DEADLINE, IT WILL NOT BE COUNTED UNLESS THE DEBTORS DETERMINE OTHERWISE.

ANY BALLOT THAT IS PROPERLY EXECUTED BY THE HOLDER OF A CLAIM OR INTEREST BUT THAT DOES NOT CLEARLY INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN OR ANY BALLOT THAT INDICATES BOTH AN ACCEPTANCE AND A REJECTION OF THE PLAN WILL NOT BE COUNTED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN.

EACH HOLDER OF A CLAIM OR INTEREST ENTITLED TO VOTE ON THE PLAN MUST VOTE ALL OF ITS CLAIMS WITHIN A PARTICULAR CLASS EITHER TO ACCEPT OR REJECT THE PLAN AND MAY NOT SPLIT SUCH VOTES. BY SIGNING AND RETURNING A BALLOT, EACH HOLDER OF A CLAIM OR INTEREST WILL CERTIFY TO THE BANKRUPTCY COURT AND THE DEBTORS THAT NO OTHER BALLOTS WITH RESPECT TO SUCH CLAIM OR INTEREST HAVE BEEN CAST OR, IF ANY OTHER BALLOTS HAVE BEEN CAST WITH RESPECT TO SUCH CLASS OF CLAIMS OR INTERESTS, SUCH OTHER BALLOTS INDICATED THE SAME VOTE TO ACCEPT OR REJECT THE PLAN. IF A

HOLDER CASTS MULTIPLE BALLOTS WITH RESPECT TO THE SAME CLAIM AND THOSE BALLOTS ARE IN CONFLICT WITH EACH OTHER, SUCH BALLOTS WILL NOT BE COUNTED FOR PURPOSES OF ACCEPTING OR REJECTING THE PLAN.

IT IS IMPORTANT THAT THE HOLDER OF A CLAIM OR INTEREST IN THE VOTING CLASSES FOLLOW THE SPECIFIC INSTRUCTIONS PROVIDED ON SUCH HOLDER'S BALLOT AND THE ACCOMPANYING INSTRUCTIONS. NO BALLOT VOTING TO ACCEPT THE PLAN MAY BE WITHDRAWN OR MODIFIED AFTER THE VOTING DEADLINE WITHOUT THE DEBTORS' PRIOR CONSENT OR PERMISSION OF THE BANKRUPTCY COURT

VII. FINANCIAL PROJECTIONS

In connection with the planning and developing the Plan, the Debtors' management and advisors prepared consolidated financial projections (the "Financial Projections") for the years ending December 2018 through December 2023 (the "Projection Period"). The Financial Projections are attached hereto as **Exhibit G**. For purposes of the Financial Projections, the Debtors have assumed fiscal year end December 2018 as the Effective Date (the "Assumed Emergence Date"). The Financial Projections assume that the Plan will be implemented in accordance with its stated terms. The Debtors are unaware of any circumstances as of the date of this Disclosure Statement that would require the Financial Projections to be reforecasted due to a material change in the Debtors' prospects.

The estimates and assumptions underlying the Financial Projections are inherently uncertain and are subject to significant business, economic, and competitive uncertainties. Therefore, such projections, estimates, and assumptions might not necessarily indicate current values or future performance, which may be significantly less or more favorable than set forth herein. The Financial Projections should be read in conjunction with the assumptions, qualifications, and explanations set forth in this Disclosure Statement and other financial information.

VIII. RISK FACTORS

A. General

The following provides a summary of various important considerations and risk factors associated with the Plan; however, it is not exhaustive. In considering whether to vote to accept or reject the Plan, Holders of Claims or Interests entitled to vote on the Plan should read and carefully consider the factors set forth below as well as all other information set forth or otherwise referenced or incorporated by reference in this Disclosure Statement.

B. Risks Relating to the Plan and Other Bankruptcy Law Considerations

(1) A Claim or Interest Holder May Object to and the Bankruptcy Court May Disagree With the Debtors' Classification of Claims and Interests

Section 1122 of the Bankruptcy Code provides that a plan of reorganization may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. The Debtors believe that the classification of Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code because the Debtors created ten Classes of Claims and Interests, each encompassing Claims or Interests, as applicable, that are substantially similar to the other Claims or Interests in such Class. However, a Claim or Interest Holder could nonetheless challenge the Debtors' classification. In such circumstances, the cost of the Chapter 11 Cases and the time needed to confirm the Plan may increase, and there is no guarantee that the Bankruptcy Court will agree with the Debtors' classification. If the Bankruptcy Court concludes that the classifications of Claims and Interests under the Plan do not comply with the requirements of the Bankruptcy Code, then the Plan may not be confirmed. Consequently, the Debtors may need to modify the Plan, which could require the Debtors to re-solicit votes on the Plan.

(2) **The Debtors May Not Be Able to Satisfy the Voting Requirements for Confirmation of the Plan**

If votes are received in number and amount sufficient to enable the Bankruptcy Court to confirm the Plan, the Debtors may seek, as promptly as practicable thereafter, Confirmation. If the Plan does not receive the required support from Classes 4, 5, and 10, the Debtors may elect to amend the Plan, seek to sell their assets pursuant to section 363 of the Bankruptcy Code, or decide to proceed with liquidation. Moreover, there can be no assurance that the terms of any such alternative chapter 11 plan of reorganization or sale pursuant to section 363 of the Bankruptcy Code would be similar or as favorable to the Holders of Allowed Claims and Interests as those proposed in the Plan.

(3) **The Bankruptcy Court May Not Confirm the Plan or May Require the Debtors to Re-Solicit Votes with Respect to the Plan**

The Debtors cannot assure you that the Bankruptcy Court will confirm the Plan. Section 1129 of the Bankruptcy Code, which sets forth the requirements for confirmation of a plan of reorganization, requires, among other things, a finding that the plan is "feasible," that all claims and interests have been classified in compliance with section 1122 of the Bankruptcy Code, and that each holder of a claim or interest within each impaired class either accepts the plan or receives or retains cash or property of a value that, as of the effective date, is not less than the value such holder would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code. With respect to impaired classes of claims or interests that do not accept the plan of reorganization, section 1129(b) requires that the plan of reorganization be fair and equitable (including, without limitation the "absolute priority rule") and not discriminate unfairly with respect to such classes. There can be no assurance that the Bankruptcy Court will conclude that the feasibility test and other requirements of section 1129 of the Bankruptcy Code (including, without limitation, finding that the Plan satisfies the "new value" exception to the absolute priority rule, if applicable) have been met with respect to the Plan. If and when the Plan is filed, there can be no assurance that modifications to the Plan would not be required for Confirmation, or that such modifications would not require a re-solicitation of votes on the Plan.

If the Plan is not confirmed, the Chapter 11 Cases may be converted into 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. A discussion of the effects that a chapter 7 liquidation would have on the recoveries of holders of Claims and Interests and the Debtors' liquidation analysis are set forth under the unaudited Liquidation Analysis, attached hereto as **Exhibit E**. The Debtors believe that liquidation under chapter 7 of the Bankruptcy Code would result in, among other things, smaller distributions being made to holders of Claims and Interests than those provided for in the Plan because of:

- the potential absence of a market for the Debtors' assets on a going concern basis;
- additional administrative expenses involved in the appointment of a trustee; and
- additional expenses and claims, some of which would be entitled to priority, which would be generated during the liquidation and from the rejection of Unexpired Leases and other Executory Contracts in connection with a cessation of the Debtors' operations.

(4) **The Debtors May Object to the Amount or Classification of a Claim or Interest**

Except as otherwise provided in the Plan, the Debtors and other parties in interest reserve the right to object to the amount or classification of any Claim or Interest under the Plan. The estimates set forth in this Disclosure Statement cannot be relied on by any holder of a Claim or Interest where such Claim or Interest is subject to an objection. Any holder of a Claim or Interest that is subject to an objection thus may not receive its expected share of the estimated distributions described in this Disclosure Statement.

(5) **Contingencies May Affect Distributions to Holders of Allowed Claims or Interests**

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

(6) **The Conditions Precedent to the Effective Date of the Plan May Not Occur**

As more fully set forth in Article IX of the Plan, the Effective Date of the Plan is subject to a number of conditions precedent. If such conditions precedent are not waived or not met in accordance with the Plan, the Effective Date will not take place.

(7) **There Is a Risk of Termination of the RSA**

To the extent that events giving rise to termination of the RSA occur, the RSA may terminate prior to the Confirmation or consummation of the Plan, which could result in the loss of support for the Plan by important creditor and equity holder constituencies and could result in the loss of debtor-in-possession financing and use of cash collateral by the Debtors under certain circumstances. Any such loss of support could adversely affect the Debtors' ability to confirm and consummate the Plan.

(8) **The Bankruptcy Court May Dismiss Some or All of the Chapter 11 Cases**

Certain parties in interest may contest the Debtors' authority to commence and/or prosecute the Chapter 11 Cases. If, pursuant to any such proceeding, the Bankruptcy Court finds that some or all of the Debtors could not commence the Chapter 11 Cases for any reason (including for cause or any grounds supporting abstention), the Debtors may be unable to consummate the transactions contemplated in the Plan. If some or all of the Chapter 11 Cases are dismissed, the Debtors may be forced to cease operations due to insufficient funding and/or liquidate their businesses in another forum to the detriment of all parties in interest.

(9) **The United States Trustee or Other Parties May Object to the Plan on Account of the Third-Party Release Provisions**

Any party in interest, including the United States Trustee (the "U.S. Trustee"), could object to the Plan on the grounds that the third-party release contained in Article VIII.C of the Plan is not given consensually or in a permissible non-consensual manner. In response to such an objection, the Bankruptcy Court could determine that the third-party release is not valid under the Bankruptcy Code. If the Bankruptcy Court makes such a determination, the Plan could not be confirmed without modifying the Plan to alter or remove the third-party release. This could result in substantial delay in Confirmation of the Plan, the Plan not being confirmed at all, or the loss of support for the Plan from the non-Debtors parties to the RSA.

(10) **The Debtors May Seek to Amend, Waive, Modify, or Withdraw the Plan at Any Time Prior to Confirmation**

The Debtors, reserve the right, in accordance with the Bankruptcy Code, and the Bankruptcy Rules, and consistent with the terms of the Plan and the RSA, to amend the terms of the Plan or waive any conditions thereto if and to the extent such amendments or waivers are necessary or desirable to consummate the Plan. The potential impact of any such amendment or waiver on the holders of Claims and Interests cannot presently be foreseen but may include a change in the economic impact of the Plan on some or all of the proposed Classes or a change in the relative rights of such Classes. All holders of Claims and Interests will receive notice of such amendments or waivers required by applicable law and the Bankruptcy Court. If, after receiving sufficient acceptances, but prior to Confirmation of the Plan, the Debtors seek to modify the Plan, the previously solicited acceptances will be valid only if (a) all classes of adversely affected creditors and interest holders accept the modification in writing or (b) the Bankruptcy Court determines, after notice to designated parties, that such modification was *de minimis* or purely

technical or otherwise did not adversely change the treatment of holders of accepting Claims and Interests or is otherwise permitted by the Bankruptcy Code.

(11) **The Plan May Have Material Adverse Effects on the Debtors' Operations**

The solicitation of acceptances of the Plan and commencement of the Chapter 11 Cases could adversely affect the relationships between the Debtors and their respective customers, employees, partners, and other parties. Such adverse effects could materially impair the Debtors' operations.

(12) **The Debtors Cannot Predict the Amount of Time Spent in Bankruptcy for the Purpose of Implementing the Plan, and a Lengthy Bankruptcy Proceeding Could Disrupt the Debtors' Businesses as Well as Impair the Prospect for Reorganization on the Terms Contained in the Plan**

On October 15, 2018, the Debtors filed a motion requesting that the Bankruptcy Court set December 19, 2018, as the date for the Confirmation Hearing. Nevertheless, the Confirmation and consummation process could take considerably longer if, for example, Confirmation is contested or the conditions for Confirmation or consummation of the Plan are not satisfied or waived.

Although the Plan is designed to minimize the length of the bankruptcy proceedings, it is impossible to predict with certainty the amount of time that the Debtors may spend in bankruptcy, and the Debtors cannot be certain that the Plan will be confirmed. Even if confirmed on a timely basis, a bankruptcy proceeding to confirm the Plan could itself have an adverse effect on the Debtors' businesses. There is a risk, due to uncertainty about the Debtors' futures that, among other things:

- employees could be distracted from performance of their duties or more easily attracted to other career opportunities; and

- suppliers, vendors, or other business partners could terminate their relationship with the Debtors or demand financial assurances or enhanced performance, any of which could impair the Debtors' prospects.

A lengthy bankruptcy proceeding also would involve additional expenses and divert the attention of management from the operation of the Debtors' businesses.

The disruption that the bankruptcy process would have on the Debtors' businesses could increase with the length of time it takes to complete the Chapter 11 Cases. If the Debtors are unable to obtain Confirmation of the Plan on a timely basis, because of a challenge to the Plan or otherwise, the Debtors may be forced to operate in bankruptcy for an extended period of time while they try to develop a different plan of reorganization that can be confirmed. A protracted bankruptcy case could increase both the probability and the magnitude of the adverse effects described above.

(13) **Other Parties in Interest Might Be Permitted to Propose Alternative Plans of Reorganization That May Be Less Favorable to Certain of the Debtors' Constituencies Than the Plan**

Other parties in interest could seek authority from the Bankruptcy Court to propose an alternative plan of reorganization to the Plan. Under the Bankruptcy Code, a debtor in possession initially has the exclusive right to propose and solicit acceptances of a plan of reorganization for a period of 120 days from the Petition Date. However, such exclusivity period can be reduced or terminated upon order of the Bankruptcy Court. If such an order were to be entered, parties in interest other than the Debtors would then have the opportunity to propose alternative plans of reorganization.

If another party in interest were to propose an alternative plan of reorganization following expiration or termination of the Debtors' exclusivity period, such a plan may be less favorable to existing holders of Claims or Interests.

The Debtors consider maintaining relationships with their stakeholders, customers, and other partners as critical to maintaining the value of their enterprise following the Effective Date and have sought to treat those constituencies accordingly. However, proponents of alternative plans of reorganization may not share the Debtors' assessments and may seek to impair the Claims or Interests of such constituencies to a greater degree. If there were competing plans of reorganization, the Chapter 11 Cases likely would become longer, more complicated, more litigious, and much more expensive. If this were to occur, or if the Debtors' stakeholders or other constituencies important to the Debtors' business were to react adversely to an alternative plan of reorganization, the adverse consequences discussed in the foregoing sections also could occur.

(14) **The Debtors' Business May Be Negatively Affected if the Debtors Are Unable to Assume Their Executory Contracts and Unexpired Leases**

An executory contract is a contract on which performance remains due to some extent by both parties to the contract. The Plan provides for the assumption of all Executory Contracts and Unexpired Leases, except any such contracts or leases specifically identified as being rejected in the Plan Supplement. The Debtors intend to preserve as much of the benefit of their existing Executory Contracts and Unexpired Leases as possible. However, with respect to some limited classes of Executory Contracts, including, if any, licenses with respect to patents or trademarks, the Debtors may need to obtain the consent of the counterparty to maintain the benefit of the contract. If such consent is required, there is no guarantee that such consent either would be forthcoming or that conditions would not be attached to any such consent that makes assuming the contracts unattractive. The Debtors then would be required to either forego the benefits offered by such contracts or to find alternative arrangements to replace them.

(15) **Material Transactions Could Be Set Aside as Fraudulent Conveyances or Preferential Transfers**

Certain payments received by stakeholders prior to the bankruptcy filing could be challenged under applicable debtor/creditor or bankruptcy laws as either a "fraudulent conveyance" or a "preferential transfer." A fraudulent conveyance occurs when a transfer of a debtor's assets is made with the intent to defraud creditors or in exchange for consideration that does not represent reasonably equivalent value to the property transferred. A preferential transfer occurs upon a transfer of property of the debtor while the debtor is insolvent for the benefit of a creditor on account of an antecedent debt owed by the debtor that was made on or within 90 days before the petition date or one year before the petition date, if the creditor, at the time of such transfer, was an insider. If any transfer were challenged in the Bankruptcy Court and found to have occurred with regard to any of the Debtors' material transactions, the Bankruptcy Court could order the recovery of all amounts received by the recipient of the transfer.

(16) **The Debtors May Be Unsuccessful in Obtaining First Day Orders to Permit Them to Pay Their Vendors or Continue Operating Their Businesses in the Ordinary Course of Business**

The Debtors have attempted to address potential concerns of their customers, vendors, and other key parties in interest that might arise from the Plan being filed and the variety of provisions that have been incorporated into or contemplated under the Plan, including the Debtors' intention to seek appropriate Bankruptcy Court approval for orders to permit the Debtors to pay their prepetition and postpetition accounts payable to parties in interest in the ordinary course. However, there can be no guarantee that the Debtors will be successful in obtaining the necessary approvals from the Bankruptcy Court for such arrangements or for every party in interest that the Debtors might seek to treat in this manner, and, as a result, the Debtors' businesses might suffer.

(17) **The Bankruptcy Court May Not Approve the DIP Facility on a Final Basis**

The DIP Facility provides for an ABL DIP Facility in an amount of approximately $980 million and the FILO DIP Facility in an amount of approximately $250 million. Upon the Bankruptcy Court's entry of the Interim DIP Order, the Debtors were able to access approximately $190 million of new liquidity. Upon entry of the final order, the remainder of the commitments under the DIP Facility will be available to the Debtors. There can be no assurance that the Bankruptcy Court will approve the DIP Facility on a final basis. Moreover, if the Chapter 11

Cases take longer than expected to conclude, the Debtors may exhaust their available cash collateral. There is no assurance that the Debtors will be able to obtain an extension of the right to obtain further postpetition financing or use cash collateral, in which case, the liquidity necessary for the orderly functioning of the Debtors' businesses may be impaired materially.

(18) **Certain Claims May Not Be Discharged and Could Have a Material Adverse Effect on the Debtors' Financial Condition and Results of Operations**

The Bankruptcy Code provides that the confirmation of a plan of reorganization discharges a debtor from substantially all debts arising prior to confirmation. With few exceptions, all Claims that arise prior to the Petition Date or before Confirmation of the Plan (a) would be subject to compromise and/or treatment under the Plan and/or (b) would be discharged in accordance with the terms of the Plan. Any Claims not ultimately discharged through the Plan could be asserted against the applicable Reorganized Debtors and may have an adverse effect on the Reorganized Debtors' financial condition and results of operations on a post-reorganization basis.

C. Risks Relating to the Restructuring Transactions

(1) **The Debtors Will Be Subject to Business Uncertainties and Contractual Restrictions Prior to the Effective Date**

Uncertainty about the effects of the Plan on employees may have an adverse effect on the Debtors. These uncertainties may impair the Debtors' ability to retain and motivate key personnel and could cause customers, suppliers, and others that deal with the Debtors to defer entering into contracts with the Debtors or making other decisions concerning the Debtors or seek to change existing business relationships with the Debtors. In addition, the Debtors are highly dependent on the efforts and performance of their senior management team. If key employees depart because of uncertainty about their future roles and potential complexities of the Restructuring Transactions, the Debtors' business, financial condition, liquidity, and results of operations could be adversely affected.

(2) **The Support of the Consenting Stakeholders Is Subject to the Terms of the RSA Which Is Subject to Termination in Certain Circumstances**

Pursuant to and subject to the terms of the RSA, the Consenting Stakeholders are obligated to support the restructuring discussed above and the Plan. Nevertheless, the RSA is subject to termination upon the occurrence of certain termination events. Accordingly, the RSA may be terminated after the date of this Disclosure Statement, and such a termination would present a material risk to the Plan being confirmed and/or consummated because the Plan might no longer have the Consenting Stakeholders' support.

(3) **There Is Inherent Uncertainty in the Debtors' Financial Projections Such that the Reorganized Debtors May Not Be Able to Meet the Projections**

The Financial Projections attached hereto as **Exhibit G** includes projections covering the Debtors' operations through fiscal year 2023. These projections are based on assumptions that are an integral part of the projections, including Confirmation and consummation of the Plan in accordance with its terms, the anticipated future performance of the Debtors, industry performance, general business and economic conditions, and other matters, many of which are beyond the control of the Debtors and some or all of which may not materialize.

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

Further, the Debtors appreciate the risk that these Chapter 11 Cases could have on financial results, as restructuring activities and expenses can impact a debtor's financial condition. As a result, the Debtors' historical financial performance likely will not be indicative of their financial performance after the Petition Date. In addition, if the Debtors emerge from the Chapter 11 Cases, the amounts reported in subsequent consolidated financial statements may materially change relative to historical consolidated financial statements, including as a result of

revisions to the Debtors' operating plans pursuant to a plan of reorganization. The Debtors also may be required to adopt fresh start accounting, in which case their assets and liabilities will be recorded at fair value as of the fresh start reporting date, which may differ materially from the recorded values of assets and liabilities on the Debtors' consolidated balance sheets. The Debtors' financial results after the application of fresh start accounting also may be different from historical trends.

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

(4) **The Debtors Might Experience Difficulty in Continuing to Retain, Motivate, and Recruit Executives and Other Key Employees in Light of Uncertainty Regarding the Plan, and Failure to Do So Could Negatively Affect the Debtors' Businesses**

The Debtors' employees are key to a successful restructuring process, both before and after the Effective Date. As such, the Debtors' ability to retain, motivate, and recruit employees successfully are necessary to minimize any disruptions to the Debtors' business operations that can result from the restructuring. Specifically, employees might feel uncertainty about their future roles with the company and both seek employment at a competitor company and lure other employees to follow suit. If this occurs, it will have a negative impact on the Debtors' business operations. Accordingly, the Debtors' employee recruitment, retention, and motivation efforts are critical to the success of these Chapter 11 Cases and their ability to operate on a go-forward basis.

(5) **Failure to Implement the Restructuring Transactions and Confirm and Consummate the Plan Could Negatively Impact the Debtors**

If the Plan is not confirmed and consummated and the Restructuring Transactions are not implemented, the Debtors may consider other restructuring alternatives available at that time, which may include the filing of an alternative chapter 11 plan, conversion to chapter 7, commencing section 363 sales of the Debtors' assets, or any other transaction that would maximize value of the Debtors' estates. Any alternative restructuring proposal may be on terms less favorable to holders of Claims against and Interests in the Debtors than the terms of the Plan as described herein.

Any material delay in Confirmation of the Plan or the Chapter 11 Cases as well as the threat of the Bankruptcy Court not approving the Plan would add substantial expense and uncertainty to the process.

Additionally, the Debtors ongoing business may be adversely affected if the Plan is not confirmed and consummated, which can have the following consequences, among others:

- operations might be impacted negatively from a failure to pursue other beneficial opportunities while the Debtors were focused on developing and implementing the restructuring transactions, in which the benefits thereof were not recognized;
- substantial costs might be incurred in connection with the restructuring, without realizing any of the anticipated benefits of the restructuring;
- the possibility that the Debtors will be unable to repay indebtedness when due and payable; and
- the Debtors might pursue a traditional chapter 11 or chapter 7 proceedings, resulting in recoveries for creditors and interest holders that are less than contemplated under the Plan or no recovery for such holders.

(6) **The Debtors Will Continue to Face Risks Even if the Restructuring Transactions are Successfully Consummated**

The Restructuring Transactions are generally designed to reduce the amount of the Debtors' cash interest expense and improve the Debtors' liquidity as well as financial and operational flexibility to generate long-term growth. However, these Restructuring Transactions will not prevent the Debtors from facing a number of risks, including changes in economic conditions and in the Debtors' industry, which are beyond the Debtors' control. As a result of these risks and others, there is no guarantee that the Restructuring Transactions will achieve the Debtors' stated goals.

D. Risks Relating to the New Equity and New Warrants

(1) **The Debtors May Not Be Able to Achieve Their Projected Financial Results**

The Debtors may not be able to meet their projected financial results or achieve the revenue or cash flow that the Debtors have assumed in projecting their future business prospects. If the Debtors do not achieve these projected revenue or cash flow levels, the Debtors may lack sufficient liquidity to continue operating as planned after emergence. The financial projections represent management's view based on currently known facts and hypothetical assumptions about their future operations. However, they do not guarantee the Debtors' future financial performance.

(2) **The Plan Exchanges Senior Indebtedness for Junior Securities**

If the Plan is confirmed and consummated, Holders of Allowed Senior Subordinated Notes Claims will receive New Equity. Thus, in agreeing to the Plan, such Holders will be consenting to exchange senior debt, which has, among other things, a stated interest rate, a maturity date, and a liquidation preference over equity securities, for the New Equity, which are equity securities that will be subordinate to the debt outstanding under the Exit Facility and all future creditor claims.

(3) **A Liquid Trading Market for the New Equity and the New Warrants May Not Develop**

The Debtors make no assurance that liquid trading markets for the New Equity and the New Warrants will develop. The liquidity of any market for the New Equity and the New Warrants will depend, among other things, upon the number of holders of New Equity and New Warrants, the Reorganized Debtors' financial performance, and the market for similar securities, none of which can be determined or predicted. Therefore, the Debtors cannot assure that an active trading market will develop or, if a market develops, what the liquidity or pricing characteristics of that market will be.

(4) **The Implied Valuation of the New Equity is Not Intended to Represent the Trading Value of the New Equity**

The Reorganized Debtors' valuation is not intended to represent the trading value of the New Equity in public or private markets and is subject to additional uncertainties and contingencies, all of which are difficult to predict. If a market were to develop, actual market prices of such securities at issuance will depend on the following considerations, among other things: (a) prevailing interest rates; (b) conditions in the financial markets; (c) the anticipated initial securities holdings of prepetition creditors, some of whom may prefer to liquidate their investment rather than hold it on a long-term basis; and (d) other factors that generally influence the prices of securities. The actual market price of the New Equity may be volatile. Many factors, including factors unrelated to the Reorganized Debtors' actual operating performance and other factors not possible to predict, could cause the market price of the New Equity and New Warrants to rise and fall. Accordingly, the implied value, stated herein and in the Plan, of the securities to be issued under the Plan does not necessarily reflect, and should not be construed as reflecting, values that will be attained for the New Equity in the public or private markets.

(5) **The Debtors May Be Controlled by Significant Holders**

If the Plan is confirmed and consummated, Holders of Allowed Senior Subordinated Notes Claims and Allowed Interests will receive the New Equity and New Warrants, as applicable. The Holders of Allowed Senior Notes Claims and Allowed Interests will own approximately 95% and 5% of the New Equity, respectively, (in each case, subject to dilution on account of the Employee Incentive Plan, New Warrants, and other shares issued after the Effective Date not pursuant to the Plan), respectively. If holders of a significant portion of the New Equity were to act as a group, such holders would be in a position to control the outcome of actions requiring shareholder approval. In addition, the Sponsors will be entitled to appoint two (2) members to the New Board and the Required Consenting Noteholders will appoint the remaining members.

(6) **The New Equity is Subject to Dilution**

The ownership percentage represented by the New Equity distributed on the Effective Date under the Plan will be subject to dilution from the New Equity issued upon the exercise of the New Warrants, the New Equity issued in connection with the Employee Incentive Plan, and the conversion of any other options, warrants, convertible securities, exercisable securities, or other securities that may be issued post-emergence.

(7) **The Debtors' Financial Projections Are Subject to Inherent Uncertainty Due to the Numerous Assumptions Upon Which They Are Based.**

The Debtors' Financial Projections are based on numerous assumptions including: timely Confirmation and consummation pursuant to the terms of the Plan; the anticipated future performance of the Debtors; industry performance; general business and economic conditions; and other matters, many of which are beyond the control of the Debtors and some or all of which may not materialize. In addition, unanticipated events and circumstances occurring subsequent to the date of this Disclosure Statement or subsequent to the date that the Disclosure Statement is approved by the Bankruptcy Court may affect the actual financial results of the Debtors' operations. These variations may be material and may adversely affect the ability of the Debtors to make payments with respect to indebtedness following consummation. Because the actual results achieved throughout the periods covered by the projections may vary from the projected results, the projections should not be relied upon as an assurance of the actual results that will occur. Except with respect to the projections and except as otherwise specifically and expressly stated, the Disclosure Statement does not reflect any events that may occur subsequent to the date of the Disclosure Statement. Such events may have a material impact on the information contained in the Disclosure Statement. The Debtors do not intend to update the projections and therefore the projections will not reflect the impact of any subsequent events not already accounted for in the assumptions underlying the projections.

E. <u>Risks Relating to the Debtors' Business</u>

(1) **The Debtors May Not Be Able to Generate Sufficient Cash to Service All of Their Indebtedness**

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

(2) **Decreases in Consumer Spending and Credit Might Lower Demand for Tire Products**

Economic conditions, employment, weather, transportation, and other conditions have an effect on consumer demand for tire products. Historically, if trends shift toward rising fuel costs, higher unemployment, and/or credit tightening, the wholesale and retail tire industry could be affected adversely. This could be in part due to consumers either driving less or foregoing replacement tires purchases. In addition, the demand for tire products are based on the volume of tires entering the replacement tire market, the level of discretionary income, and

consumer confidence, among other considerations. These factors could also have an impact on consumer behavior with respect to tire purchases. As such, the Debtors cannot make assurances as to future operations when such factors, among others, are unpredictable and beyond the Debtors' control. Therefore, there is a risk that tire product sales might decline, which could cause the Debtors' net sales to decrease, the product mix to shift towards tires with lower profit margins, and cash flow to be reduced.

(3) **Disruptions to the Debtors' Business Relationships Could Affect Operations**

The Debtors require a broad range of tire products from different manufacturers to meet their customers' demands. As a result, the Debtors' business depends on creating and maintaining productive business relationships with tire manufacturers that provide the company with flag, associate, and exclusive tire brands. The Debtors operations could be disrupted if such business relationships decline, which could lead to products being limited or withheld altogether. Furthermore, the Debtors are in competition with manufacturers that also provide their products directly to tire retailers and might decide to stop supplying their products to the Debtors, as seen with Goodyear and Bridgestone. The Debtors generally do not enter into long-term contracts with their suppliers, which prevents the Debtors from making any assurances about these relationships. If one or more of the Debtors' manufacturers were to discontinue business with the Debtors, net sales could decrease and the brand's reputation affected.

In addition, the manufacturers that the Debtors use to maintain their inventory supplies might experience difficulties. There is a risk that changing economic conditions could lead to financial, operational, production, supply, labor, regulatory or quality assurance difficulties that could result in a reduction or interruption in the Debtors' inventory supply. As such, the Debtors might be limited in their ability to meet their customers' product demands and could disrupt their distribution network. This could lead to additional costs being incurred, customers being lost, and operational expenses increasing.

(4) **The Debtors' Substantial Liquidity Needs May Impact Revenue**

The Debtors' principal sources of liquidity historically have been cash flow from operations, sales, borrowings under their prepetition credit facilities, and issuances of equity securities. If the Debtors' cash flow from operations decreases, the Debtors' ability to expend the capital necessary to grow their businesses will be severely strained.

The Debtors face uncertainty regarding the adequacy of their liquidity and capital resources and have limited access to additional financing. In addition to the cash necessary to fund ongoing operations, the Debtors have incurred significant professional fees and other costs in connection with preparing for the Chapter 11 Cases and expect to continue to incur significant professional fees and costs throughout the Chapter 11 Cases. The Debtors cannot guarantee that cash on hand and cash flow from operations will be sufficient to continue to fund their operations and allow the Debtors to satisfy obligations related to the Chapter 11 Cases until the Debtors are able to emerge from bankruptcy protection.

The Debtors' liquidity, including the ability to meet ongoing operational obligations, will be dependent upon the following considerations, among other things: (a) their ability to comply with the terms and condition of the DIP Order entered by the Bankruptcy Court in connection with the Chapter 11 Cases; (b) their ability to maintain adequate cash on hand; (c) their ability to generate cash flow from operations; (d) their ability to develop, confirm, and consummate the Plan or another alternative restructuring transaction; and (e) the cost, duration, and outcome of the Chapter 11 Cases. The Debtors' ability to maintain adequate liquidity depends, in part, upon industry conditions and general economic, financial, competitive, regulatory, and other factors beyond the Debtors' control. In the event that cash on hand and cash flow generated from operations are not sufficient to meet the Debtors' liquidity needs, the Debtors may be required to seek additional financing. The Debtors can provide no assurance that additional financing would be available or, if available, offered to the Debtors on acceptable terms. The Debtors' access to additional financing is, and for the foreseeable future likely will continue to be, extremely limited if it is available at all. In addition, the Debtors' ability to consummate the Plan is dependent on, among other things, their ability to satisfy the conditions precedent to the Effective Date. The Debtors can provide no assurance that such conditions will be satisfied. The Debtors' long-term liquidity requirements and the adequacy of their capital resources are difficult to predict at this time.

(5) The Reorganized Debtors May Be Adversely Affected by Potential Litigation, Including Litigation Arising Out of the Chapter 11 Cases

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

F. Certain Tax Implications of the Chapter 11 Cases

Holders of Allowed Claims and Interests should carefully review section XI of this Disclosure Statement entitled "Certain U.S. Federal Income Tax Consequences" to determine how the tax implications of the Plan and the Chapter 11 Cases may adversely affect the Reorganized Debtors and Holders of such Claims and Interests.

G. Disclosure Statement Disclaimer

(1) Information Contained Herein Is Solely for Soliciting Votes

The information contained in this Disclosure Statement is for the purpose of soliciting acceptances of the Plan and may not be relied upon for any other purpose. Specifically, this Disclosure Statement is not legal advice to any person or entity. The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each reader should consult its own legal counsel and accountant with regard to any legal, tax, and other matters concerning its Claim or Interest. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote to accept or reject the Plan and whether to object to Confirmation.

(2) Disclosure Statement May Contain Forward-Looking Statements

This Disclosure Statement may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Such statements consist of any statement other than a recitation of historical fact and can be identified by the use of forward-looking terminology such as "may," "expect," "anticipate," "estimate," or "continue," the negative thereof, or other variations thereon or comparable terminology.

The Debtors consider all statements regarding anticipated or future matters, including the following, to be forward-looking statements:

- business strategy and plans, and future capital expenditures, including plans to optimize the value of the Debtors' assets;
- future financial and operating performance and results, revenues, cash flows, and expenses;
- levels of indebtedness, liquidity, and compliance with debt covenants;
- market prices;
- plans and forecasts;
- significant disruptions in the financial markets;
- future capital requirements and availability of financing;
- cash flows and liquidity;

- timing and amount of future production of oil, natural gas, and natural gas liquid;
- availability of tires and tire supplies, custom wheels and accessories, and other tire products;
- marketing of tires and tire supplies, custom wheels and accessories, and other tire products;
- developing tires and other products;
- competition;
- general economic conditions;
- governmental regulations;
- fluctuations in interest rates and the value of the U.S. dollar in international currency markets; and
- the Debtors' ability to effectively integrate companies and properties that the Debtors acquire.

Statements concerning these and other matters are not guarantees of the Debtors' future performance. The reader is cautioned that all forward-looking statements are necessarily speculative. The Valuation Analysis, the Liquidation Analysis, the Financial Projections, the recovery projections, and other information contained herein and attached hereto are estimates only, and the timing and amount of actual distributions to Holders of Allowed Claims and Interests may be affected by many factors that cannot be predicted. Forward-looking statements represent the Debtors' estimates and assumptions only as of the date such statements were made. There are risks, uncertainties, and other important factors that could cause the Debtors' actual performance or achievements to be materially different from those they may project, and the Debtors undertake no obligation to update any such statement.

(3) **No Legal, Business, or Tax Advice Is Provided to You by This Disclosure Statement**

THIS DISCLOSURE STATEMENT IS NOT LEGAL, BUSINESS, OR TAX ADVICE TO YOU. 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 or her own legal counsel and accountant with regard to any legal, tax, and other matters concerning his or her Claim or Interest. 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.

(4) **No Admissions Made**

The information and statements contained in this Disclosure Statement will neither (a) constitute an admission of any fact or liability by any entity (including the Debtors) nor (b) be deemed evidence of the tax or other legal effects of the Plan on the Debtors, holders of Allowed Claims or Interests, or any other parties-in-interest.

(5) **Failure to Identify Litigation Claims or Projected Objections**

No reliance should be placed on the fact that a particular litigation claim or projected objection to a particular Claim or Interest is, or is not, identified in this Disclosure Statement. All parties, including the Debtors, reserve the right to continue to investigate Claims and Interests and file and prosecute objections to Claims and Interests.

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

The vote by a holder of an Allowed Claim for or against the Plan does not constitute a waiver or release of any Claims or rights of the Debtors to object to that holder's Allowed Claim, or to bring Causes of Action 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 the Plan.

(7) **Information Was Provided by the Debtors and Was Relied Upon by the Debtors' Advisors**

Counsel to and other advisors retained by the Debtors have relied upon information provided by the Debtors in connection with the preparation of this Disclosure Statement. Although counsel to and other advisors retained by the Debtors have performed certain limited due diligence in connection with the preparation of this Disclosure Statement, they have not independently verified the information contained herein.

(8) **The Potential Exists for Inaccuracies and the Debtors Have No Duty to Update**

The Debtors make the statements contained in this Disclosure Statement as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has not been a change in the information set forth herein since such date. Although the Debtors have used their reasonable business judgment to ensure the accuracy of all of the information provided in this Disclosure Statement and in the Plan, the Debtors nonetheless cannot, and do not, confirm the current accuracy of all statements appearing in this Disclosure Statement. Further, although the Debtors may subsequently update the information in this Disclosure Statement, the Debtors have no affirmative duty to do so unless ordered by the Bankruptcy Court.

(9) **No Representations Outside of the Disclosure Statement Are Authorized**

No representations concerning or relating to the Debtors, the 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. In deciding whether to vote to accept or reject the Plan, you should not rely upon 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, unless otherwise indicated herein. You should promptly report unauthorized representations or inducements to the counsel to the Debtors and the U.S. Trustee.

IX. CONFIRMATION PROCEDURES

The following is a brief summary of the Confirmation process. Holders of Claims and Interests are encouraged to review the relevant provisions of the Bankruptcy Code and to consult with their own advisors.

A. The Confirmation Hearing

Under section 1128(a) of the Bankruptcy Code, the Bankruptcy Court, after notice, may hold a hearing to confirm a plan of reorganization. On October 15, 2018, the Debtors filed a motion requesting that the Bankruptcy Court set a date and time that is approximately 76 days after the Petition Date for the Confirmation Hearing. The Confirmation Hearing, once set, may be continued from time to time without further notice other than an adjournment announced in open court or a notice of adjournment filed with the Bankruptcy Court and served in accordance with the Bankruptcy Rules, without further notice to parties in interest. The Bankruptcy Court, in its discretion and prior to the Confirmation Hearing, may put in place additional procedures governing the Confirmation Hearing. Subject to section 1127 of the Bankruptcy Code, the Plan may be modified, if necessary, prior to, during, or as a result of the Confirmation Hearing, without further notice to parties in interest.

Additionally, section 1128(b) of the Bankruptcy Code provides that a party in interest may object to Confirmation. The Debtors, in the same motion requesting a date for the Confirmation Hearing, will request that the Bankruptcy Court set a date and time for parties in interest to file objections to Confirmation of the Plan. An objection to Confirmation of the Plan must be filed with the Bankruptcy Court and served on the Debtors and certain other parties in interest in accordance with the applicable order of the Bankruptcy Court so that it is actually received on or before the deadline to file such objections as set forth therein.

B. Confirmation Standards

The requirements for confirmation include that a plan must be (a) accepted by all impaired classes of claims and interests or, if rejected by an impaired class, that the plan "does not discriminate unfairly" and is "fair

and equitable" as to such class, (b) feasible, and (c) in the "best interests" of holders of claims and interests that are impaired under the plan.

The following requirements must be satisfied pursuant to section 1129(a) of the Bankruptcy Code before a bankruptcy court may confirm a plan of reorganization. The Debtors believe that the Plan fully complies with all the applicable requirements of section 1129 of the Bankruptcy Code set forth below, other than those pertaining to voting, which has not yet taken place.

- The Plan complies with the applicable provisions of the Bankruptcy Code.
- The Debtors (or any other proponent of the Plan) have complied with the applicable provisions of the Bankruptcy Code.
- The Plan has been proposed in good faith and not by any means forbidden by law.
- Any payment made or to be made by the Debtors (or any other proponent of the Plan) or by a person issuing Securities or acquiring property under the Plan, for services or for costs and expenses in or in connection with the Chapter 11 Cases, in connection with the Plan and incident to the Chapter 11 Cases is subject to the approval of the Bankruptcy Court as reasonable.
- The Debtors (or any other proponent of the Plan) have disclosed or will disclose the identity and affiliations of any individual proposed to serve, after Confirmation, as a director or officer of the Reorganized Debtors, any Affiliate of the Debtors reorganized under the Plan, or any successor to the Debtors under the Plan. The appointment to or continuance in such office of such individual is consistent with the interests of creditors and equity security holders and with public policy.
- The Debtors (or any other proponent of the Plan) have disclosed or will disclose the identity of and compensation for any insider that the Reorganized Debtors will employ or retain.
- Each Holder within an Impaired Class of Claims or Interests, as applicable, (a) has accepted the Plan or (b) will receive or retain under the Plan on account of such Claim or Interest property of a value, as of the Effective Date, that is not less than the amount that such Holder would so receive or retain if the Debtors were liquidated under chapter 7 of the Bankruptcy Code on such date.
- Each Class of Claims or Interests (a) has accepted the Plan or (b) is Unimpaired under the Plan, subject to the "cram-down" provisions discussed in section IX.E herein.
- The Plan provides for treatment of Claims, as applicable, in accordance with the provisions of section 507(a) of the Bankruptcy Code.
- If a Class of Claims is Impaired under the Plan, at least one Class of Claims that is Impaired under the Plan has accepted the Plan, determined without including any insider's acceptance of the Plan.
- The Reorganized Debtors or any successor to the Debtors under the Plan likely will not be liquidated or need further financial reorganization following Confirmation, unless such liquidation or reorganization is proposed in the Plan.
- All fees payable under 28 U.S.C. § 1930 have been paid or will be paid pursuant to the Plan on the Effective Date.

C. Best Interests Test / Liquidation Analysis

Section 1129(a)(7) of the Bankruptcy Code contains the best interest test, which requires that each holder of an impaired claim or interest either (a) accept the plan or (b) receive or retain under the plan property of a value, as of the Effective Date, that is not less than the value such holder would receive if the debtor was liquidated under chapter 7 of the Bankruptcy Code. Based on the unaudited Liquidation Analysis attached hereto as **Exhibit E**, the Debtors believe that the value of any distributions under chapter 7 of the Bankruptcy Code would be no greater than the value of distributions under the Plan in these Chapter 11 Cases. As a result, the Debtors believe Holders of Claims and Interests in all Impaired Classes will recover at least as much as in a hypothetical chapter 7 liquidation a result of Confirmation of the Plan.

THE LIQUIDATION ANALYSIS HAS BEEN PREPARED SOLELY FOR USE IN THIS DISCLOSURE STATEMENT AND DOES NOT REPRESENT VALUES THAT ARE APPROPRIATE FOR ANY OTHER PURPOSE. NOTHING CONTAINED IN THE LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION BY OR ADMISSION OF ANY DEBTOR FOR ANY PURPOSE.

D. Feasibility

The Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan of reorganization 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. As part of this analysis, the Debtors have prepared the Financial Projections, which, together with the assumptions on which they are based, are attached hereto as **Exhibit G**. Based on such Financial Projections, the Debtors believe that they will be able to make all payments required under the Plan while conducting ongoing business operations. Therefore, neither liquidation nor the need for further reorganization is likely to follow the Confirmation of the Plan.

E. Confirmation Without Acceptance by All Impaired Classes

The Bankruptcy Code permits confirmation of a plan of reorganization even if all impaired classes do not accept the plan as long as (a) the plan otherwise satisfies the requirements for confirmation, (b) at least one impaired class of claims has accepted the plan without taking into consideration the votes of any insiders in such class and (c) the plan is "fair and equitable" and does not "discriminate unfairly" as to any impaired class that has not accepted the plan. These so-called "cram down" provisions are set forth in section 1129(b) of the Bankruptcy Code.

(1) No Unfair Discrimination

The no "unfair discrimination" test applies to classes of claims or interests that are equal in priority and are receiving different treatment under the plan. The test does not require that the treatment be the same or equivalent, but that such treatment be "fair." The Debtors do not believe the Plan discriminates unfairly against any Impaired Class of Claims or Interests. Further, the Debtors believe the Plan, including the treatment of all Classes of Claims and Interests therein, satisfies the foregoing requirements for nonconsensual confirmation.

(2) Fair and Equitable Test

This test applies to classes of different priority and status (e.g., secured versus unsecured) and includes the general requirement that no class of claims or interests receive more than 100 percent of the amount of the allowed claims or interests in such class. As to a dissenting class, the test sets different standards depending on the type of claims or interests in such class. In order to demonstrate that a plan is fair and equitable with respect to a dissenting class, the plan proponent must demonstrate:

- Secured Creditors: Each holder of a secured claim (a) 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 chapter 11 plan, of at least the allowed amount of such claim, (b) has the right to credit bid the amount of its claim if its property is sold and

retains its liens on the proceeds of the sale (or if sold, on the proceeds thereof), or (c) receives the "indubitable equivalent" of its allowed secured claim.

- Unsecured Creditors: Either (a) each holder of an impaired unsecured claim receives or retains under the chapter 11 plan property of a value equal to the amount of its allowed claim or (b) the holders of claims and interests that are junior to the claims of the non-accepting class will not receive any property under the chapter 11 plan.

- Holders of Interests: Either (a) each holder of an impaired interest will receive or retain under the chapter 11 plan property of a value equal to the greatest of the fixed liquidation preference to which such holder is entitled, the fixed redemption price to which such holder is entitled, or the value of the interest or (b) the holders of interests that are junior to the non-accepting class will not receive or retain any property under the chapter 11 plan.

The Debtors believe that the Plan and treatment of all Classes of Claims and Interests therein satisfies the "fair and equitable" requirement, notwithstanding the fact that certain Classes are deemed to reject the Plan.

F. Liquidation Analysis

The Debtors believe that the Plan provides Holders of Allowed Claims and Interests the same or greater recovery as would be achieved if the Debtors were to liquidate under chapter 7 of the Bankruptcy Code. This belief is based on a number of considerations, including (a) that the Debtors' primary assets likely would have to be sold on a piecemeal basis in a chapter 7 liquidation, (b) the additional Administrative Claims that would be incurred if the cases were converted to a chapter 7 along with other costs associated therewith, and (c) that there would not be a robust market to liquidate the Debtors' assets and services.

The Debtors, with the assistance of their restructuring advisors, AlixPartners, have prepared an unaudited liquidation analysis, which is attached hereto as **Exhibit E**, to assist Holders of Claims and Interests in evaluating the Plan. The Liquidation Analysis compares the projected recoveries that would result from the Debtors' liquidation in hypothetical cases under chapter 7 of the Bankruptcy Code with the estimated distributions to holders of Allowed Claims and Interests under the Plan. The Liquidation Analysis is based on the value of the Debtors' assets and liabilities as of a certain date and incorporates various estimates and assumptions, including a hypothetical conversion to chapter 7 as of a certain date. Further, the Liquidation Analysis is subject to potentially material changes that might result from economic and business conditions as well as legal rulings. Therefore, the Debtors' actual liquidation value could vary materially from the estimate provided in the Liquidation Analysis.

G. Valuation Analysis

The Plan provides for the New Equity and New Warrants to be distributed to Holders of Senior Subordinated Notes Claims and Allowed Interests in ATD, as applicable, upon consummation of the Plan. Accordingly, Moelis performed an analysis of the estimated implied value of the Debtors on a going-concern basis as of October 16, 2018 (the "Valuation Analysis") at the Debtors' request. Based on the Valuation Analysis, which is attached hereto as **Exhibit F**, the Reorganized Debtors will have an implied equity value at emergence of approximately $604 million at the midpoint.

The Valuation Analysis, including the procedures followed, assumptions made, qualifications, and limitations on review undertaken, should be read in conjunction with section VIII of this Disclosure Statement entitled "Risk Factors." The Valuation Analysis is based on data and information as of October 16, 2018. Moelis makes no representations as to changes to such data and information that may have occurred since the date of the Valuation Analysis.

H. Alternatives to Confirmation and Consummation of the Plan

If the Plan cannot be confirmed, the Debtors may seek to (a) prepare and present to the Bankruptcy Court an alternative chapter 11 plan of reorganization for confirmation, (b) effect a merger or sale transaction, including, potentially, a sale of all or substantially all of the Debtors' assets pursuant to section 363 of the Bankruptcy Code, or

(c) liquidate their assets and businesses under chapter 7 of the Bankruptcy Code. If the Debtors were to pursue a liquidation of their assets and businesses in chapter 7, the Debtors would convert these Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, and a trustee would be appointed to liquidate the assets of the Debtors for distribution in accordance with the priority scheme in the Bankruptcy Code.

X. IMPORTANT SECURITIES LAW DISCLOSURE

A. New Equity and New Warrants

As discussed herein, the Plan provides for the Reorganized Debtors to offer, issue and distribute Securities, including the New Equity and the New Warrants (and the New Equity issued upon exercise of the New Warrants) to Holders of Senior Subordinated Notes Claims and Equity Interests in ATD, as applicable, in accordance with Article III of the Plan. The Employee Incentive Plan also provides that the Reorganized Debtors will distribute New Equity to certain employees after the Effective Date upon terms which the New Board in its discretion approves.

The Debtors believe that the class of New Equity and the New Warrants (including the New Equity issued upon exercise of the New Warrants) will be "securities," as defined in section 2(a)(1) of the Securities Act, section 101 of the Bankruptcy Code, and any applicable state securities law. The Debtors further believe that both (a) the offer, sale and distribution of Securities, including the New Equity and the New Warrants (and the New Equity issued upon exercise of the New Warrants) pursuant to the Plan and (b) the subsequent transfers of such Securities, including the New Equity and the New Warrants (and the New Equity issued upon exercise of the New Warrants) by the Holders thereof that are not "underwriters," as defined in section 2(a)(11) of the Securities Act, will be exempt from federal and state securities registration requirements under the Bankruptcy Code and any applicable state securities law, as described in more detail below. New Equity distributed pursuant to the Equity Incentive Plan will be issued pursuant to another exemption from registration under the Securities Act and other applicable law.

B. Issuance and Resale of New Equity and New Warrants

All shares of the New Equity and the New Warrants (including the New Equity issued upon exercise of the New Warrants) issued, as applicable, (a) to Holders of Senior Subordinated Notes Claims on account of such Claims, (b) to Holders of Equity Interests in ATD, and (c) upon the New Warrants being exercised will be issued without registration under the Securities Act or any similar federal, state, or local law in reliance on section 1145(a) of the Bankruptcy Code. Section 1145 of the Bankruptcy Code provides that a debtor's offer and sale of a security, including stock, options, and warrants are exempt from registration under Section 5 of the Securities Act and any state law requirements if (a) the offer or sale occurs under a plan of reorganization, (b) the recipients of the securities hold a claim against, an interest in, or claim for administrative expense against the debtor, and (c) the securities are issued in exchange for a claim against or interest in a debtor or are issued principally in such exchange or partly for cash and property. The Debtors believe that issuing the New Equity and New Warrants and that the New Equity that is issuable upon the New Warrants being exercised in exchange for the Claims and Interests described herein and in the Plan all satisfy the requirements under section 1145(a) of the Bankruptcy Code. Recipients of the New Equity and the New Warrants are advised to consult with their own legal advisors as to whether any exemption from registration is available under the Securities Act and any applicable state securities law. As discussed below, the exemptions provided for in section 1145(a) related to resales do not apply to any person or entity that is deemed an "underwriter" as such term is defined in section 1145(b) of the Bankruptcy Code.

C. Resales of New Equity and New Warrants; Definition of Underwriter

The New Equity and New Warrants (including the New Equity issued upon exercise of the New Warrants) issued pursuant to the section 1145(a) exemption may be resold without registration under the Securities Act or other federal securities laws pursuant to the exemption provided under Section 4(a)(1) of the Securities Act, unless the holder is an "underwriter" with respect to such securities, as that term is defined in section 1145(b) of the Bankruptcy Code and further detailed below. In addition, securities exempt pursuant to section 1145(a) generally may be resold without registration under state securities laws pursuant to various exemptions that are available pursuant to the applicable states' law.

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

The definition of an "issuer" for purposes of whether a person is an underwriter under section 1145(b)(1)(D) of the Bankruptcy Code, by reference to section 2(a)(11) of the Securities Act, includes as "statutory underwriters" all "affiliates," which are all persons who, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with, an issuer of securities. The reference to "issuer," as used in the definition of "underwriter" contained in section 2(a)(11) of the Securities Act, is intended to cover "Controlling Persons" of the issuer of the securities. "Control," as defined in Rule 405 of the Securities Act, means to possess, directly or indirectly, the power to direct or cause to direct management and policies of a Person, whether through owning voting securities, contract, or otherwise. Accordingly, an officer or director of a reorganized debtor or its successor may be deemed to be a "controlling person" of the debtor or successor under a plan of reorganization, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor's or its successor's voting securities. In addition, the legislative history of section 1145 of the Bankruptcy Code suggests that a creditor who owns 10% or more of a class of securities of a reorganized debtor may be presumed to be a "Controlling Person" and, therefore, an underwriter.

Resales of the New Equity and/or the New Warrants by entities deemed to be "underwriters" (which definition includes "Controlling Persons") are not exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law, even though such securities are not "restricted" securities. Under certain circumstances, holders of New Equity and/or New Warrants who are deemed to be "underwriters" may be entitled to resell their New Equity pursuant to the limited safe harbor resale provisions of Rule 144 of the Securities Act. Generally, Rule 144 of the Securities Act would permit the public sale of securities received by such Person if the required holding period has been met and, under certain circumstances, current information regarding the issuer is publicly available and volume limitations, manner of sale requirements and certain other conditions are met. Whether any particular Person would be deemed to be an "underwriter" (including whether the Person is a "Controlling Person") with respect to the New Equity and New Warrants would depend upon various facts and circumstances applicable to that Person. Accordingly, the Debtors express no view as to whether any Person would be deemed an "underwriter" with respect to the New Equity and/or New Warrants or that such securities vis-à-vis such Person are "control" securities and, in turn, whether any Person may freely resell New Equity and/or New Warrants.

In view of the complex nature of the question of whether a particular Person may be an "underwriter," the Debtors make no representations concerning the right of any Person to freely resell securities issued under the Plan. Accordingly, the Debtors recommend that potential recipients of the New Equity and the New Warrants consult their own counsel concerning their ability to freely trade such securities. In addition, on the Effective Date, these securities will not be registered under the Securities Exchange Act or listed on any national securities exchange. The Debtors make no representation concerning the ability of a person to dispose of the New Equity or the New Warrants.

D. New Equity and Employee Incentive Plan

The Confirmation Order will authorize the New Board to adopt and enter into the Employee Incentive Plan, which will reserve an aggregate of 10% of the New Equity outstanding on the Effective Date (on a fully diluted and fully distributable basis) for employees under the Employee Incentive Plan. The New Equity to be issued at the New Board's discretion and on its terms will dilute all of the New Equity outstanding at the time of such issuance. The New Equity is also subject to dilution in connection with the exercise of the New Warrants and the conversion

of any other options, warrants, convertible securities, or other securities that may be issued post-emergence. The New Equity to be issued pursuant to the Employee Incentive Plan will not be exempted by section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law, although such New Equity may be entitled to other exceptions from such registration.

XI. CERTAIN UNITED STATED FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN

A. Introduction

The following discussion summarizes certain United States ("U.S.") federal income tax consequences of the implementation of the Plan to the Debtors, the Reorganized Debtors and certain Holders (which, solely for purposes of this discussion, means the beneficial owners for U.S. federal income tax purposes) of certain Claims and Interests entitled to vote on the Plan. This summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), the U.S. Treasury Regulations promulgated thereunder (the "Treasury Regulations"), judicial decisions and published administrative rules, and pronouncements of the Internal Revenue Service (the "IRS"), all as in effect on the date hereof (collectively, "Applicable Tax Law"). Changes in the rules or new interpretations of the rules may have retroactive effect and could significantly affect the U.S. federal income tax consequences described below. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. The Debtors have not requested, and do not intend to request, any ruling or determination from the IRS or any other taxing authority with respect to the tax consequences discussed herein, and the discussion below is not binding upon the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This summary does not address foreign, state, local, gift, or estate tax consequences of the Plan, nor does it purport to address all aspects of U.S. federal income taxation that may be relevant to a Holder in light of its individual circumstances or to a Holder that may be subject to special tax rules (such as Persons who are related to the Debtors within the meaning of the Code, broker-dealers, banks, mutual funds, insurance companies, financial institutions, small business investment companies, regulated investment companies, tax exempt organizations, pass-through entities, beneficial owners of pass-through entities, trusts, governmental authorities or agencies, dealers and traders in securities, subchapter S corporations, Persons who hold Claims or Interests or who will hold the New Equity, New Warrants, and/or Amended Term Loan as part of a straddle, hedge, conversion transaction, or other integrated investment, persons using a mark-to-market method of accounting, and Holders of Claims or Interests who are themselves in bankruptcy). Furthermore, this summary assumes that a Holder of a Claim or Interest holds only Claims or Interests in a single Class and holds a Claim or Interest only as a "capital asset" (within the meaning of section 1221 of the Code). This summary also assumes that the various debt and other arrangements to which any of the Debtors are a party will be respected for U.S. federal income tax purposes in accordance with their form, and that the Claims constitute interests in the Debtors "solely as a creditor" for purposes of section 897 of the Code. This summary does not discuss differences in tax consequences to Holders of Claims or Interests that act or receive consideration in a capacity other than any other Holder of a Claim or Interest of the same Class or Classes, and the tax consequences for such Holders may differ materially from that described below. This summary does not address the U.S. federal income tax consequences to Holders (a) whose Claims are Unimpaired or otherwise entitled to payment in full in Cash under the Plan, or (b) that are deemed to reject the Plan.

For purposes of this discussion, a "U.S. Holder" is a Holder of a Claim or Interest that is: (a) an individual citizen or resident of the United States for U.S. federal income tax purposes; (b) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the U.S., any state thereof or the District of Columbia; (c) an estate the income of which is subject to U.S. federal income taxation regardless of the source of such income; or (d) a trust (i) if a court within the U.S. is able to exercise primary jurisdiction over the trust's administration and one or more "United States persons" (within the meaning of section 7701(a)(30) of the Code) have authority to control all substantial decisions of the trust, or (ii) that has a valid election in effect under applicable Treasury Regulations to be treated as a "United States person" (within the meaning of section 7701(a)(30) of the Code). For purposes of this discussion, a "Non-U.S. Holder" is any Holder of a Claim or Interest that is not a U.S. Holder other than any partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership or other pass-through entity for U.S. federal income tax purposes) is a Holder of a Claim or Interest, the tax treatment of a partner (or other beneficial owner) generally will depend upon the status of the partner (or other beneficial owner) and the activities of the partner (or other beneficial owner) and the entity. Partners (or other beneficial owners) of partnerships (or other pass-through entities) that are Holders of Claims or Interests should consult their tax advisors regarding the U.S. federal income tax consequences of the Plan.

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. ALL HOLDERS OF CLAIMS OR INTERESTS ARE URGED TO CONSULT THEIR TAX ADVISORS AS TO THE FEDERAL, STATE, LOCAL, AND NON-U.S. INCOME, ESTATE, AND OTHER TAX CONSEQUENCES OF THE PLAN.

B. Certain U.S. Federal Income Tax Consequences to the Debtors and Reorganized Debtors

(1) Effects of Restructuring on Tax Attributes of Debtors

The tax consequences of the implementation of the Plan to the Debtors will differ depending on whether the Restructuring Transactions are structured as a taxable sale of the assets and/or stock of any Debtor (a "Taxable Transaction") or as a recapitalization or tax-free reorganization of the Debtors (a "Recapitalization Transaction"). The Debtors have not yet determined how the Restructuring Transactions will be structured, whether in whole or in part. Such decision will depend on, among other things, whether assets being sold pursuant to any Taxable Transaction have an aggregate fair market value in excess of their aggregate tax basis (i.e., a "built-in gain") or an aggregate fair market value less than their aggregate tax basis (i.e., a "built-in loss"), the amount of the expected reduction in the aggregate tax basis of such assets by excluded cancellation of indebtedness income "COD Income") and whether sufficient tax attributes are available to offset any such built-in gain, future tax benefits associated with a step-up in the tax basis of the Debtors' assets as a result of a Taxable Transaction, and the amount and character of any losses with respect to the stock of the Debtors, in each case for U.S. federal, state, and local income tax purposes.

If the transactions undertaken pursuant to the Plan are structured as a Taxable Transaction, the Debtors would realize gain or loss upon the transfer in an amount equal to the difference between the aggregate fair market value of the assets transferred by the Debtors and the Debtors' aggregate tax basis in such assets. Gain, if any, would be reduced by the amount of such Debtors' available net operating losses ("NOLs"), NOL carryforwards and any other available tax attributes, and any remaining gain would be recognized by the Debtors and result in a cash tax obligation. If a Reorganized Debtor purchases assets or stock of any Debtor pursuant to a Taxable Transaction, the Reorganized Debtor will take a fair market value basis in the transferred assets or stock. However, if a Taxable Transaction involves a purchase of stock, the Debtor whose stock is transferred will retain its basis in its assets, (subject to reduction due to COD Income, as described below), unless the Debtors make an election pursuant to Code sections 338(h)(10) or 336(e) with respect to the purchase to treat the purchase as the purchase of assets.

As of December 31, 2017, the Debtors estimate that they have approximately $225 million of federal NOLs. The Debtors are currently generating additional tax losses, which will ultimately increase the Debtors' NOLs and other tax attributes. Any NOLs remaining upon implementation of the Plan may be able to offset future taxable income for up to 20 years in the case of NOLs arising before 2018 and indefinitely for NOLs arising in taxable years starting in 2018, thereby reducing the Debtors' future aggregate tax obligations. NOLs arising before 2018 may offset 100% of future taxable income and NOLs arising in taxable years starting with 2018 may be used to offset 80% of taxable income in a given year. As discussed below, however, the Debtors' NOLs are expected to be reduced and possibly eliminated upon implementation of the Plan.

(a) *Cancellation of Debt and Reduction of Tax Attributes*

In general, absent an exception, the Debtors will realize and recognize COD Income upon satisfaction of their outstanding indebtedness for total consideration less than the amount of such indebtedness. The amount of COD Income, in general, is the excess of (a) the adjusted issue price of the indebtedness satisfied, over (b) the sum of (i) the amount of Cash paid, (ii) the issue price of the loans under the Amended Term Loan, and (iii) the fair market value of the New Equity, New Warrants, or other consideration, in each case, given in satisfaction of such indebtedness at the time of the exchange.

Under section 108 of the Code, the Debtors will not, however, be required to include any amount of COD Income in gross income if the Debtors are under the jurisdiction of a court in a case under chapter 11 of the Bankruptcy Code and the discharge of debt occurs pursuant to that proceeding. Instead, as a consequence of such exclusion, the Debtors must reduce their tax attributes by the amount of COD Income that they excluded from gross income pursuant to section 108 of the Code. Such reduction in tax attributes occurs only after the tax for the year of the debt discharge has been determined (including, as described above, the amount of gain or loss recognized by the Debtors with respect to the sale of all or a portion of their assets in a Taxable Transaction). In general, tax attributes will be reduced in the following order: (a) NOLs and NOL carryforwards; (b) general business credit carryovers; (c) minimum tax credit carryovers; (d) capital loss carryovers; (e) tax basis in assets (but not below the amount of liabilities to which the Reorganized Debtors will remain subject immediately after the discharge); (f) passive activity loss and credit carryovers; and (g) foreign tax credit carryovers. Alternatively, the Debtors may elect first to reduce the basis of their depreciable assets pursuant to section 108(b)(5) of the Code. Any excess COD Income over the amount of available tax attributes will generally not give rise to U.S. federal income tax and will generally have no other U.S. federal income tax impact.

In connection with the Restructuring Transactions, the Debtors expect to realize significant COD Income. The amount of the tax attributes required to be reduced pursuant to section 108 of the Code will depend on whether the transactions undertaken pursuant to the Plan are structured as a Taxable Transaction or Recapitalization Transaction. Further, the exact amount of any COD Income that will be realized by the Debtors will not be determinable until the consummation of the Plan. Regardless of the implemented structure, however, the Debtors expect that the amount of such COD Income will be sufficient to eliminate most, if not all, of their NOLs and tax credits allocable to taxable periods prior to the Effective Date pursuant to section 108 of the Code. Depending on implemented structure, some of the Debtors' tax basis in their assets may be reduced by COD Income that is not absorbed by the NOLs and tax credits.

(b) *Limitation on NOLs and Other Tax Attributes*

After giving effect to the reduction in tax attributes pursuant to excluded COD Income described above, to the extent the Reorganized Debtors succeed to the Debtors' tax attributes (i.e., if the Restructuring Transactions are not structured as a Taxable Transaction pursuant to which the Debtors' assets, and not stock of corporate entities, are being transferred to the Reorganized Debtors for U.S. federal income tax purposes), the Reorganized Debtors' ability to use any remaining tax attributes post-emergence will be subject to certain limitations under sections 382 and 383 of the Code.

Under sections 382 and 383 of the Code, if the Debtors undergo an "ownership change," the amount of any remaining NOLs, tax credit carryforwards, net unrealized built-in losses, and possibly certain other attributes of the Debtors allocable to periods prior to the Effective Date (collectively, "Pre-Change Losses") that may be utilized to offset future taxable income generally are subject to an annual limitation. For this purpose, if a corporation (or consolidated group) has a net unrealized built-in loss at the time of an ownership change (taking into account most assets and items of "built-in" income and deductions), then generally built-in losses (including amortization or depreciation deductions attributable to such built-in losses) recognized during the following five years (up to the amount of the original net unrealized built-in loss) will be treated as Pre-Change Losses and similarly will be subject to the annual limitation. In general, a corporation's (or consolidated group's) net unrealized built-in loss will be deemed to be zero unless it is greater than the lesser of (a) $10,000,000, or (b) 15 percent of the fair market value of its assets (with certain adjustments) before the ownership change.

The rules of section 382 of the Code are complicated, but as a general matter, the Debtors anticipate that the issuance of New Equity and New Warrants pursuant to the Plan will result in an "ownership change" of the Debtors for these purposes, and that the Reorganized Debtors' use of the Pre-Change Losses will be subject to limitation unless an exception to the general rules of section 382 of the Code applies.

i. General Section 382 Annual Limitation

In general, the amount of the annual limitation to which a corporation that undergoes an "ownership change" would be subject is equal to the product of (a) the fair market value of the stock of the corporation immediately before the ownership change (with certain adjustments), and (b) the "long-term tax-exempt rate" (which is the highest of the adjusted federal long-term rates in effect for any month in the 3-calendar-month period ending with the calendar month in which the ownership change occurs, currently 2.27 percent for October 2018). The annual limitation may be increased to the extent that the Reorganized Debtors recognize certain built-in gains in their assets during the five-year period following the ownership change, or are treated as recognizing built-in gains pursuant to the safe harbors provided in IRS Notice 2003-65. Section 383 of the Code applies a similar limitation to capital loss carryforwards and tax credits. Any unused limitation may be carried forward, thereby increasing the annual limitation in the subsequent taxable year. As discussed below, however, special rules may apply in the case of a corporation that experiences an ownership change as the result of a bankruptcy proceeding.

ii. Special Bankruptcy Exceptions

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

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

The availability to the Reorganized Debtors of either the 382(l)(5) Exception or the 382(l)(6) Exception will depend on the structure of the transactions undertaken pursuant to the Plan. As discussed above, however, the Debtors expect that most, if not all, of the Debtors' NOLs allocable to periods prior to the Effective Date will be eliminated and hence will not be subject to the annual limitation following the year in which the Effective Date occurs regardless of the implemented structuring.

(c) *Excess Loss Accounts*

Generally, when corporations are members of an affiliated group filing a consolidated return, a parent corporation's basis in the stock of a subsidiary in such a group is (a) increased by the sum of (i) income of such subsidiary and (ii) contributions to such subsidiary, and (b) reduced by the sum of (i) losses or deductions of such subsidiary that are used by the affiliated group and (ii) distributions from such subsidiary. In the case that the amount described in clause (b) above exceeds the amount described in clause (a) above, and such excess is greater than the parent corporation's basis in the subsidiary stock before the adjustments specified in clauses (a)-(b) are made, the amount by which such excess is greater than the parent corporation's basis in the subsidiary stock is called an "excess loss account" and is treated as negative basis for U.S. federal income tax purposes. The affiliated group must recognize income equal to the excess loss account in the subsidiary's stock in certain events, including (x) to the extent the subsidiary recognizes COD Income that is excluded from gross income pursuant to section 108 of the Code (as discussed above), and the affiliated group does not reduce its tax attributes by such excluded COD Income, and (y) if the stock of the subsidiary is treated as disposed of for no consideration. It is possible that a Debtor will exclude COD Income in excess of available tax attributes and that there could be an excess loss account in the stock of that Debtor. In that case, the Debtors will recognize taxable income in the amount of such excess COD Income, but not to exceed the amount of the excess loss account.

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

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

The U.S. federal income tax consequences to a U.S. Holder of a Claim will depend, in part, on whether the Claim surrendered constitutes a "security" of a Debtor for U.S. federal income tax purposes.

Neither the Code nor the Treasury Regulations promulgated thereunder defines the term "security." Whether a debt instrument constitutes a "security" is determined based on all relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument at initial issuance is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that could be taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof with respect to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an interest of the obligor, whether payments of interest are fixed, variable, or contingent, and whether such payments are made on a current basis or accrued. **Due to the inherently factual nature of the determination, U.S. Holders are urged to consult their tax advisors regarding the status of the loans under the Amended Term Loan as "securities" for U.S. federal income tax purposes.**

The Debtors expect to (i) take the position that the New Equity that will be received by the Class 5 Claimholders will first be issued and contributed by Reorganized ATD to American Tire Distributors, Inc., and then exchanged with such Holders pursuant to the Plan, and (ii) treat such transactions as occurring in the same order (issuance, contribution, and exchange) for U.S. federal income tax purposes. The Debtors believe, and intend to take the position that, this treatment applies for U.S. federal income tax purposes, and the remainder of the discussion assumes this. The tax consequences to the Debtors, the Reorganized Debtors, and holders of Class 5 Claims described herein could be materially different in the event this characterization was not respected for U.S. federal income tax purposes.

(1) **Consequences to the Holders of Allowed Class 4 Claims**

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of Class 4 Term Loan Claims, each Holder thereof will receive its Pro Rata Share of the new term loans

under the Amended Term Loan (including its Pro Rata Share of the Amended Term Loan Additional Amount) and Cash.

If the Restructuring Transactions are structured as a Recapitalization Transaction, an Allowed Class 4 Claim qualifies as a "security" of American Tire Distributors, Inc., and the loans under the Amended Term Loan constitute a "security" of Reorganized American Tire Distributors, Inc., then the Holder of the Allowed Class 4 Claim should be treated as receiving its distribution under the Plan in a "recapitalization" for U.S. federal income tax purposes. Subject to the rules regarding "accrued but untaxed interest" (as discussed below), a Holder of such Claim should recognize gain, but not loss, with the amount of recognized gain equal to, the lesser of (1) the excess, if any, of (i) the "issue price" (as discussed below in this Section) of the loans under the Amended Term Loan (including the Amended Term Loan Additional Amount) received, plus Cash received, over (ii) the Holder's adjusted basis, if any, in the Claim, and (2) the amount of Cash received and the issue price of the Amended Term Loan attributable to the Amended Term Loan Additional Amount. The Holder should obtain a tax basis in the Amended Term Loan received (other than the portion attributable to the Amended Term Loan Additional Amount), equal to (a) the tax basis of the Claim surrendered plus (b) gain recognized (if any), minus (c) the amount of Cash received and the issue price of the Amended Term Loan attributable to the Amended Term Loan Additional Amount. The Holder should obtain a tax basis in the portion of the Amended Term Loan attributable to the Amended Term Loan Additional Amount, equal to its issue price. Subject to amounts treated as received in satisfaction of accrued but untaxed interest, the holding period for the debt (other than debt attributable to the Amended Term Loan Additional Amount) received should include the holding period for the exchanged Claim. The holding period for debt attributable to the Amended Term Loan Additional Amount should begin on the day following the receipt of such property.

If the Restructuring Transactions are structured as a Taxable Transaction, or as a Recapitalization Transaction and either the Allowed Class 4 Claim and/or the loans under the Amended Term Loan do not constitute "securities," then the Holder of the Allowed Class 4 Claim will be treated as receiving its distribution under the Plan in a taxable exchange under section 1001 of the Tax Code. Other than with respect to any amounts received that are attributable to accrued but untaxed interest, the Holder should recognize gain or loss in an amount equal to the difference, if any, between (a) the amount of Cash received and the issue price of the loans under the Amended Term Loan (including the Amended Term Loan Additional Amount) received, and (b) the Holder's adjusted tax basis in its Claim. The character of such gain as capital gain or ordinary income will be determined by a number of factors including the tax status of the Holder, the rules regarding "market discount" (as discussed below) and accrued but untaxed interest, whether the Claim constitutes a capital asset in the hands of the Holder, and whether and to what extent the Holder had previously claimed a bad debt deduction with respect to its Claim. If recognized gain or loss is capital in nature, it generally would be long-term capital gain if the Holder held its Claim for more than one year at the time of the exchange. The holding period for debt received should begin on the day following the Effective Date. Subject to the rules regarding accrued but untaxed interest, the Holder should obtain a tax basis in the loans under the Amended Term Loan (including the Amended Term Loan Additional Amount) received equal to the issue price of such debt received as of the date of the exchange.

The determination of the "issue price" of the loans under the Amended Term Loan for purposes of this analysis will depend, in part on whether the loans under the Amended Term Loan are traded on an "established securities market" for U.S. federal income tax purposes. The issue price of a debt instrument that is traded on an established market (or that is issued for stock or securities so traded) would be the fair market value of such debt instrument (or such stock or securities so traded) on the issue date as determined by such trading. The issue price of a debt instrument that is neither so traded nor issued for stock or securities so traded would be its stated principal amount (provided that the interest rate on the debt instrument exceeds the applicable federal rate published by the IRS). Although not free from doubt, the Debtors expect that the loans under the Amended Term Loan will be treated as traded on an established securities market for U.S. federal income tax purposes, in which case the issue price of the loans under the Amended Term Loan would be equal to its fair market value, but no assurances can be given in this regard. The rules regarding the determination of issue price are complex and highly detailed and you should consult your tax advisor regarding the determination of the issue price of the loans under the Amended Term Loan.

(2) **Consequences to the Holders of Allowed Class 5 Claims**

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of Class 5 Claims, each Holder thereof will receive its Pro Rata Share of the New Equity.

As noted above, the Debtors expect to take the position that in a Recapitalization Transaction the New Equity of Reorganized ATD will be contributed to American Tire Distributors, Inc., and then exchanged by American Tire Distributors, Inc., for Class 5 Claims. Accordingly, regardless of whether the reorganization is structured as a Recapitalization Transaction or a Taxable Transaction, Holders of Class 5 Claims will be treated as receiving distributions under the Plan in a taxable exchange under section 1001 of the Tax Code. Subject to the rules regarding accrued but untaxed interest, each Holder of such Claim should recognize gain or loss equal to the difference between (1) the fair market value of New Equity received and (2) such Holder's adjusted basis, if any, in such Claim. The character of such gain as capital gain or ordinary income will be determined by a number of factors including the tax status of the Holder, the rules regarding accrued but untaxed interest and market discount, whether the Claim constitutes a capital asset in the hands of the Holder, and whether and to what extent the Holder had previously claimed a bad debt deduction with respect to its Claim. If recognized gain or loss is capital in nature, it generally would be long-term capital gain if the Holder held its Claim for more than one year at the time of the exchange. Subject to the rules regarding accrued but untaxed interest, a Holder's tax basis in any New Equity received should equal the fair market value of such New Equity as of the date such New Equity is distributed to the Holder. A Holder's holding period for the New Equity received should begin on the day following the date it receives the New Equity.

(3) **Consequences to the Holders of Allowed Class 10 Interests**

Pursuant to the Plan, in exchange for full and final satisfaction, compromise, settlement, release, and discharge of Class 10 Interests, each Holder thereof will receive its Pro Rata share of the New Equity and the New Warrants. In addition, each Sponsor will receive Cash in satisfaction of its fees and expenses.

If the Restructuring Transactions are structured as a Recapitalization Transaction, a U.S. Holder of an Allowed Class 10 Interest is generally expected to be treated as receiving its distribution under the Plan in a "recapitalization" for U.S. federal income tax purposes. A U.S. Holder of such Interest should recognize gain, if any, but not loss, to the extent of any Cash received, with the amount of recognized gain equal to the lesser of (A) the amount of Cash received and (B) the difference between (1) the amount of Cash received and the value of the New Equity and New Warrants received and (2) such Holder's adjusted basis, if any, in such Interest. Such Holder's tax basis in the New Equity and New Warrants received should equal the tax basis of the Interest exchanged, increased by gain, if any, recognized by such Holder in the transaction, minus the amount of any Cash received, allocated between the New Equity and New Warrants based upon their respective fair market values. Such Holder's holding period for the New Equity and New Warrants received should include the holding period for the exchanged Interest.

If the Restructuring Transactions are structured as a Taxable Transaction, a U.S. Holder of an Allowed Class 10 Interest will be treated as receiving Cash, if any, and its Pro Rata share of the New Equity and New Warrants in a taxable exchange under section 1001 of the Tax Code. Each Holder of such Interest should recognize gain or loss equal to the difference between (1) the amount of Cash received and the fair market value of New Equity and New Warrants received and (2) such Holder's adjusted basis, if any, in such Interest. The character of such gain as capital gain or ordinary income will be determined by a number of factors including the tax status of the Holder and whether the Interest constitutes a capital asset in the hands of the Holder. If recognized gain or loss is capital in nature, it generally would be long-term capital gain if the Holder held its Interest for more than one year at the time of the exchange. A Holder's tax basis in any New Equity and New Warrants received should equal the fair market value of such property as of the date such property is distributed to the Holder. A Holder's holding period for the property received should begin on the day following receipt thereof.

(4) **Treatment of New Warrants**

A U.S. Holder that elects to exercise the New Warrants will be treated as purchasing, in exchange for its New Warrants and the amount of Cash funded by the U.S. Holder to exercise the New Warrants, the New Equity it

is entitled to purchase pursuant to the New Warrants. Such a purchase will generally be treated as the exercise of an option under general tax principles, and as such a U.S. Holder should not recognize income, gain or loss for U.S. federal income tax purposes when it exercises the New Warrants. A U.S. Holder's aggregate tax basis in the New Equity will equal the sum of (i) the amount of Cash paid by the U.S. Holder to exercise its New Warrants plus such U.S. Holder's tax basis in its New Warrants immediately before the New Warrants are exercised. A U.S. Holder's holding period for the New Equity received on the Effective Date pursuant to the exercise of the New Warrants should begin on the day following the Effective Date.

A U.S. Holder that elects not to exercise the New Warrants may be entitled to claim a capital loss equal to the amount of tax basis allocated to the New Warrants, subject to any limitations on such U.S. Holder's ability to utilize capital losses. Such U.S. Holders are urged to consult with their own tax advisors as to the tax consequences of electing not to exercise the New Warrants.

(5) **Accrued Interest**

A portion of the consideration received by U.S. Holders of Claims may be attributable to accrued but untaxed interest on such Claims. Such amount should be taxable to that U.S. Holder as ordinary interest income if such accrued interest has not been previously included in the Holder's gross income for U.S. federal income tax purposes. Conversely, U.S. Holders of Claims may be able to recognize a deductible loss to the extent that any accrued interest on the Claims was previously included in the Holder's gross income but was not paid in full by the Debtors. Such loss may be ordinary, but the tax law is unclear on this point.

If the fair value of the consideration is not sufficient to fully satisfy all principal and interest on Allowed Claims, the extent to which such consideration will be attributable to accrued but untaxed interest is unclear. Under the Plan, the aggregate consideration to be distributed to U.S. Holders of Allowed Claims in each Class will be allocated first to the principal amount of Allowed Claims, with any excess allocated to untaxed interest that accrued on such Claims, if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a chapter 11 plan of reorganization is binding for U.S. federal income tax purposes, while certain Treasury Regulations treat payments as allocated first to any accrued but untaxed interest. The IRS could take the position that the consideration received by the U.S. Holder should be allocated in some way other than as provided in the Plan. Holders of Claims should consult their respective tax advisors regarding the proper allocation of the consideration received by them under the Plan between principal and accrued but untaxed interest in such event.

(6) **Market Discount**

Under the "market discount" provisions of the Code, some or all of any gain realized by a U.S. Holder of a Claim may be treated as ordinary income (instead of capital gain), to the extent of the amount of "market discount" on the debt instruments constituting the exchanged Claim. In general, a debt instrument is considered to have been acquired with "market discount" if it is acquired other than on original issue and if the U.S. Holder's adjusted tax basis in the debt instrument is less than (a) the sum of all remaining payments to be made on the debt instrument, excluding "qualified stated interest" or (b) in the case of a debt instrument issued with OID, its adjusted issue price, in each case, by at least a *de minimis* amount (equal to 0.25 percent of the sum of all remaining payments to be made on the debt instrument, excluding qualified stated interest, multiplied by the number of remaining whole years to maturity).

Any gain recognized by a U.S. Holder on the taxable disposition of a Claim that had been acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while such Claim was considered to be held by the Holder (unless the Holder elected to include market discount in income as it accrued). To the extent that the Allowed Claims that were acquired with market discount are exchanged in a tax-free transaction for other property, any market discount that accrued on the Allowed Claims (i.e., up to the time of the exchange) but was not recognized by the Holder is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption, or other disposition of such property is treated as ordinary income to the extent of such accrued, but not recognized, market discount. Holders should consult their own tax advisors concerning the application of the market discount rules to their Claims.

(7) **Medicare Tax**

Certain U.S. Holders that are individuals, estates, or trusts are required to pay an additional 3.8 percent tax on, among other things, gains from the sale or other disposition of capital assets. U.S. Holders that are individuals, estates, or trusts should consult their tax advisors regarding the effect, if any, of this tax provision on their ownership and disposition of any consideration to be received under the Plan.

(8) **Dividends on New Equity**

Any distributions made on account of the New Equity will constitute dividends for U.S. federal income tax purposes to the extent of the current or accumulated earnings and profits of the Reorganized Debtors as determined under U.S. federal income tax principles. To the extent that a U.S. Holder receives distributions that would otherwise constitute dividends for U.S. federal income tax purposes but that exceed such current and accumulated earnings and profits, such distributions will be treated first as a non-taxable return of capital reducing the U.S. Holder's basis in its shares of the New Equity. Any such distributions in excess of the U.S. Holder's basis in its shares (determined on a share-by-share basis) generally will be treated as capital gain.

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

(9) **Sale, Redemption, or Repurchase of New Equity and New Warrants**

Unless a non-recognition provision applies, U.S. Holders generally will recognize capital gain or loss upon the sale, redemption, or other taxable disposition of the New Equity or New Warrants. Such capital gain will be long-term capital gain if at the time of the sale, exchange, retirement, or other taxable disposition, the U.S. Holder held the New Equity or New Warrants for more than one year. Long-term capital gains of an individual taxpayer generally are taxed at preferential rates. The deductibility of capital losses is subject to certain limitations as described below.

(10) **Interest on Amended Term Loan**

Stated interest paid to a U.S. Holder will be includible in the U.S. Holder's gross income as ordinary interest income at the time interest is received or accrued in accordance with the U.S. Holder's regular method of tax accounting for U.S. federal income tax purposes.

If the "stated redemption price at maturity" of the loans under the Amended Term Loan received by U.S. Holders exceeds the "issue price" of the loans under the Amended Term Loan by an amount equal to or greater than a statutorily defined de minimis amount, the loans under the Amended Term Loan will be considered to be issued with OID for U.S. federal income tax purposes. The stated redemption price at maturity of the loans under the Amended Term Loan is the total of all payments due on the loans under the Amended Term Loan (including the Amended Term Loan Additional Amount) other than payments of "qualified stated interest." In general, qualified stated interest is stated interest that is payable unconditionally in cash or in property (other than debt instruments of the issuer) at least annually at a single fixed rate (or at certain qualifying floating rates). The determination of the issue price for loans under the Amended Term Loan is discussed above. The issue price for a loan under the Amended Term Loan that is traded on an established market will equal its fair market value on the date of issuance. If such a loan under the Amended Term Loan is not traded on an established market, its issue price will generally equal its stated principal amount.

For purposes of determining whether there is OID, the de minimis amount is generally equal to ¼ of 1 percent of the principal amount of the loans under the Amended Term Loan multiplied by the number of complete years to maturity from their original issue date, or if the loans under the Amended Term Loan provide for payments

other than payments of qualified stated interest before maturity, multiplied by the weighted average maturity (as determined under applicable Treasury regulations). If the loans under the Amended Term Loan are issued with OID, a U.S. Holder generally (i) will be required to include the OID in gross income as ordinary interest income as it accrues on a constant yield to maturity basis over the term of the loans under the Amended Term Loan, in advance of the receipt of the cash attributable to such OID and regardless of the holder's method of accounting for U.S. federal income tax purposes, but (ii) will not be required to recognize additional income upon the receipt of any Cash payment on the loans under the Amended Term Loan that is attributable to previously accrued OID that has been included in its income. If the amount of OID on the loans under the Amended Term Loan is de minimis, rather than being characterized as interest, any payment attributable to the de minimis OID will be treated as gain from the sale of the loans under the Amended Term Loan, and a pro rata amount of such de minimis OID must be included in income as principal payments are received on the loans under the Amended Term Loan.

(11) Sale, Redemption, or Repurchase of Interests in the Amended Term Loan

Upon the sale, exchange or other taxable disposition of loans under the Amended Term Loan, a U.S. Holder generally will recognize taxable gain or loss equal to the difference, if any, between the amount realized on the sale, exchange or other taxable disposition (other than accrued but untaxed interest, which will be taxable as interest) and the U.S. Holder's adjusted tax basis in their interest in the loans under the Amended Term Loan. A U.S. Holder's adjusted tax basis in their interest in the loans under the Amended Term Loan will depend on whether, as described above, the loans under the Amended Term Loan are considered a "security" for tax purposes, whether they are attributable to the Amended Term Loan Additional Amount, and whether the U.S. Holder receives the loans under the Amended Term Loan (if any) as part of a transaction that is treated as a reorganization for U.S. federal income tax purposes. A U.S. Holder's initial tax basis in the loans under the Amended Term Loan will be increased by any previously accrued OID and decreased by any payments on the loans under the Amended Term Loan other than qualified stated interest. Any such gain or loss generally will be capital gain or loss and generally will be long-term capital gain or loss if the interest in the loans under the Amended Term Loan has been held for more than one year at the time of its sale, exchange or other taxable disposition. Certain non-corporate U.S. Holders (including individuals) may be eligible for preferential rates of U.S. federal income tax in respect of long-term capital gains. The deductibility of capital losses is subject to limitations as discussed below.

(12) Limitation on Use of Capital Losses

U.S. Holders who recognize capital losses as a result of the distributions under the Plan will be subject to limits on their use of capital losses. For noncorporate U.S. Holders, capital losses may be used to offset any capital gains (without regard to holding periods) plus ordinary income to the extent of the lesser of (a) $3,000 ($1,500 for married individuals filing separate returns) or (b) the excess of the capital losses over the capital gains. U.S. Holders, other than corporations, may carry over unused capital losses and apply them to capital gains and a portion of their ordinary income for an unlimited number of years. For corporate U.S. Holders, losses from the sale or exchange of capital assets may only be used to offset capital gains. U.S. Holders who have more capital losses than can be used in a tax year may be allowed to carry over the excess capital losses for use in succeeding tax years. Corporate U.S. Holders may only carry over unused capital losses for the five years following the capital loss year, but are allowed to carry back unused capital losses to the three years preceding the capital loss year.

D. Certain United States Federal Income Tax Consequences to Non-U.S. Holders of Certain Allowed Claims or Interests

(1) U.S. Federal Income Tax Consequences to Non-U.S. Holders of Allowed Claims or Interests

The following discussion assumes that the Debtors will undertake the Restructuring Transactions currently contemplated by the Plan and includes only certain U.S. federal income tax consequences of the Plan to Non-U.S. Holders. The discussion does not include any non-U.S. tax considerations. The rules governing the U.S. federal income tax consequences to Non-U.S. Holders are complex. Each Non-U.S. Holder should consult its own tax advisor regarding the U.S. federal, state, and local and the non-U.S. tax consequences of the consummation of the Plan to such Non-U.S. Holder and the ownership and disposition of the New Equity, New Warrants, and loans under the Amended Term Loan, as applicable.

(a) *Gain Recognition*

Any gain realized by a Non-U.S. Holder on the exchange of its claim generally will not be subject to U.S. federal income taxation unless (a) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the Restructuring Transactions occur and certain other conditions are met or (b) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain realized on the exchange if such gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States in the same manner as a U.S. Holder (except that the Medicare tax would generally not apply). In order to claim an exemption from withholding tax, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or such successor form as the IRS designates). In addition, if such a Non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30 percent (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

(b) *Accrued but Untaxed Interest*

Payments made to a Non-U.S. Holder that are attributable to accrued but untaxed interest generally will not be subject to U.S. federal income or withholding tax, provided that (i) such Non-U.S. Holder is not a bank, (ii) such Non-U.S. Holder does not actually or constructively own 10 percent or more of the total combined voting power of all classes of the stock of Reorganized ATD and (iii) the withholding agent has received or receives, prior to payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person, unless such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (x) generally will not be subject to withholding tax, but (y) will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued but untaxed interest at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

A Non-U.S. Holder that does not qualify for exemption from withholding tax with respect to accrued but untaxed interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30 percent rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on payments that are attributable to accrued but untaxed interest. For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business.

(2) **U.S. Federal Income Tax Consequences to Non-U.S. Holders of Owning and Disposing of New Equity, New Warrants, and Loans under the Amended Term Loan**

(a) *Dividends on New Equity*

Any distributions made with respect to New Equity will constitute dividends for U.S. federal income tax purposes to the extent of Reorganized ATD's current or accumulated earnings and profits as determined under U.S. federal income tax principles. Except as described below, dividends paid with respect to New Equity held by a Non-U.S. Holder that are not effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (or if an income tax treaty applies, are not attributable to a permanent establishment maintained by such Non-U.S. Holder in

the United States) will be subject to U.S. federal withholding tax at a rate of 30 percent (or lower treaty rate or exemption from tax, if applicable). A Non-U.S. Holder generally will be required to satisfy certain IRS certification requirements in order to claim a reduction of or exemption from withholding under a tax treaty by filing IRS Form W-8BEN (or a successor form) upon which the Non-U.S. Holder certifies, under penalties of perjury, its status as a non-U.S. person and its entitlement to the lower treaty rate or exemption from tax with respect to such payments. Dividends paid with respect to New Equity held by a Non-U.S. Holder that are effectively connected with a Non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, are attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States) generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder, and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the dividends at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty).

(b) *Sale, Redemption, or Repurchase of New Equity*

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

i. such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of disposition or who is subject to special rules applicable to former citizens and residents of the United States;

ii. such gain is effectively connected with such Non-U.S. Holder's conduct of a U.S. trade or business (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States); or

iii. Reorganized ATD is or has been during a specified testing period a "U.S. real property holding corporation" for U.S. federal income tax purposes.

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

(c) *Payments on Loans Under the Amended Term Loan*

Subject to the discussion below regarding "FATCA," payments to a Non-U.S. Holder with respect to the loans under the Amended Term Loan that are treated as interest, including payment attributable to any OID (see discussion above) generally will not be subject to U.S. federal income or withholding tax, provided that (i) such Non-U.S. Holder is not a bank, (ii) such Non-U.S. Holder does not actually or constructively own 10 percent or more of the total combined voting power of all classes of the stock of Reorganized ATD and (iii) the withholding agent has received or receives, prior to payment, appropriate documentation (generally, IRS Form W-8BEN or W-8BEN-E) establishing that the Non-U.S. Holder is not a U.S. person, unless such interest is effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (in which case, provided the Non-U.S. Holder provides a properly executed IRS Form W-8ECI (or successor form) to the withholding agent, the Non-U.S. Holder (x) generally will not be subject to withholding tax, but (y) will be subject to U.S. federal income tax in the same manner as a U.S. Holder (unless an applicable income tax treaty provides otherwise), and a Non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such Non-U.S. Holder's effectively connected earnings and profits that are attributable to the accrued

but untaxed interest at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty)).

Subject to the discussion below regarding "FATCA," a Non-U.S. Holder that does not qualify for exemption from withholding tax with respect to interest that is not effectively connected income generally will be subject to withholding of U.S. federal income tax at a 30 percent rate (or at a reduced rate or exemption from tax under an applicable income tax treaty) on payments that are attributable to interest, including any OID.

For purposes of providing a properly executed IRS Form W-8BEN or W-8BEN-E, special procedures are provided under applicable Treasury Regulations for payments through qualified foreign intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business.

(d) *Sale, Exchange or Other Disposition of Loans Under the Amended Term Loan*

Subject to the discussion below regarding "FATCA," any gain recognized by a Non-U.S. Holder on the sale, exchange or other disposition of loans under the Amended Term Loan (other than an amount representing accrued but untaxed interest on the loans under the Amended Term Loan, which is subject to the rules discussed above under "Payments on Loans Under the Amended Term Loan") generally will not be subject to U.S. federal income taxation unless (i) the Non-U.S. Holder is an individual who was present in the United States for 183 days or more during the taxable year in which the disposition occurs and certain other conditions are met or (ii) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States (and if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by such Non-U.S. Holder in the United States).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 percent (or at a reduced rate or exemption from tax under an applicable income tax treaty) on the amount by which such Non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of the exchange. If the second exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax with respect to any gain realized on the exchange in the same manner as a U.S. Holder. Subject to the discussion below regarding "FATCA," in order to claim an exemption from withholding tax, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or such successor form as the IRS designates). In addition, if such a Non-U.S. Holder is a corporation, it may be subject to a branch profits tax equal to 30 percent (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

(3) **FATCA**

Under the Foreign Account Tax Compliance Act ("FATCA"), foreign financial institutions and certain other foreign entities must report certain information with respect to their U.S. account holders and investors or be subject to withholding on the receipt of "withholdable payments." For this purpose, "withholdable payments" are generally U.S. source payments of fixed or determinable, annual or periodical income (including dividends, if any, on shares of New Equity and U.S. source interest (including OID) paid in respect of instruments such as the Amended Term Loan), and also include gross proceeds from the sale of any property of a type which can produce U.S. source interest or dividends (which would include New Equity and loans provided under the Amended Term Loan). FATCA withholding will apply even if the applicable payment would not otherwise be subject to U.S. federal nonresident withholding tax.

FATCA withholding rules currently apply to withholdable payments other than payments of gross proceeds from the sale or other disposition of property of a type which can produce U.S. source interest or dividends and under current law will apply to payments of gross proceeds from the sale or other disposition of property of a type which can produce U.S. source income or dividends that occurs after December 31, 2018.

BOTH U.S. HOLDERS AND NON-U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE POSSIBLE IMPACT OF THESE RULES ON SUCH HOLDERS' EXCHANGE OF ANY OF ITS CLAIMS OR INTERESTS PURSUANT TO THE PLAN AND ON ITS OWNERSHIP OF LOANS PROVIDED UNDER THE AMENDED TERM LOAN.

E. Information Reporting and Backup Withholding

The Debtors will withhold all amounts required by law to be withheld from payments of interest and dividends. The Debtors will comply with all applicable reporting requirements of the Code. In general, information reporting requirements may apply to distributions or payments made to a Holder of a Claim or Interest under the Plan. Additionally, under the backup withholding rules, a Holder of a Claim or Interest may be subject to backup withholding with respect to distributions or payments made pursuant to the Plan unless, in the case of a U.S. Holder, such U.S. Holder provides a properly executed IRS Form W-9 and, in the case of Non-U.S. Holder, such Non-U.S. Holder provides a properly executed applicable IRS Form W-8 (or otherwise establishes such Non-U.S. Holder's eligibility for an exemption). The current backup withholding rate is 24 percent. Backup withholding is not an additional tax but is, instead, an advance payment that may entitle the Holder to a refund from the IRS to the extent it results in an overpayment of tax, provided that the required information is provided to the IRS.

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

THE UNITED STATES FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT DISCUSS ALL ASPECTS OF UNITED STATES FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF A CLAIM OR INTEREST IN LIGHT OF SUCH HOLDER'S CIRCUMSTANCES AND INCOME TAX SITUATION. ALL HOLDERS OF CLAIMS AND INTERESTS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM UNDER THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL, NON-US, OR OTHER TAX LAWS, AND OF ANY CHANGE IN APPLICABLE TAX LAWS.

XII. CONCLUSION AND RECOMMENDATION

The Debtors believe that Confirmation and consummation of the Plan is preferable to all other alternatives. Consequently, the Debtors urge all Holders of Claims and Interests entitled to vote to accept the Plan and to evidence such acceptance by returning their Ballots so that the Solicitation Agent actually receives them no later than the Voting Deadline.

Dated: October 19, 2018

Respectfully submitted,

ATD CORPORATION
on behalf of itself and each of its Debtor affiliates

By: _____
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Title: Vice President and Chief Financial Officer

Prepared by:

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EXHIBIT A

Joint Plan of Reorganization for ATD Corporation and its Debtor Affiliates

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
ATD CORPORATION, *et al.*,[1]	)	Case No. 18-12221 (KJC)
Debtors.	)	(Jointly Administered)

JOINT PLAN OF REORGANIZATION OF ATD CORPORATION AND ITS DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE

NOTHING CONTAINED IN THIS PLAN SHALL CONSTITUTE AN OFFER, ACCEPTANCE, COMMITMENT, OR LEGALLY BINDING OBLIGATION OF THE DEBTORS OR ANY OTHER PARTY IN INTEREST AND THIS PLAN IS SUBJECT TO APPROVAL BY THE BANKRUPTCY COURT AND OTHER CUSTOMARY CONDITIONS. THIS PLAN IS NOT AN OFFER WITH RESPECT TO ANY SECURITIES.

YOU SHOULD NOT RELY ON THE INFORMATION CONTAINED IN, OR THE TERMS OF, THIS PLAN FOR ANY PURPOSE PRIOR TO THE CONFIRMATION OF THIS PLAN BY THE BANKRUPTCY COURT.

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Proposed Co-Counsel to the Debtors and Debtors in Possession

Dated: October 15, 2018

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, where applicable, include: ATD Corporation (3683); Accelerate Holdings Corp. (0528); American Tire Distributors Holdings, Inc. (6143); American Tire Distributors, Inc. (4594); Rubbr Automotive Services, LLC (3334); The Hercules Tire & Rubber Company (3365); Terry's Tire Town Holdings, Inc. (7464); Tire Pros Francorp (1361); and Hercules Asia Pacific, LLC (2499). The location of the Debtors' service address in these chapter 11 cases is 12200 Herbert Wayne Court, Suite 150, Huntersville, North Carolina 28078.

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INTRODUCTION

ATD Corporation and its affiliated Debtors in the above-captioned chapter 11 cases jointly propose this Plan. Capitalized terms used in the Plan shall have the meanings set forth in Article I.A of the Plan.

Although proposed jointly for administrative purposes, the Plan constitutes a separate Plan for each Debtor for the resolution of outstanding Claims and Interests pursuant to the Bankruptcy Code. The Debtors seek to consummate the Restructuring Transactions on the Effective Date of the Plan. Each Debtor is a proponent of the Plan within the meaning of section 1129 of the Bankruptcy Code. The classifications of Claims and Interests set forth in Article III of this Plan shall be deemed to apply separately with respect to each Plan proposed by each Debtor, as applicable. The Plan does not contemplate substantive consolidation of any of the Debtors. Reference is made to the Disclosure Statement for a discussion of the Debtors' history, business, properties and operations, projections, risk factors, a summary and analysis of the Plan, the Restructuring Transactions, and certain related matters.

ALL HOLDERS OF CLAIMS AND INTERESTS ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

ARTICLE I

DEFINED TERMS AND RULES OF INTERPRETATION

A. Defined Terms

The following terms shall have the following meanings when used in capitalized form in the Plan:

1. "*ABL Agent*" means Bank of America, N.A., in its capacity as administrative agent and collateral agent under the ABL Credit Agreement.

2. "*ABL Claim*" means any and all Claims arising under, derived from, or based upon the ABL Credit Agreement or any other agreement, instrument or document executed at any time in connection therewith including, without limitation, all Obligations under (and as defined in) the ABL Credit Agreement, and all Claims arising under the Financing Order with respect to the ABL Credit Parties or the ABL Facility.

3. "*ABL Credit Agreement*" means that certain Seventh Amended and Restated Credit Agreement dated as of April 21, 2015, among American Tire Distributors, Inc., The Hercules Tire & Rubber Company, National Tire Distributors, Inc., Hercules Tire International Inc., each of the guarantors party thereto, the ABL Agent, and the ABL Lenders, as amended pursuant to that certain First Amendment to Seventh Amended and Restated Credit Agreement dated September 24, 2015, that certain Second Amendment to Seventh Amended and Restated Credit Agreement dated as of January 19, 2016, that certain Third Amendment to Seventh Amended and Restated Credit Agreement dated as of February 10, 2017, and as may be further amended, modified, or supplemented from time to time.

4. "*ABL Credit Parties*" means collectively, the ABL Agent and the ABL Lenders.

5. "*ABL Facility*" means that certain asset-based revolving loan facility provided for under the ABL Credit Agreement.

6. "*ABL Lenders*" means those banks, financial institutions, and other lenders under the ABL Credit Agreement.

7. "*Administrative Claim*" means a Claim for costs and expenses of administration of the Chapter 11 Cases pursuant to sections 503(b) and entitled to priority under sections 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred on or after the Petition Date until and including the Effective Date of preserving the Estates and operating the Debtors' businesses; (b) Allowed Professional Fee Claims; (c) all fees and charges assessed against the Estates pursuant to section 1930 of chapter 123 of title 28 of the United States Code; and (d) all other claims entitled to administrative claim status pursuant to an order of the Bankruptcy Court.

8. "*Administrative Claims Bar Date*" means the deadline for Filing requests for payment of Administrative Claims, which: (a) with respect to Administrative Claims other than Professional Fee Claims, shall be thirty (30) days after the Effective Date; and (b) with respect to Professional Fee Claims, shall be forty-five (45) days after the Effective Date.

9. "*Affiliate*" has the meaning set forth in section 101(2) of the Bankruptcy Code. With respect to any Entity that is not a Debtor, the term "Affiliate" shall apply to such Entity as if the Entity were a Debtor.

10. "*Agents/Trustees*" means, collectively: (a) the DIP Agent; (b) the ABL Agent; (c) the Term Loan Agent; (d) the Senior Subordinated Notes Indenture Trustee; (e) the Amended Term Loan Agent; (f) the Amended ABL Agent; and (g) the Distribution Agent.

11. "*Allowed*" means, with reference to any Claim or Interest: (a) any Claim or Interest arising on or before the Effective Date (i) as to which no objection to allowance, priority, or secured status, and no request for estimation or other challenge, including pursuant to section 502(d) of the Bankruptcy Code or otherwise, has been interposed, or (ii) as to which any objection has been determined by a Final Order to the extent such objection is determined in favor of the respective Holder; (b) any Claim or Interest that is compromised, settled, or otherwise resolved pursuant to the authority of the Debtors and, if outside the ordinary course of business, with the consent of the Required Consenting Noteholders with respect to Claims in excess of $1,250,000 (which consent shall not be unreasonably withheld) or the Reorganized Debtors; (c) any Claim or Interest as to which the liability of the Debtors or Reorganized Debtors, as applicable, and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court; or (d) any Claim or Interest expressly allowed under this Plan. Notwithstanding the foregoing: (a) unless otherwise specified in the Plan, in section 506(b) of the Bankruptcy Code, or by the Financing Order, the Allowed amount of Claims or Interests shall be subject to and shall not exceed the limitations under or maximum amounts permitted by the Bankruptcy Code, including sections 502 or 503 of the Bankruptcy Code, to the extent applicable; and (b) the Reorganized Debtors shall retain all claims and defenses with respect to Allowed Claims that are Reinstated or otherwise Unimpaired pursuant to the Plan. "Allow," "Allows," and "Allowing" shall have correlative meanings.

12. "*Amended ABL Agent*" means the administrative and collateral agent under the Amended ABL Facility in accordance with the Amended ABL Documentation.

13. "*Amended ABL Credit Agreement*" means a credit agreement which shall govern the Amended ABL Facility and shall be in form and substance reasonably acceptable to the Debtors, the Amended ABL Agent, the Amended ABL Lenders, the Required Consenting Noteholders, the Required Consenting Term Loan Lenders, and to the extent such Amended ABL Credit Agreement could reasonably be expected to adversely and materially affect the rights of the Sponsors, the Sponsors.

14. "*Amended ABL Documentation*" means the Amended ABL Credit Agreement and any other agreement, instrument, guarantee, security, and relevant documentation executed at any time with respect to the Amended ABL Facility (which may include amendments to and/or restatements of existing intercreditor agreements and subordination agreements affecting the collateral securing the ABL Facility, the DIP Facility, and the Amended ABL Facility), all of which shall be in form and substance reasonably acceptable to the Debtors, the Amended ABL Agent, the Amended ABL Lenders, the Required Consenting Term Loan Lenders, the Required Consenting Noteholders, and to the extent such Amended ABL Documentation could reasonably be expected to adversely and materially affect the rights of the Sponsors, the Sponsors.

15. "*Amended ABL Facility*" means either: (a) a replacement asset-based loan facility pursuant to which the DIP Lenders and ABL Lenders will provide loans and commitments in an amount sufficient to cause Full Payment in cash of the DIP Facility Claims and ABL Facility Claims; or (b) a new asset-based loan facility in an amount sufficient to cause Full Payment in cash of the DIP Facility Claims and ABL Facility Claims.

16. "*Amended ABL Lenders*" means those banks, financial institutions, and other lenders under the Amended ABL Credit Agreement.

17. "*Amended Term Loan*" means term loans issued under and on the terms set forth in the Amended Term Loan Documentation.

18. "*Amended Term Loan Additional Amount*" means an additional principal amount of new term loans under the Amended Term Loan Facility in an amount equal to ½ of one percent (0.50%) of the principal amount of Term Loan Claims outstanding as of the Petition Date.

19. "*Amended Term Loan Agent*" means the administrative agent under the Amended Term Loan Agreement.

20. "*Amended Term Loan Agreement*" means the credit agreement governing the Amended Term Loan in form and substance reasonably acceptable to the Debtors, the Required Consenting Term Loan Lenders, the Required Consenting Noteholders, and to the extent such Amended Term Loan Credit Agreement could reasonably be expected to adversely and materially affect the rights of the Sponsors, the Sponsors.

21. "*Amended Term Loan Documentation*" means the Amended Term Loan Agreement and any other guarantee, security, and related documents with respect to the Amended Term Loan Facility (which may include amendments to and/or restatements of existing intercreditor agreements and subordination agreements affecting the collateral securing the Term Loan Facility and the Amended Term Loan Facility), all of which shall be reasonably acceptable in form and substance to the Debtors, the Required Consenting Term Loan Lenders, the Required Consenting Noteholders, and to the extent such Amended Term Loan Documentation could reasonably be expected to adversely and materially affect the rights of the Sponsors, the Sponsors.

22. "*Amended Term Loan Facility*" means that certain term loan facility provided for under the Amended Term Loan Agreement.

23. "*Assumed Executory Contract and Unexpired Lease List*" means the list of Executory Contracts and Unexpired Leases that will be assumed by the Reorganized Debtors pursuant to the Plan, which list shall be included in the Plan Supplement.

24. "*ATD*" means ATD Corporation.

25. "*Ballot*" means the ballots accompanying the Disclosure Statement upon which certain Holders of Impaired Claims entitled to vote shall, among other things, indicate their acceptance or rejection of the Plan in accordance with the Plan and the procedures governing the solicitation process.

26. "*Bankruptcy Code*" means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as may be amended from time to time.

27. "*Bankruptcy Court*" means the United States Bankruptcy Court for the District of Delaware or such other court having jurisdiction over the Chapter 11 Cases.

28. "*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, 28 U.S.C. § 2075, as applicable to the Chapter 11 Cases, and the general, local, and chambers rules of the Bankruptcy Court.

29. "*Business Day*" means any day, other than a Saturday, Sunday or "legal holiday" (as that term is defined in Bankruptcy Rule 9006(a)).

30. "*Cash*" means the legal tender of the United States of America or the equivalent thereof, including bank deposits and checks.

31. "*Causes of Action*" means any action, claim, cause of action, controversy, demand, right, action, Lien, indemnity, interest, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license, and franchise of any kind or character whatsoever, whether known, unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, foreseen or unforeseen, choate or inchoate, secured or unsecured, assertable directly or derivatively, whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law. For the avoidance of doubt, "Cause of Action" includes: (a) any right of setoff, counterclaim, or recoupment and any claim for breach of contract or for breach of duties imposed by law or in equity; (b) any claim based on or relating to, or in any manner arising from, in whole or in part, tort, breach of contract, breach of fiduciary duty, violation of state

or federal law or breach of any duty imposed by law or in equity, including securities laws, negligence, and gross negligence; (c) the right to object to Claims or Interests; (d) any Claim pursuant to section 362 or chapter 5 of the Bankruptcy Code; (e) any claim or defense including fraud, mistake, duress, and usury; and any other defenses set forth in section 558 of the Bankruptcy Code; and (f) any state or foreign law preferential or fraudulent transfer or similar claim.

32. "*Certificate*" means any instrument evidencing a Claim or an Interest.

33. "*Chapter 11 Cases*" means: (a) when used with reference to a particular Debtor, the chapter 11 case filed for that Debtor under chapter 11 of the Bankruptcy Code in the Bankruptcy Court; and (b) when used with reference to all Debtors, the jointly administered chapter 11 cases for all of the Debtors.

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

35. "*Claims Objection Deadline*" means the deadline for objecting to a Claim asserted against a Debtor, which shall be on the date that is the later of: (a)(i) with respect to Administrative Claims, sixty (60) days after the Administrative Claims Bar Date, or (ii) with respect to all other Claims, one hundred eighty (180) days after the Effective Date; and (b) such other period of limitation as may be specifically fixed by the Debtors, with the consent of the Required Consenting Noteholders (not to be unreasonably withheld), or the Reorganized Debtors, as applicable, or by an order of the Bankruptcy Court for objecting to such Claims.

36. "*Claims Register*" means the official register of Claims and Interests maintained by the Notice and Claims Agent.

37. "*Class*" means a category of Holders of Claims or Interests as set forth in Article III of this Plan pursuant to section 1122(a) of the Bankruptcy Code.

38. "*Company Indemnification Obligations*" means indemnification provisions currently in place (whether in the by-laws, certificates of incorporation or formation, limited liability company agreements, other organizational documents, board resolutions, indemnification agreements, employment contracts, or otherwise) as of the Petition Date for the current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other Professionals of the Debtors, as applicable.

39. "*Company Parties*" means ATD and each of its Affiliates that are or become parties to the RSA, solely in their capacity as such.

40. "*Confirmation*" means the entry of the Confirmation Order by the Bankruptcy Court on the docket of the Chapter 11 Cases.

41. "*Confirmation Date*" means the date on which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases.

42. "*Confirmation Hearing*" means the hearing(s) before the Bankruptcy Court under section 1128 of the Bankruptcy Code at which the Debtors seek entry of the Confirmation Order.

43. "*Confirmation Order*" means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code, which order shall be in form and substance reasonably acceptable to the Debtors, the Required Consenting Stakeholders, ABL Agent, and DIP Agent.

44. "*Consenting Noteholder Fees and Expenses*" means collectively, (i) all of the reasonable and documented fees and expenses of Akin Gump Strauss Hauer & Feld LLP, Pepper Hamilton LLP and PJT Partners LP, counsel, local counsel and financial advisor, respectively to the Consenting Noteholders in connection with the Restructuring Transactions, in each case: (a) in accordance with the terms of their applicable engagement letters with the Company Parties, the RSA, and the Plan; and (b) without any requirement for the filing of retention applications in the Chapter 11 Cases, with any balance(s), including estimates of fees and expenses to be incurred through the Effective Date, paid on the Effective Date and (ii) all of the reasonable and documented out-of-pocket travel expenses incurred by the Consenting Noteholders.

45. "*Consenting Noteholders*" means the Noteholders that are or become parties to the RSA, solely in their capacity as such.

46. "*Consenting Term Loan Lender Fees and Expenses*" means collectively, (i) all of the reasonable and documented fees and expenses of Paul, Weiss, Rifkind, Wharton & Garrison LLP, Young Conaway Stargatt & Taylor LLP and Houlihan Lokey, Inc., counsel, local counsel and financial advisor, respectively to the Consenting Term Loan Lenders, in connection with the Restructuring Transactions, in each case: (a) in accordance with the terms of their applicable engagement letters (if any) or other contractual arrangements with the Company Parties, the RSA, the Financing Orders, and the Plan; and (b) without any requirement for the filing of retention applications or any interim or final fee applications in the Chapter 11 Cases, with any balance(s), including estimates of fees and expenses to be incurred through the Effective Date, paid in full in Cash on the Effective Date and (ii) all of the reasonable and documented out-of-pocket travel expenses incurred by the Consenting Term Loan Lenders.

47. *"Consenting Term Loan Lenders*" means the Holders of Term Loan Claims that are or become parties to the RSA, solely in their capacity as such.

48. "*Consenting Stakeholders*" means any party (other than the Company Parties) to the RSA, each solely in their capacity as such, including: (a) each Consenting Noteholder; (b) each Consenting Term Loan Lender; and (c) each of the Sponsors.

49. "*Cure*" means a Claim (unless waived or modified by the applicable counterparty) based upon a Debtor's default under an Executory Contract or an Unexpired Lease assumed by such Debtor under section 365 of the Bankruptcy Code, other than a default that is not required to be cured pursuant to section 365(b)(2) of the Bankruptcy Code. "Cure Claim" shall have a correlative meaning.

50. "*Debtors*" means, collectively, each of the following: (a) ATD; (b) Accelerate Holdings Corp.; (c) American Tire Distributors Holdings, Inc.; (d) American Tire Distributors, Inc.; (e) Hercules Asia Pacific, LLC; (f) Rubbr Automotive Services, LLC; (g) Terry's Tire Town Holdings, Inc.; (h) The Hercules Tire & Rubber Company; and (i) Tire Pros Francorp.

51. "*Definitive Documentation*" means the definitive documents and agreements governing the Restructuring Transactions (including any related orders, agreements, instruments, schedules, or exhibits) that are contemplated by and referenced in the Plan (as amended, modified, or supplemented from time to time), including, without limitation, the following: (a) the Plan (and all exhibits, Ballots, solicitation procedures, and other documents and instruments related thereto); (b) the RSA (including the "Definitive Documents" as defined therein); (c) any document or agreement comprising the Plan Supplement, except as otherwise qualified herein; (d) the Disclosure Statement; (e) the New Equity Documentation; (f) any definitive documentation relating to the DIP Facility; (g) the Financing Order; (h) the Amended ABL Documentation; (i) the Amended Term Loan Documentation; (j) the New Warrants and any related documentation; (k) the New Organizational Documents; (l) the Confirmation Order; (m) such other agreements and documentation desired or necessary to consummate and document the transactions contemplated by this Plan and the RSA; and (n) any other document that has or may have an impact on the legal or economic rights of the Consenting Stakeholders, which shall be in each case, except as otherwise stated herein, in form and substance reasonably acceptable to (i) the Debtors and the Required Consenting Noteholders in all instances, (ii) the Required Consenting Term Loan Lenders with respect to each of the foregoing except the documents described in clauses (e), (j) and (k) herein, (iii) the Sponsors to the extent set forth herein and in the RSA and otherwise consistent with the RSA, and (iv) the DIP Agent, the Amended ABL Agent, and the Amended ABL Lenders, with respect to (f), (g), (h), (i), (l), and agreements or documents in (m) relating to the foregoing to the extent they pertain to the DIP Facility Payoff.

52. "*DIP Agent*" means Bank of America, N.A., as administrative and collateral agent under the DIP Credit Agreement.

53. "*DIP Credit Agreement*" means that certain debtor-in-possession credit agreement by and among ATD, the guarantors party thereto, the DIP Agent, and the DIP Lenders, as approved by the Financing Order.

54. "*DIP Credit Party*" means, individually or collectively, the DIP Agent and the DIP Lenders.

55. "*DIP Facility*" means that certain debtor-in-possession credit facility or debtor-in-possession credit facility, including the FILO DIP Facility, created under the DIP Credit Agreement.

56. "*DIP Facility Claim*" means any and all Claims held by any of the DIP Lenders or the DIP Agent arising under, derived from, or based upon the DIP Credit Agreement, any other agreement, instrument or document executed at any time in connection therewith, including, without limitation, all Obligations under (and as defined in) the DIP Credit Agreement, or the Financing Order.

57. "*DIP Facility Payoff*" means (a) with respect to any Allowed DIP Facility Claim that does not arise under the FILO DIP Facility, at the election of each Holder of such DIP Facility Claim under this clause (a), either (i) Full Payment of such DIP Facility Claim or (ii) such Holder's Pro Rata Share of the Amended ABL Facility that does not constitute a portion of the U.S. Junior FILO Exit Facility (as defined in the DIP Credit Agreement); and (b) with respect to any Allowed DIP Facility Claims arising under the FILO DIP Facility, at the election of each Holder of such DIP Facility Claim under this clause (b), either (x) Full Payment of all DIP Facility Claims or (y) the conversion or exchange of such Allowed DIP Facility Claims to claims under the Amended ABL Facility and the Amended Term Loan Facility in a manner that complies with the terms and conditions in the DIP Credit Agreement and the RSA.

58. "*DIP Lenders*" means the banks, financial institutions, and other lenders under the DIP Credit Agreement.

59. "*Disclosure Statement*" means the disclosure statement for the Plan, including all exhibits and schedules thereto, as the same may be amended, supplemented or modified from time to time, which shall be in form and substance reasonably acceptable to the Debtors and the Required Consenting Stakeholders.

60. "*Disputed*" means, with respect to a Claim or Interest: (a) any such Claim or Interest to the extent neither Allowed or disallowed under the Plan or a Final Order nor deemed Allowed under section 502, 503, or 1111 of the Bankruptcy Code; or (b) to the extent the Debtors or any party in interest has interposed a timely objection before the Confirmation Date in accordance with the Plan, which objection has not been withdrawn or determined by a Final Order. To the extent only the Allowed amount of a Claim or Interest is disputed, such Claim or Interest shall be deemed Allowed in the amount not disputed, if any, and Disputed as to the balance of such Claim or Interest.

61. "*Distribution Agent*" means, as applicable, the Reorganized Debtors or any Entity the Reorganized Debtors select to make or to facilitate distributions in accordance with the Plan, which Entity may include the Notice and Claims Agent.

62. "*Distribution Record Date*" means, except as otherwise set forth in this Plan, the date or dates determined by the Debtors, with the consent of the Required Consenting Noteholders, and the Required Consenting Term Loan Lenders (not to be unreasonably withheld), or the Reorganized Debtors, on or after the Effective Date, upon which the Distribution Agent shall make distributions to Holders of Allowed Claims or Interests to receive distributions under the Plan.

63. "*DTC*" means the Depository Trust Company.

64. "*Effective Date*" means the date that is the first Business Day after the Confirmation Date on which all conditions precedent to the occurrence of the Effective Date set forth in Article IX.A of this Plan have been satisfied or waived in accordance with Article IX.B of this Plan; *provided, however*, that in no event shall such date be later than forty-five (45) days after the date on which the Bankruptcy Court enters the Confirmation Order, unless extended with the consent of the Debtors, the DIP Agent, and the Required Consenting Stakeholders.

65. "*Employee Incentive Plan*" means the post-Effective Date employee incentive plan to be implemented at Reorganized ATD, which will: (a) reserve an aggregate of ten percent (10%) of the New Equity, on a fully diluted, fully distributed basis, for grants to be made from time to time to employees of Reorganized ATD at the discretion of the New Board; and (b) otherwise contain terms and conditions (including with respect to participants, allocation, structure, and timing and extent of issuance and vesting) in each case as determined at the discretion of the New Board after the Effective Date.

66. "*Entity*" means an entity as defined in section 101(15) of the Bankruptcy Code.

67. "*Equity Recovery*" means five percent (5%) of the New Equity, subject to dilution on account of the Employee Incentive Plan and the New Warrants, as applicable.

68. "*Estate*" means the estate of any Debtor created under sections 301 and 541 of the Bankruptcy Code upon the commencement of the applicable Debtor's Chapter 11 Case.

69. "*Exculpated Party*" means, collectively, and in each case in its capacity as such: (a) the Debtors; (b) any statutory committee appointed in the Chapter 11 Cases and each of its members; and (c) each current and former Affiliate of each Entity in clause (a) through (c); and (d) each Related Party of each Entity in clause (a) through (c).

70. "*Executory Contract*" means a contract or lease to which one or more of the Debtors is a party that is subject to assumption or rejection under sections 365 or 1123 of the Bankruptcy Code.

71. "*File*" means file in the Chapter 11 Cases with the Bankruptcy Court or, with respect to the filing of a Proof of Claim, the Notice and Claims Agent or the Bankruptcy Court. "Filed" and "Filing" shall have correlative meanings.

72. "*FILO DIP Facility*" means the $250 million superpriority, secured "first-in-last-out" tranche of term indebtedness that is defined as the "U.S. Junior FILO Facility" under the DIP Credit Agreement.

73. "*Final Decree*" means the decree contemplated under Bankruptcy Rule 3022.

74. "*Final Order*" means an order of the Bankruptcy Court or other court of competent jurisdiction with respect to the relevant subject matter that has not been reversed, modified or amended, that is not stayed, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be Filed has been resolved by the highest court to which the order could be appealed or from which certiorari could be sought or the new trial, reargument or rehearing shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

75. "*Financing Order*" means, collectively, the interim and Final Orders as entered by the Bankruptcy Court: (a) authorizing the Debtors to enter into the DIP Credit Agreement and access to the DIP Facility; (b) granting the Debtors authority to use cash collateral and other prepetition collateral of the Prepetition Secured Parties; and (c) granting adequate protection to the Prepetition Secured Parties, each as set forth in the terms of such order(s), which orders shall be reasonably acceptable in form and substance to the Debtors, the DIP Agent, the DIP Lenders, the ABL Agent, the Required Consenting Noteholders, and the Required Consenting Term Loan Lenders.

76. "*Full Payment*" shall have the meaning ascribed to such term in the DIP Credit Agreement.

77. "*General Unsecured Claims*" means any unsecured Claim against a Debtor that is not: (a) paid in full prior to the Effective Date pursuant to an order of the Bankruptcy Court; (b) a DIP Facility Claim; (c) an Administrative Claim; (d) an ABL Claim; (e) a Term Loan Claim; (f) a Senior Subordinated Notes Claim; (g) an Intercompany Claim; (h) an Other Priority Claim; (i) an Other Secured Claim; (j) a Priority Tax Claim; (k) a Professional Fee Claim; or (l) a Section 510(b) Claim.

78. "*Governmental Unit*" means a governmental unit as defined in section 101(27) of the Bankruptcy Code.

79. "*Holder*" means an Entity holding a Claim or Interest.

80. "*Impaired*" means "impaired" within the meaning of section 1124 of the Bankruptcy Code.

81. "*Intercompany Claims*" means, collectively, any Claim against a Debtor held by another Debtor or an Affiliate of a Debtor.

82. "*Intercompany Interest*" means an Interest in a Debtor held by a Debtor or an Affiliate of a Debtor.

83. "*Interest*" means, collectively, (a) any equity security as defined in section 101(16) of the Bankruptcy Code, (b) any other instrument evidencing an ownership interest, whether or not transferable, (c) any option, warrant, or right, contractual or otherwise, to acquire, sell or subscribe for any such interest, and (d) any and all Claims that are otherwise determined by the Court to be an equity interest, including any Claim or debt that is recharacterized as an equity interest.

84. "*Lien*" means a lien as defined in section 101(37) of the Bankruptcy Code.

85. *"New Board*" means the initial board of directors of Reorganized ATD, as determined in accordance with the New Organizational Documents.

86. "*New Equity*" means the common equity, par value of $0.01 per share, of Reorganized ATD.

87. "*New Equity Documentation*" means any and all documentation required to implement, issue, and distribute the New Equity.

88. "*New Organizational Documents*" means the documents providing for corporate governance of the Reorganized Debtors, including charters, bylaws, operating agreements, or other organizational documents or shareholders' agreements, as applicable, consistent with the RSA and section 1123(a)(6) of the Bankruptcy Code, as applicable and, in each case, in form and substance reasonably acceptable to the Company Parties (acting at the direction of the transactions committees of the boards of directors of ATD and American Tire Distributors Holdings, Inc.), the Required Consenting Noteholders, and the Sponsors to the extent set forth herein and in the RSA and otherwise consistent with the RSA.

89. "*New Warrants*" means the warrants to acquire New Equity on a fully diluted basis, which shall be issued in accordance with the Plan to Holders of Allowed Interests on the terms set forth in the Warrant Agreement.

90. "*Noteholder Equity Recovery*" means ninety-five percent (95%) of the New Equity, subject to dilution on account of the Employee Incentive Plan and the New Warrants, as applicable.

91. "*Noteholders*" means the Holders of Senior Subordinated Notes.

92. "*Notice and Claims Agent*" means Kurtzman Carson Consultants LLC, the notice, claims, and solicitation agent for the Debtors in the Chapter 11 Cases.

93. "*Old ATD Common Stock*" means any issued and outstanding common stock of ATD.

94. "*Other Equity Interests*" means, collectively, any Interest other than Old ATD Common Stock and Intercompany Interests. Other Equity Interests shall be deemed disallowed by the Plan unless otherwise determined by the Debtors before the Effective Date.

95. "*Other Priority Claim*" means any Claim other than an Administrative Claim or a Priority Tax Claim entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

96. "*Other Secured Claim*" means any Secured Claim against the Debtors other than a DIP Facility Claim, an ABL Claim, or a Term Loan Claim.

97. "*Petition Date*" means the date on which each of the Debtors commenced the Chapter 11 Cases.

98. "*Plan*" means this chapter 11 plan, as altered, amended, modified, or supplemented from time to time in accordance with the terms hereof and the RSA, including the Plan Supplement and all exhibits, supplements, appendices, and schedules.

99. "*Plan Supplement*" means any compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan, which shall be Filed by the Debtors, to the extent reasonably practicable, no later than seven (7) days before the Confirmation Hearing, and additional documents Filed with the Bankruptcy Court prior

to the Effective Date as amendments to the Plan Supplement, each of which shall be subject to the consent rights as to the form and substance of such documents as set forth in the RSA and in the Plan and consistent in all respects with, and shall otherwise contain, the terms and conditions set forth on the exhibits attached hereto, where applicable.

100. "*Prepetition Secured Parties*" means, collectively, the ABL Lenders, the ABL Agent, the Term Loan Lenders and the Term Loan Agent.

101. "*Priority Tax Claim*" means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

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

103. "*Professional*" means an Entity: (a) employed in the Chapter 11 Cases pursuant to a Final Order in accordance with sections 327 and 1103 of the Bankruptcy Code and to be compensated for services rendered prior to or on the Effective Date pursuant to sections 327, 328, 329, 330, and 331 of the Bankruptcy Code; or (b) for which compensation and reimbursement has been Allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

104. "*Professional Fee Amount*" means the aggregate amount of Professional Fee Claims and other unpaid fees and expenses the Professionals estimate they have incurred or will incur in rendering services to the Debtors prior to and as of the Confirmation Date, which estimates Professionals shall deliver to the Debtors as set forth in Article II.B of the Plan.

105. "*Professional Fee Claim*" means any Administrative Claim for the compensation of Professionals and the reimbursement of expenses incurred by such Professionals through and including the Confirmation Date to the extent such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court. To the extent the Bankruptcy Court denies or reduces by a Final Order any amount of a Professional's requested fees and expenses, then the amount by which such fees or expenses are reduced or denied shall reduce the applicable Professional Fee Claim.

106. "*Professional Fee Escrow Account*" means an interest-bearing account funded by the Debtors with Cash on the Effective Date in an amount equal to the Professional Fee Amount.

107. "*Proof of Claim*" means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

108. "*Reinstatement*" means, with respect to Claims and Interests, the treatment provided for in section 1124 of the Bankruptcy Code. "Reinstate," "Reinstated," and "Reinstating" shall have correlative meanings.

109. "*Rejected Executory Contract and Unexpired Lease List*" means the list of Executory Contracts and Unexpired Leases, if any, determined to be rejected by the Debtors pursuant to the Plan with the consent of the Required Consenting Noteholders (not to be unreasonably withheld) or Reorganized Debtors, as applicable, which list shall be included in the Plan Supplement.

110. "*Related Party*" means, each of, and in each case in its capacity as such, current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed accounts or funds, predecessors, participants, successors, assigns, subsidiaries, affiliates, partners, limited partners, general partners, principals, members, management companies, fund advisors or managers, employees, agents, trustees, advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals and advisors.

111. "*Released Party*" means, each of, and in each case in its capacity as such: (a) the Debtors; (b) the Reorganized Debtors; (c) each Consenting Stakeholder; (d) each Company Party; (e) each ABL Lender; (f) each Term Loan Lender; (g) each DIP Lender; (h) each Noteholder; (i) each Sponsor; (j) each Agent/Trustee; (k) the Term Lender Committee and each member thereof; (l) all Holders of Interests; (m) each current and former Affiliate of each Entity in clause (a) through (m); and (n) each Related Party of each Entity in clause (a) through (m).

112. "*Releasing Party*" means, each of, and in each case in its capacity as such: (a) the Debtors; (b) the Reorganized Debtors; (c) each Consenting Stakeholder; (d) each Company Party; (e) each ABL Lender; (f) each Term Loan Lender; (g) each Noteholder; (h) each Sponsor; (i) each Agent/Trustee; (j) the Term Lender Committee and each member thereof; (k) all Holders of Claims; (l) all Holders of Interests; (m) each DIP Lender; (n) each current and former Affiliate of each Entity in clause (a) through (n); and (o) each Related Party of each Entity in clause (a) through (n). Notwithstanding the foregoing, an Entity shall be neither a Releasing Party nor a Released Party if it: (x) does not vote to, and is not deemed to, accept the Plan; and (y) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in Article VIII.C of the Plan that is not resolved before Confirmation; *provided*, *however*, that any such Entity shall be identified by name as a non-Releasing Party and non-Released Party in the Confirmation Order.

113. "*Reorganized ATD*" means either: (a) ATD, as reorganized pursuant to and under the Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the Effective Date; or (b) a new corporation or limited liability company that may be formed to, among other things, directly or indirectly acquire substantially all of the assets and/or stock of the Debtors and issue the New Equity to be distributed pursuant to the Plan.

114. "*Reorganized Debtors*" means the Debtors, as reorganized pursuant to and under the Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the Effective Date, including Reorganized ATD.

115. "*Required Consenting Noteholders*" means Consenting Noteholders holding at least fifty and $^{1}/_{100}$ percent (50.01%) of the aggregate principal amount of Senior Subordinated Notes held by Consenting Noteholders.

116. "*Required Consenting Term Loan Lenders*" means, as of the relevant date, (i) if the members of the Term Lender Committee collectively hold at least thirty-five percent (35%) of the aggregate principal amount of the Term Loans, two or more Consenting Term Loan Lenders that are members of the Term Lender Committee holding at least fifty and $^{1}/_{100}$ percent (50.01%) of the aggregate principal amount of the Term Loans that are held by all Consenting Term Loan Lenders that are members of the Term Lender Committee or (ii) if the members of the Term Lender Committee collectively hold less than thirty-five percent (35%) of the aggregate principal amount of the Term Loans, the Consenting Term Loan Lenders holding at least fifty and $^{1}/_{100}$ percent (50.01%) of the aggregate principal amount of Term Loans held by all Consenting Term Loan Lenders.

117. "*Required Consenting Stakeholders*" means the Required Consenting Noteholders, the Required Consenting Term Loan Lenders, and each of the Sponsors.

118. "*Restructuring Transactions*" means the transactions described in Article IV.B of this Plan

119. "*RSA*" means that certain Restructuring Support Agreement, dated as of October 4, 2018, by and among the Debtors, the Sponsors, the Consenting Noteholders, and any subsequent Entity that becomes a party thereto pursuant to the terms thereof, as amended pursuant to that certain Amended and Restated Restructuring Support Agreement, dated as of October 10, 2018, and as may be further amended, modified, or supplemented from time to time, in accordance with its terms, together with all term sheets, exhibits, annexes or other documents related thereto.

120. "*Section 510(b) Claims*" means any Claim against any Debtor: (a) arising from the rescission of a purchase or sale of a Security of any Debtor or an affiliate of any Debtor; (b) for damages arising from the purchase or sale of such a Security; or (c) for reimbursement or contribution Allowed under section 502 of the Bankruptcy Code on account of such a Claim; *provided* that a Section 510(b) Claim shall not include any Claims subject to subordination under section 510(b) of the Bankruptcy Code arising from or related to an Interest.

121. "*Secured Claim*" means a Claim: (a) secured by a Lien on collateral to the extent of the value of such collateral, as determined in accordance with 506(a) of the Bankruptcy Code; or (b) subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

122. "*Securities*" means any instruments that qualify under section 2(a)(1) of the Securities Act, including the New Equity.

123. "*Securities Act*" means the Securities Act of 1933, as now in effect or hereafter amended, or any regulations promulgated thereunder.

124. "*Securities Exchange Act*" means the Securities Exchange Act of 1934, as amended.

125. "*Senior Subordinated Notes*" means the ten and ¼ percent (10.25%) senior subordinated unsecured notes due 2022 issued pursuant to the Senior Subordinated Notes Indenture.

126. "*Senior Subordinated Notes Claims*" means all Claims against the Debtors arising under, derived from, or based upon the Senior Subordinated Notes Indenture and the Senior Subordinated Notes.

127. "*Senior Subordinated Notes Indenture*" means that certain indenture for the Senior Subordinated Notes, dated as of February 25, 2015, among ATD Finance Corp., each of the guarantors party thereto, and the Senior Subordinated Notes Indenture Trustee, as supplemented by that certain Supplemental Indenture, dated as of March 25, 2015, that certain Supplemental Indenture No. 2, dated as of June 30, 2015, that certain Supplemental Indenture No. 3 dated as of March 30, 2017, and as further amended, restated, modified, supplemented, or replaced from time to time.

128. "*Senior Subordinated Notes Indenture Trustee*" means Wells Fargo Bank, N.A., or any successor thereto, as trustee under the Senior Subordinated Notes Indenture.

129. "*Servicer*" means an agent or other authorized representative of Holders of Claims or Interests.

130. "*Sponsor Fees and Expenses*" means, collectively: (a) the reasonable, actual and documented fees and expenses of the Sponsors in connection with the Restructuring Transactions, including the reasonable and documented fees and expenses of Weil, Gotshal & Manges LLP and Milbank, Tweed, Hadley & McCloy, LLP, counsel to the Sponsors; and (b) the out-of-pocket expenses incurred by the Sponsors (including directors designated by the Sponsors) prior to the date of the RSA in connection with their supervisory activity with respect to ATD (including attendance of meetings of the board of directors of ATD or committees thereof).

131. "*Sponsor Monitor Agreements*" means any agreement or other documents under which the Debtors agreed to pay management, monitoring, or like fees or expenses to the Sponsors.

132. "*Sponsors*" means, collectively: (a) Ares Management, L.P.; (b) TPG Capital, L.P.; and (c) each of the foregoing, collectively with their respective Affiliates (but excluding ATD and its direct and indirect subsidiaries) and any investment funds or investment holding companies sponsored, organized, formed, managed, or controlled (or caused to be sponsored, organized, formed, managed, or controlled) by such Entities, each in their capacities as such.

133. "*Term Loan*" means the term loans issued under and on the terms set forth in the Term Loan Credit Agreement.

134. "*Term Loan Agent*" means Ankura Trust Company LLC, in its capacity as successor administrative agent and collateral agent under the Term Loan Credit Agreement.

135. "*Term Loan Claim*" means any and all Claims arising under, derived from, or based upon the Term Loan Credit Agreement or any other agreement, instrument or document executed at any time in connection therewith including, without limitation, all Obligations (as defined in the Term Loan Credit Agreement) under the Term Loan Credit Agreement..

136. "*Term Lender Committee*" means the ad hoc group of Holders of Term Loan Claims that is represented by Paul, Weiss, Rifkind, Wharton & Garrison LLP and advised by Houlihan Lokey, Inc.

137. "*Term Loan Credit Agreement*" means that certain credit agreement, dated as of March 28, 2014, among American Tire Distributors, Inc., American Tire Distributors Holdings, Inc., each of the other guarantors party thereto, the Term Loan Agent, and the Term Loan Lenders, as amended pursuant to the Incremental Amendment No. 1 dated as of June 16, 2014, Amendment No. 2, dated as of February 25, 2015 and Amendment No. 3, dated as of April 1, 2015 and as further amended, modified, or supplemented from time to time.

138. "*Term Loan Facility*" means that term loan facility provided for under the Term Loan Credit Agreement.

139. "*Term Loan Lenders*" means those banks, financial institutions, and other lenders under the Term Loan Credit Agreement.

140. "*TPG Field Operations Fees*" means all reasonable fees and expenses of TPG Field Operations, to the extent such fees are approved by the Chief Executive Officer of the Debtors.

141. "*Unexpired Lease*" means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

142. "*Unimpaired*" means, with respect to a Claim, Interest, or Class of Claims or Interests, not "impaired" within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy Code.

143. "*United States Trustee*" means the United States Trustee for the District of Delaware.

144. "*Warrant Agreement*" means that certain agreement providing for, among other things, the issuance and terms of the New Warrants, the form of which shall be Filed pursuant to the Plan Supplement.

B. Rules of Interpretation

For purposes of the Plan: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender; (b) unless otherwise specified, any reference in the Plan 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 such document shall be substantially in such form or substantially on such terms and conditions; (c) unless otherwise specified, any reference in the Plan to an existing document, schedule, or exhibit, shall mean such document, schedule, or exhibit, as it may have been or may be at any time amended, modified, restated, or supplemented; (d) unless otherwise specified, all references in the Plan to "Articles" and "Sections" are references to Articles and Sections, respectively, hereof or hereto; (e) the words "herein," "hereof," and "hereto" refer to the Plan in its entirety rather than to any particular portion of the Plan; (f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of the Plan; (g) unless otherwise specified in the Plan, the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (h) any term used in capitalized form in the Plan that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to such term in the Bankruptcy Code or the Bankruptcy Rules, as applicable; (i) references to docket numbers of documents Filed in the Chapter 11 Cases are references to the docket numbers under the Bankruptcy Court's CM/ECF system; (j) all references to statutes, regulations, orders, rules of courts, and the like shall mean as amended from time to time, and as applicable to the Chapter 11 Cases, unless otherwise stated; and (k) any immaterial effectuating provisions may be interpreted by the Debtors or the Reorganized Debtors in such a manner that is consistent with the overall purpose and intent of the Plan and the RSA all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity. Notwithstanding the foregoing, no effectuating provision shall be immaterial or deemed immaterial if it has any substantive legal or economic effect on any party.

C. Computation of Time

Unless otherwise specifically stated in the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed in the Plan. If the date on which a transaction may occur pursuant to the Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

D. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or unless otherwise specifically stated, the laws of the State of Delaware, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements,

documents, instruments, or contracts executed or entered into in connection with the Plan (except as otherwise set forth in those agreements, in which case the governing law of such agreement shall control). Notwithstanding the foregoing, corporate governance matters relating to the Debtors or the Reorganized Debtors, as applicable, shall be governed by the laws of the jurisdiction of incorporation or formation of the relevant Debtor or Reorganized Debtor, as applicable.

E. Reference to Monetary Figures

All references in the Plan to monetary figures refer to currency of the United States of America, unless otherwise expressly provided.

F. Reference to the Debtors or the Reorganized Debtors

Except as otherwise specifically provided in the Plan to the contrary, references in the Plan to the Debtors or to the Reorganized Debtors mean the Debtors and the Reorganized Debtors, as applicable, to the extent the context requires.

ARTICLE II

ADMINISTRATIVE CLAIMS, DIP FACILITY CLAIMS, PRIORITY TAX CLAIMS, AND UNITED STATES TRUSTEE STATUTORY FEES

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

A. Administrative Claims

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

Except as otherwise provided in this Article II.A of the Plan, and except with respect to Administrative Claims that are DIP Facility Claims, Professional Fee Claims, or Cure Claims, requests for payment of Administrative Claims must be Filed with the Bankruptcy Court and served on the Debtors pursuant to the procedures specified in the Confirmation Order and the notice of entry of the Confirmation Order no later than the Administrative Claims Bar Date. Holders of Administrative Claims that are required to, but do not, File and serve a request for payment of such Administrative Claims by such date shall be forever barred, estopped, and enjoined from asserting such Administrative Claims against the Debtors or their property and such Administrative Claims shall be deemed discharged as of the Effective Date. Objections to such requests, if any, must be Filed with the Bankruptcy Court and served on the Debtors and the requesting party no later than sixty (60) days after the Administrative Claims Bar Date, subject to extensions by the Bankruptcy Court, agreement in writing of the parties, or on motion of a party in interest approved by the Bankruptcy Court. Notwithstanding the foregoing, no request for payment of an Administrative Claim need be Filed with the Bankruptcy Court with respect to an Administrative Claim previously Allowed.

B. Professional Fee Claims

All requests for payment of Professional Fee Claims for services rendered and reimbursement of expenses incurred prior to the Confirmation Date must be Filed no later than forty-five (45) days after the Effective Date. The Bankruptcy Court shall determine the Allowed amounts of such Professional Fee Claims after notice and a hearing in accordance with the procedures established by the Bankruptcy Court. The Reorganized Debtors shall pay Professional Fee Claims in Cash in the amount the Bankruptcy Court Allows, including from the Professional Fee Escrow Account, which the Reorganized Debtors will establish in trust for the Professionals and fund with Cash equal to the Professional Fee Amount on the Effective Date. Professionals shall deliver to the Debtors their estimates for purposes of the Reorganized Debtors computing the Professional Fee Amount no later than five (5) Business Days prior to the anticipated Effective Date. For the avoidance of doubt, no such estimate shall be deemed to limit the amount of the fees and expenses that are the subject of a Professional's final request for payment of Professional Fee Claims Filed with the Bankruptcy Court. If a Professional does not provide an estimate, the Debtors may estimate the unpaid and unbilled fees and expenses of such Professional. No funds in the Professional Fee Escrow Account shall be property of the Estates. Any funds remaining in the Professional Fee Escrow Account after all Allowed Professional Fee Claims have been paid will be turned over to the Reorganized Debtors.

From and after the Confirmation Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and the Reorganized Debtors may employ and pay any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

C. DIP Facility Claims

1. *Allowance*.

The DIP Facility Claims shall be deemed to be finally Allowed for all purposes as fully Secured Claims and shall not be subject to any avoidance, reduction, setoff, offset, recoupment, recharacterization, subordination (whether equitable, contractual, or otherwise), counterclaim, cross-claim, defense, disallowance, impairment, objection, or any other challenge under any applicable law or regulation by any Entity.

2. *Full Payment of DIP Facility Claims*.

Except to the extent that a Holder of an Allowed DIP Facility Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of each Allowed DIP Facility Claim, on the Effective Date, each Holder thereof will receive the DIP Facility Payoff. Unless and until the DIP Facility Payoff has occurred, notwithstanding entry of the Confirmation Order and anything to the contrary in this Plan or the Confirmation Order, (i) none of the DIP Facility Claims shall be discharged, satisfied or released or otherwise affected in whole or in part, and each of the DIP Facility Claims shall remain outstanding, (ii) none of the Liens securing the DIP Facility shall be deemed to have been waived, released, satisfied or discharged, in whole or in part, and (iii) neither the DIP Credit Agreement nor any other agreement, instrument or document executed at any time in connection therewith shall be deemed terminated, discharged, satisfied or released or otherwise affected in whole or in part, and each such agreement, instrument and document shall remain in effect.

D. Priority Tax Claims

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to a less favorable treatment, in full and final satisfaction, settlement, release, and discharge of and in exchange for each Allowed Priority Tax Claim, each Holder of such Allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code and, for the avoidance of doubt, Holders of Allowed Priority Tax Claims will receive interest on such Allowed Priority Tax Claims after the Effective Date in accordance with sections 511 and 1129(a)(9)(C) of the Bankruptcy Code.

E. United States Trustee Statutory Fees

The Debtors and the Reorganized Debtors, as applicable, shall pay all United States Trustee quarterly fees under 28 U.S.C. § 1930(a)(6), plus any interest due and payable under 31 U.S.C. § 3717 on all disbursements,

including Plan payments and disbursements in and outside the ordinary course of the Debtors' or Reorganized Debtors' business (or such amount agreed to with the United States Trustee or ordered by the Bankruptcy Court), for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or closed, whichever occurs first.

ARTICLE III

CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

A. Classification of Claims

Except for the Claims addressed in Article II of the Plan, all Claims and Interests are classified in the Classes set forth below in accordance with section 1122 of the Bankruptcy Code. A Claim or an Interest is classified in a particular Class only to the extent that the Claim or Interest qualifies within the description of that Class and is classified in other Classes to the extent that any portion of the Claim or Interest qualifies within the description of such other Classes. A Claim or an Interest also is classified in a particular Class for the purpose of receiving distributions under the Plan only to the extent that such Claim or Interest is an Allowed Claim or Interest in that Class and has not been paid, released, or otherwise satisfied prior to the Effective Date.

Subject to Article III.D of the Plan, the classification of Claims and Interests against each Debtor pursuant to the Plan is as follows:

Class	Claim or Interest	Status	Voting Rights
1	Other Secured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
2	Other Priority Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
3	ABL Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
4	Term Loan Claims	Impaired	Entitled to Vote
5	Senior Subordinated Notes Claims	Impaired	Entitled to Vote
6	General Unsecured Claims	Unimpaired	Not Entitled to Vote (Deemed to Accept)
7	Intercompany Claims	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
8	Section 510(b) Claims	Impaired	Not Entitled to Vote (Deemed to Reject)
9	Intercompany Interests	Unimpaired / Impaired	Not Entitled to Vote (Deemed to Accept or Reject)
10	Interests	Impaired	Entitled to Vote

B. Treatment of Claims and Interests

Each Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive under the Plan the treatment described below in full and final satisfaction, settlement, release, and discharge of and in exchange for such Holder's Allowed Claim or Allowed Interest, except to the extent that a Holder agrees to less favorable treatment. Unless otherwise indicated, the Holder of an Allowed Claim or Allowed Interest, as applicable, shall receive such treatment on the Effective Date or as soon as reasonably practicable thereafter.

1. Class 1 — Other Secured Claims

   a. *Classification*: Class 1 consists of all Other Secured Claims.

   b. *Treatment*: Each Holder of an Allowed Other Secured Claim shall receive, at the option of the Debtors and, if outside the ordinary course of business, with the consent of the Required Consenting Noteholders with respect to Allowed Other Secured Claims in excess of $1,250,000 (which consent shall not be unreasonably withheld), either: (a) payment in full in Cash; (b) Reinstatement of such Allowed Other Secured Claim pursuant to section 1124 of the Bankruptcy Code; (c) delivery of the collateral securing any such Other Secured Claim and payment of any interest required under section 506(b) of the Bankruptcy Code; or (d) such other treatment rendering such Allowed Other Secured Claim Unimpaired.

   c. *Voting*: Class 1 is Unimpaired and, thus, Class 1 and each Holder of Class 1 Other Secured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 1 Other Secured Claims are not entitled to vote to accept or reject the Plan.

2. Class 2 — Other Priority Claims

   a. *Classification*: Class 2 consists of all Other Priority Claims.

   b. *Treatment*: Each Holder of an Allowed Other Priority Claim shall receive, at the option of the Debtors and, if outside the ordinary course of business, with the consent of the Required Consenting Noteholders with respect to Other Priority Claims in excess of $1,250,000 (which consent shall not be unreasonably withheld), either: (a) payment in full in Cash; (b) Reinstatement of such Allowed Other Priority Claim pursuant to section 1124 of the Bankruptcy Code; or (c) such other treatment rendering such Allowed Other Priority Claim Unimpaired.

   c. *Voting*: Class 2 is Unimpaired and, thus, Class 2 and each Holder of Class 2 Other Priority Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 2 Other Priority Claims are not entitled to vote to accept or reject the Plan.

3. Class 3 — ABL Claims

   a. *Classification*: Class 3 consists of ABL Claims.

   b. *Allowance*: On the Effective Date, the ABL Claims shall be Allowed as Secured Claims.

   c. *Treatment*: On the Effective Date, each Holder of an Allowed ABL Claim shall receive, at the election of such Holder, either: (a) Full Payment of such Allowed ABL Claim in Cash; or (b)(i) new loans under the Amended ABL Facility in an amount equal to the principal amount of loans under the ABL Facility held by such Holder as of the Effective Date, and (ii) Cash in an amount equal to the accrued but unpaid non-default interest payable to such Holder under the ABL Credit Agreement as of the Effective Date (if any).

   d. *Voting*: Class 3 is Unimpaired and, thus, Class 3 and each Holder of Class 3 ABL Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 3 ABL Claims are not entitled to vote to accept or reject the Plan.

4. Class 4 — Term Loan Claims

   a. *Classification*: Class 4 consists of Term Loan Claims.

b. *Allowance*: On the Effective Date, the Term Loan Claims shall be Allowed in the aggregate principal amount of $695,000,000, plus accrued and unpaid interest on such principal amount through the Petition Date and any other amounts due and owing pursuant to the Term Loan Credit Agreement through an including the Effective Date.

c. *Treatment*: On the Effective Date, each Holder of an Allowed Term Loan Claim shall receive (a) new term loans under the Amended Term Loan Facility in a principal amount equal to the principal amount of Term Loan Claims under the Term Loan Facility held by such Holder as of the Effective Date, (b) its Pro Rata Share of the Amended Term Loan Additional Amount; and (c) Cash in an amount equal to the accrued but unpaid non-default interest payable to such Holder under the Term Loan Facility as of the Effective Date and any other amounts due and owing pursuant to the Term Loan Credit Agreement through and including the Effective Date.

d. *Voting*: Class 4 is Impaired and Holders of Class 4 Term Loan Claims are entitled to vote to accept or reject the Plan.

5. Class 5 — Senior Subordinated Notes Claims

a. *Classification*: Class 5 consists of Senior Subordinated Notes Claims.

b. *Treatment*: Each Noteholder shall receive its Pro Rata Share of the Noteholder Equity Recovery.

c. *Voting*: Class 5 is Impaired and Holders of Class 5 Senior Subordinated Notes Claims are entitled to vote to accept or reject the Plan.

6. Class 6 — General Unsecured Claims

a. *Classification*: Class 6 consists of all General Unsecured Claims.

b. *Treatment*: Each Holder of an Allowed General Unsecured Claim shall receive either: (a) Reinstatement of such Allowed General Unsecured Claim pursuant to section 1124 of the Bankruptcy Code; or (b) payment in full in Cash on (i) the Effective Date, or (ii) the date due in the ordinary course of business in accordance with the terms and conditions of the particular transaction giving rise to such Allowed General Unsecured Claim.

c. *Voting*: Class 6 is Unimpaired and, thus Class 6 and each Holder of Class 6 General Unsecured Claims are conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 6 General Unsecured Claims are not entitled to vote to accept or reject the Plan.

7. Class 7 — Intercompany Claims

a. *Classification*: Class 7 consists of all Intercompany Claims.

b. *Treatment*: Intercompany Claims shall be, at the option of Reorganized ATD, either: (a) Reinstated; or (b) cancelled and released without any distribution on account of such Claims.

c. *Voting*: Class 7 and each Holder of Claims in Class 7 are conclusively presumed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, respectively. Therefore, such Holders of Class 7 Intercompany Claims are not entitled to vote to accept or reject the Plan.

8. Class 8 — Section 510(b) Claims

a. *Classification*: Class 8 consists of all Section 510(b) Claims.

b. *Treatment*: Section 510(b) Claims shall be discharged, cancelled, released and extinguished without any distribution and Holders of Class 8 Section 510(b) Claims shall receive no recovery.

c. *Voting*: Class 8 is Impaired and, thus, Class 8 and each Holder of Class 8 Section 510(b) Claims are conclusively deemed to have rejected the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Class 8 Section 510(b) Claims are not entitled to vote to accept or reject the Plan.

9. Class 9 — Intercompany Interests

a. *Classification*: Class 9 consists of all Intercompany Interests.

b. *Treatment*: Intercompany Interests shall be, at the option of Reorganized ATD, either: (a) Reinstated; or (b) cancelled and released without any distribution on account of such Interests.

c. *Voting*: Class 9 and each Holder of Interests in Class 9 are conclusively deemed to have accepted or rejected the Plan pursuant to section 1126(f) or section 1126(g) of the Bankruptcy Code, respectively. Therefore, such Holders of Class 9 Intercompany Interests are not entitled to vote to accept or reject the Plan.

10. Class 10 — Interests

a. *Classification*: Class 10 consists of all Allowed Interests.

b. *Treatment*: Each Holder of an Allowed Interest shall receive its Pro Rata Share of: (a) the Equity Recovery, subject to dilution by the Employee Incentive Plan and the New Warrants; and (b) the New Warrants. In addition, on the Effective Date, the Debtors or the Reorganized Debtors, as applicable, shall pay in full in Cash all Sponsor Fees and Expenses and TPG Field Operations Fees, as applicable. Such payment shall be fully approved and authorized by the Confirmation Order without need for: (a) any separate application by the Sponsors or their professionals; or (b) the entry of any order from the Bankruptcy Court other than the Confirmation Order.

c. *Voting*: Class 10 is Impaired and Holders of Allowed Class 10 Interests are entitled to vote to accept or reject the Plan.

C. Special Provision Governing Unimpaired Claims

Except as otherwise provided in the Plan, nothing under the Plan shall affect the Debtors' or the Reorganized Debtors' rights in respect of any Unimpaired Claim, including all rights in respect of legal and equitable defenses to or setoffs or recoupments against any such Unimpaired Claim.

D. Elimination of Vacant Classes

Any Class of Claims or Interests that does not have a Holder of an Allowed Claim or Allowed Interest or a Claim or Interest temporarily Allowed by the Bankruptcy Court as of the date of the Confirmation Hearing shall be deemed eliminated from the Plan for purposes of voting to accept or reject the Plan and for purposes of determining acceptance or rejection of the Plan by such Class pursuant to section 1129(a)(8) of the Bankruptcy Code.

E. Voting Classes; Presumed Acceptance by Non-Voting Classes

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the Debtors shall request the Bankruptcy Court to deem the Plan accepted by the Holders of such Claims or Interests in such Class.

F. Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code

The Debtors shall seek Confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code with respect to any rejecting Class of Claims or Interests. The Debtors reserve the right to modify the Plan in accordance with Article XI of the Plan to the extent, if any, that Confirmation pursuant to section 1129(b) of the Bankruptcy Code requires modification, including by modifying the treatment applicable to a Class of Claims or Interests to render such Class of Claims or Interests Unimpaired to the extent permitted by the Bankruptcy Code and the Bankruptcy Rules.

G. Controversy Concerning Impairment

If a controversy arises as to whether any Claims or Interests, or any Class of Claims or Interests, are Impaired, the Bankruptcy Court shall, after notice and a hearing, determine such controversy on or before the Confirmation Date.

H. Subordinated Claims

The allowance, classification, and treatment of all Allowed Claims and Interests, and the respective distributions and treatments under the Plan, shall 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, section 510(b) of the Bankruptcy Code, or otherwise. Pursuant to section 510 of the Bankruptcy Code, the Reorganized Debtors reserve the right to re-classify any Allowed Claim or Interest in accordance with any contractual, legal, or equitable subordination rights relating thereto.

I. Intercompany Interests

To the extent Reinstated under the Plan, distributions on account of Intercompany Interests are not being received by Holders of such Intercompany Interests on account of their Intercompany Interests but for the purposes of administrative convenience and due to the importance of maintaining the corporate structure given the various foreign Affiliates and subsidiaries of the Debtors, for the ultimate benefit of the Holders of New Equity, and in exchange for the Debtors' and Reorganized Debtors' agreement under the Plan to make certain distributions to the Holders of Allowed Claims.

ARTICLE IV

MEANS FOR IMPLEMENTATION OF THE PLAN

A. General Settlement of Claims and Interests

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distributions, releases, and other benefits provided under the Plan, upon the Effective Date, the provisions of the Plan shall constitute a good faith compromise and settlement of Claims and Interests and controversies resolved pursuant to the Plan. Distributions made to Holders of Allowed Claims and Allowed Interests in any Class are intended to be final. The entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Claims, Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise or settlement is in the best interests of the Debtors, their Estates, and Holders of Claims and Interests and is fair, equitable, and is within the range of reasonableness. Subject to Article VI of the Plan, all distributions made to Holders of Allowed Claims and Allowed Interests in any Class are intended to be and shall be final.

B. Restructuring Transactions

On or before the Effective Date, the Debtors, with the consent (not to be unreasonably withheld) of the Required Consenting Noteholders and, to the extent such consent is required under the RSA, the Required Consenting Term Loan Lenders may take any actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by or necessary to effectuate the Plan, in each case subject to the Financing Order and any limitations or agreements set forth in the RSA, the DIP Credit Agreement, the Amended Term Loan Documentation,

or the Amended ABL Documentation, including: (a) the execution and delivery of appropriate agreements, including any Definitive Documentation, or other documents of merger, amalgamation, consolidation, restructuring, conversion, disposition, transfer, arrangement, continuance, dissolution, sale, purchase, or reorganization containing terms that are consistent with the terms of the Plan and that satisfy the requirements of applicable law and any other terms to which the applicable Entities may agree; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, duty, debt, or obligation on terms consistent with the terms of the Plan and having other terms for which the applicable parties agree; (c) the filing of appropriate certificates of incorporation, formation, reincorporation, merger, consolidation, conversion, amalgamation, arrangement, continuance, dissolution, or other organizational documents pursuant to applicable law; (d) all transactions necessary to provide for the purchase of substantially all of the assets or Interests of any of the Debtors by one or more Entities to be wholly owned by Reorganized ATD, which purchase may be structured as a taxable transaction for United States federal income tax purposes; and (e) all other actions that the applicable Debtors or Reorganized Debtors determine are necessary or appropriate.

The Confirmation Order shall and shall be deemed to, pursuant to both section 1123 and section 363 of the Bankruptcy Code, authorize, among other things, all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate the Plan.

C. Reorganized Debtors

On the Effective Date, the New Board shall be established, and the Reorganized Debtors shall adopt their respective New Organizational Documents. The Reorganized Debtors shall be authorized to adopt any other agreements, documents, and instruments and to take any other actions contemplated under the Plan as necessary to consummate the Plan and the New Board shall adopt the Employee Incentive Plan as of the Effective Date.

D. Sources of Consideration for Plan Distributions

The Reorganized Debtors shall fund distributions under the Plan with: (1) the proceeds from the Amended ABL Facility; (2) the Amended Term Loan; (3) the New Equity; (4) the New Warrants; and (5) Cash on hand, including Cash from operations.

Each distribution and issuance referred to in Article VI of the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

1. Amended ABL Facility

On the Effective Date, the Reorganized Debtors shall enter into the Amended ABL Facility on the terms and conditions set forth in the Amended ABL Documentation. Confirmation of the Plan shall be deemed approval of the Amended ABL Facility and the Amended ABL Documentation and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including, without limitation, the granting of Liens on and security interests in all of the assets of each Reorganized Debtor securing such Reorganized Debtor's indebtedness, liabilities and obligations under the Amended ABL Documentation and the payment of all fees, indemnities, and expenses provided for therein, and authorization of the Reorganized Debtors to enter into and execute the Amended ABL Documentation and such other documents as may be required to effectuate the Amended ABL Facility. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Amended ABL Documentation (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Amended ABL Documentation, (c) shall be deemed perfected on the Effective Date automatically, without the necessity of filing or recording any financing statement, assignment, pledge, notice of lien or any similar document or instrument or taking any action (including taking possession of any such collateral), but the Amended ABL Agent and the Amended ABL Lenders, in their discretion, shall be authorized to make any such recording or filing or to take any such action, and in such event the Reorganized Debtors shall cooperate with and assist the Amended ABL Agent and the Amended ABL Lenders, and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

2. Amended Term Loan Facility

On the Effective Date, the Reorganized Debtors shall enter into the Amended Term Loan Facility on the terms and conditions set forth in the Amended Term Loan Documentation. Confirmation of the Plan shall be deemed approval of the Amended Term Loan Facility and the Amended Term Loan Documentation and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including, without limitation, the granting of Liens on and security interests in all of the assets of each Reorganized Debtor securing such Reorganized Debtor's indebtedness, liabilities, and obligations under the Amended Term Loan Documentation and the payment of all fees, indemnities, and expenses provided for therein, and authorization of the Reorganized Debtors to enter into and execute the Amended Term Loan Documentation and such other documents as may be required to effectuate the Amended Term Loan Facility. On the Effective Date, all of the Liens and security interests to be granted in accordance with the Amended Term Loan Documentation (a) shall be deemed to be granted, (b) shall be legal, binding, and enforceable Liens on, and security interests in, the collateral granted thereunder in accordance with the terms of the Amended Term Loan Documentation, (c) shall be deemed perfected on the Effective Date automatically, without the necessity of filing or recording any financing statement, assignment, pledge, notice of lien or any similar document or instrument or taking any action (including taking possession of any such collateral), and (d) shall not be subject to recharacterization or equitable subordination for any purposes whatsoever and shall not constitute preferential transfers or fraudulent conveyances under the Bankruptcy Code or any applicable non-bankruptcy law.

3. New Equity

On the Effective Date, upon cancellation of the Interests, Reorganized ATD will issue the New Equity directly or indirectly to Holders of Claims and Interests to the extent provided in the Plan. The issuance of the New Equity, including New Equity reserved under the Employee Incentive Plan, shall be authorized without the need for any further corporate action and without any further action by the Holders of Claims or Interests or the Debtors or the Reorganized Debtors, as applicable. The New Organizational Documents shall authorize the issuance and distribution on the Effective Date of the New Equity to the Distribution Agent for the benefit of Entities entitled to receive the New Equity pursuant to the Plan. All of the New Equity issued under the Plan shall be duly authorized, validly issued, fully paid, and non-assessable. Each distribution and issuance of the New Equity under the Plan shall be governed by the terms and conditions set forth in the Plan applicable to such distribution or issuance and by the terms and conditions of the instruments evidencing or relating to such distribution or issuance, which terms and conditions shall bind each Entity receiving such distribution or issuance.

4. New Warrants

On the Effective Date, Reorganized ATD shall issue the New Warrants directly or indirectly to the Holders of Interests in Class 10, in accordance with the Warrant Agreement. All of the New Warrants issued pursuant to the Plan shall be duly authorized, validly issued, fully paid, and non-assessable.

5. Cash on Hand

The Reorganized Debtors shall use Cash on hand to fund distributions to certain Holders of Claims, including the payment of Allowed General Unsecured Claims as set forth in Article III of the Plan.

E. Corporate Existence

Except as otherwise provided in the Plan, each Debtor shall continue to exist as of the Effective Date as a separate corporation, limited liability company, partnership, or other form, as the case may be, with all the powers of a corporation, limited liability company, partnership, or other form, as the case may be, pursuant to the applicable law in the jurisdiction in which each applicable Debtor is incorporated or formed and pursuant to the respective certificate of incorporation and bylaws (or other formation documents) in effect prior to the Effective Date, except to the extent such certificate of incorporation and bylaws (or other formation documents) are amended by the Plan or otherwise, in each case, consistent with the RSA, and to the extent such documents are amended, such documents are deemed to be pursuant to the Plan and require no further action or approval.

F. Vesting of Assets in the Reorganized Debtors

Except as otherwise provided in the Plan (including, for the avoidance of doubt, the Restructuring Transactions), in any agreement, instrument, or other document entered into in connection with or pursuant to the Plan, on the Effective Date, all property in each Debtor's Estate, all Causes of Action of the Debtors, and any property acquired by any of the Debtors under the Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances. On and after the Effective Date, except as otherwise provided in the Plan, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and compromise or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

G. Cancellation of Agreements and Interests

On the Effective Date, except as otherwise provided in the Plan (including, without limitation, with respect to the Amended Term Loan Documentation and the Amended ABL Documentation and any obligations thereunder, which shall not be cancelled or discharged hereunder), the Confirmation Order, any agreement, instrument, or other document entered into in connection with or pursuant to the Plan, all notes, instruments, Certificates, and other documents evidencing Claims against or Interests in the Debtors, shall be cancelled and the obligations of the Debtors or the Reorganized Debtors thereunder or in any way related thereto shall be discharged. Notwithstanding such cancellation and discharge, anything to the contrary contained in the Plan or Confirmation Order, or Confirmation or the occurrence of the Effective Date, however, any indenture, credit document or agreement and any other instrument, Certificate, agreement or other document that governs the rights, claims or remedies of the Holder of a Claim or Interest shall continue in full force and effect solely for purposes of: (a) allowing Holders of Allowed Claims and Allowed Interests to receive distributions under the Plan; and (b) allowing and preserving the rights of any Servicer, as applicable, to make distributions on account of Allowed Claims or Allowed Interests as provided in the Plan.

The offering, issuance, and distribution of any Securities, including the New Equity and the New Warrants (and the New Equity issued upon exercise of the New Warrants), pursuant to the Plan will be exempt from the registration requirements of section 5 of the Securities Act pursuant to section 1145 of the Bankruptcy Code or any other available exemption from registration under the Securities Act, as applicable. All shares of New Equity issued under the Plan will be issued without registration under the Securities Act or any similar federal, state, or local law in reliance upon section 1145 of the Bankruptcy Code. Shares of New Equity issued under the Plan in reliance upon section 1145 of the Bankruptcy Code are exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable U.S. state or local law requiring registration prior to the offering, issuance, distribution, or sale of securities. Pursuant to section 1145 of the Bankruptcy Code, the New Equity and the New Warrants (and the New Equity issued upon exercise of the New Warrants) issued under the Plan: (a) is not a "restricted security" as defined in Rule 144(a)(3) under the Securities Act; and (b) is freely tradable and transferable by any holder thereof that (i) is not an "affiliate" of the Reorganized Debtors as defined in Rule 144(a)(1) under the Securities Act, (ii) has not been such an "affiliate" within ninety (90) days of such transfer, (iii) has not acquired the New Equity from an "affiliate" within one year of such transfer, and (iv) is not an Entity that is an "underwriter" as defined in section 1145(b) of the Bankruptcy Code.

Should the Reorganized Debtors elect, on or after the Effective Date, to reflect all or any portion of the ownership of the New Equity through the facilities of DTC, the Reorganized Debtors shall not be required to provide any further evidence other than the Plan or Confirmation Order with respect to the treatment of such applicable portion of the New Equity, and such Plan or Confirmation Order shall be deemed to be legal and binding obligations of the Reorganized Debtors in all respects.

DTC shall be required to accept and conclusively rely upon the Plan and Confirmation Order in lieu of a legal opinion regarding whether the New Equity is exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

Notwithstanding anything to the contrary in the Plan, no Entity (including, for the avoidance of doubt, DTC) may require a legal opinion regarding the offering, issuance, and distribution of any Securities contemplated by the Plan, including, for the avoidance of doubt, whether the New Equity is exempt from registration and/or eligible for DTC book-entry delivery, settlement, and depository services.

H. New Organizational Documents

To the extent required under the Plan or applicable non-bankruptcy law, on or as soon as reasonably practicable after the Effective Date, except as otherwise provided in the Plan, the Reorganized Debtors will file the New Organizational Documents with the applicable Secretary of State and/or other applicable authorities in the state, province, or country of incorporation in accordance with the applicable corporate laws of the respective state, province, or country of incorporation. No term of the New Organizational Documents with respect to the New Equity shall be inconsistent, other than to a de minimis extent, with the terms set forth herein or materially and adversely or disproportionately affect the rights or obligations of any holder of New Equity as compared to any other similarly situated holder of New Equity without the consent of such materially and adversely or disproportionately affected holder of New Equity. Pursuant to section 1123(a)(6) of the Bankruptcy Code, the New Organizational Documents will prohibit the issuance of non-voting equity securities. After the Effective Date, the Reorganized Debtors may amend and restate New Organizational Documents, and the Reorganized Debtors may file their respective certificates or articles of incorporation, bylaws, or such other applicable formation documents, and other constituent documents as permitted by the laws of the respective states, provinces, or countries of incorporation and the New Organizational Documents.

I. Exemption from Certain Transfer Taxes and Recording Fees

To the fullest extent permitted by section 1146(a) of the Bankruptcy Code, any transfers (whether from a Debtor to a Reorganized Debtor or to any other Entity) of property under the Plan or pursuant to: (1) the issuance, distribution, transfer, or exchange of any debt, equity security, or other interest in the Debtors or the Reorganized Debtors; (2) the Restructuring Transactions; (3) the creation, modification, consolidation, termination, refinancing, and/or recording of any mortgage, deed of trust, financing statement, or other security interest, or the securing of additional indebtedness by such or other means; (4) the making, assignment, or recording of any lease or sublease; (5) the grant or maintenance of collateral as security for any or all of the Amended ABL Facility or the Amended Term Loan Facility, as applicable; or (6) the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, including any deeds, bills of sale, assignments, or other instrument of transfer executed in connection with any transaction arising out of, contemplated by, or in any way related to the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, or other similar tax or governmental assessment, and upon entry of the Confirmation Order, the appropriate state or local governmental officials or agents shall forego the collection of any such tax or governmental assessment and accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax, recordation fee, or governmental assessment. All filing or recording officers (or any other person with authority over any of the foregoing), wherever located and by whomever appointed, shall comply with the requirements of section 1146(c) of the Bankruptcy Code, shall forego the collection of any such tax or governmental assessment, and shall accept for filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

J. Directors and Officers of the Reorganized Debtors

As of the Effective Date, the terms of the current members of the board of directors of the Debtors shall expire, and the New Board and new officers of each of the Reorganized Debtors shall be appointed in accordance with the New Organizational Documents and other constituent documents of each Reorganized Debtor. On the Effective Date, the New Board shall consist of: (a) the Chief Executive Officer of Reorganized ATD; (b) two (2) directors designated by the Sponsors; and (c) the remaining directors in a number to be determined by and designated by the Required Consenting Noteholders.

Pursuant to section 1129(a)(5) of the Bankruptcy Code, the Debtors will, to the extent reasonably practicable, disclose in advance of the Confirmation Hearing the identity and affiliations of any person proposed to serve on the New Board, as well as those persons that will serve as officers of the Reorganized Debtors.

K. Insurance Policies

The Debtors or the Reorganized Debtors, as applicable, shall not terminate or otherwise reduce the coverage under any directors' and officers' insurance policies (including, without limitation, any "tail policy") in effect prior to

the Effective Date, and any directors and officers of the Debtors who served in such capacity at any time before or after the Effective Date shall be entitled to the full benefits of any such policy for the full term of such policy regardless of whether such directors and/or officers remain in such positions after the Effective Date. Notwithstanding anything to the contrary in this Plan, the Debtors or the Reorganized Debtors, as applicable, shall retain the ability to supplement such directors' and officers' insurance policies as the Debtors or Reorganized Debtors may deem necessary, including by purchasing any employee liability tail coverage.

Each of the Debtors' insurance policies and any agreements, documents, or instruments relating thereto, are treated as Executory Contracts under the Plan. Unless otherwise provided in the Plan, on the Effective Date: (1) the Debtors shall be deemed to have assumed all insurance policies and any agreements, documents, and instruments relating to coverage of all insured Claims; and (2) such insurance policies and any agreements, documents, or instruments relating thereto shall revest in the Reorganized Debtors.

L. Preservation of Rights of Action

In accordance with section 1123(b) of the Bankruptcy Code, the Reorganized Debtors shall retain and may enforce all rights to commence and pursue any and all Causes of Action of the Debtors, whether arising before or after the Petition Date, including any actions specifically enumerated in the Plan Supplement, and the Reorganized Debtors' rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date, other than the following: (a) the Causes of Action released by the Debtors pursuant to the releases and exculpations contained in the Plan, including in Article VIII of the Plan, which shall be deemed released and waived by the Debtors and Reorganized Debtors as of the Effective Date; and (b) all Causes of Action that arise under chapter 5 of the Bankruptcy Code and state preferential and fraudulent-conveyance law.

The Reorganized Debtors may pursue such retained Causes of Action, as appropriate, in accordance with the best interests of the Reorganized Debtors. **No Entity may rely on the absence of a specific reference in the Plan, the Plan Supplement, or the Disclosure Statement to any Cause of Action against it as any indication that the Debtors or the Reorganized Debtors will not pursue any and all available Causes of Action of the Debtors against it. Except as specifically released under the Plan or pursuant to a Final Order, the Debtors and the Reorganized Debtors expressly reserve all rights to prosecute any and all Causes of Action against any Entity.** Unless any Causes of Action of the Debtors against an Entity are expressly waived, relinquished, exculpated, released, compromised, or settled in the Plan or pursuant to a Final Order, the Reorganized Debtors expressly reserve all such Causes of Action for later adjudication, and, therefore, no preclusion doctrine, including the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable, or otherwise), or laches, shall apply to such Causes of Action upon, after, or as a consequence of the Confirmation or consummation of the Plan.

The Reorganized Debtors reserve and shall retain the Causes of Action of the Debtors notwithstanding the rejection of any Executory Contract or Unexpired Lease during the Chapter 11 Cases or pursuant to the Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Causes of Action that a Debtor may hold against any Entity shall vest in the Reorganized Debtors. The Reorganized Debtors shall have the exclusive right, authority, and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment any such Causes of Action, or to decline to do any of the foregoing, without the consent or approval of any third party or any further notice to or action, order, or approval of the Bankruptcy Court.

M. Corporate Action

Upon the Effective Date, all actions contemplated under the Plan and consistent with the RSA shall be deemed authorized and approved in all respects, including: (1) selection of the directors and officers for the Reorganized Debtors; (2) the distribution of the New Equity and New Warrants, as applicable; (3) entry into the Warrant Agreement, the Amended ABL Documentation, the Amended Term Loan Documentation, and the New Equity Documentation, each as to the extent applicable; (4) implementation of the Restructuring Transactions, including the issuance of the New Equity; (5) adoption of the Employee Incentive Plan; (6) all other actions contemplated under the Plan (whether to occur before, on, or after the Effective Date); (7) adoption of the New Organizational Documents; (8) the rejection, assumption, or assumption and assignment, as applicable, of Executory Contracts and Unexpired Leases; and (9) all other acts or actions contemplated or reasonably necessary or appropriate to promptly consummate the Restructuring Transactions contemplated by the Plan (whether to occur before, on, or after the Effective Date). All matters provided for in the Plan involving the corporate structure of the Debtors or the

Reorganized Debtors, and any corporate action required by the Debtors or the Reorganized Debtor, as applicable, in connection with the Plan shall be deemed to have occurred and shall be in effect except as set forth in the RSA, without any requirement of further action by the security holders, directors, or officers of the Debtors or the Reorganized Debtors, as applicable. On or (as applicable) prior to the Effective Date, the appropriate officers of the Debtors or the Reorganized Debtors, as applicable, shall be authorized and (as applicable) directed to issue, execute, and deliver the agreements, documents, securities, and instruments contemplated under the Plan (or necessary or desirable to effect the transactions contemplated under the Plan) in the name of and on behalf of the Reorganized Debtors, including the New Equity, the New Warrants, the New Organizational Documents, the Amended ABL Documentation, the Amended Term Loan Documentation, and any and all other agreements, documents, securities, and instruments relating to the foregoing. The authorizations and approvals contemplated by this Article IV.M shall be effective notwithstanding any requirements under non-bankruptcy law.

N. Effectuating Documents; Further Transactions

On and after the Effective Date, the Reorganized Debtors, and the officers and members of the boards of directors and managers thereof, are authorized to and may issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of the Plan, the RSA, the Amended Term Loan Documentation, the Amended ABL Documentation, and the Securities issued pursuant to the Plan in the name of and on behalf of the Reorganized Debtors, without the need for any approvals, authorizations, or consents except for those expressly required under the Plan, the Confirmation Order, and RSA.

O. Employee Incentive Plan

The entry of the Confirmation Order shall constitute approval of the Employee Incentive Plan and the authorization for the New Board to adopt such plan.

P. Employee Matters

Subject to Article V.B of the Plan, on the Plan Effective Date, Reorganized ATD shall: (a) assume certain employment agreements, indemnification agreements, or other agreements with current and former employees, officers or directors of the Company Parties; or (b) enter into new agreements with such persons on terms and conditions acceptable to the Debtors, the Required Consenting Noteholders, and such person. Any such new agreement with respect to a director appointed by a Sponsor shall not provide for compensation for such director. Notwithstanding the foregoing, pursuant to section 1129(a)(13) of the Bankruptcy Code, from and after the Effective Date, all retiree benefits (as such term is defined in section 1114 of the Bankruptcy Code), if any, shall continue to be paid in accordance with applicable law.

ARTICLE V

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Assumption and Rejection of Executory Contracts and Unexpired Leases

On the Effective Date, except as otherwise provided in the Plan, each Executory Contract and Unexpired Lease (including those set forth in the Assumed Executory Contract and Unexpired Lease List) shall, subject to the consent of the Required Consenting Noteholders (not to be unreasonably withheld), be assumed and assigned to the applicable Reorganized Debtor in accordance with the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, other than those that are determined to be rejected by the Debtors, with the consent of the Required Consenting Noteholders (not to be unreasonably withheld) or Reorganized ATD, as applicable, including: (1) those that are identified on the Rejected Executory Contract and Unexpired Lease List; (2) those that have been previously rejected by a Final Order; (3) those that are the subject of a motion to reject an Executory Contract or Unexpired Lease Filed by the Debtors and pending on the Confirmation Date; (4) those that are subject to a motion to reject an Executory Contract or Unexpired Lease pursuant to which the requested effective date of such rejection is after the Effective Date; (5) the Sponsor Monitor Agreement, which shall be rejected, and any and all claims arising therefrom shall be waived (other than the TPG Field Operations Fees); or (6) those that previously expired or terminated pursuant to its own terms.

Entry of the Confirmation Order by the Bankruptcy Court shall constitute a Final Order approving the assumptions and assumptions and assignments of the Executory Contracts and Unexpired Leases as set forth in the Plan and the Assumed Executory Contract and Unexpired Lease List and the rejections of the Executory Contracts and Unexpired Leases as set forth in the Rejected Executory Contract and Unexpired Lease List, pursuant to sections 365(a) and 1123 of the Bankruptcy Code. Unless otherwise indicated, assumptions, assumptions and assignments, or rejections of Executory Contracts and Unexpired Leases pursuant to the Plan are effective as of the Effective Date. Any motions to assume Executory Contracts or Unexpired Leases pending on the Effective Date shall be subject to approval by the Bankruptcy Court on or after the Effective Date by a Final Order. Each Executory Contract and Unexpired Lease assumed pursuant to this Article V.A or by any order of the Bankruptcy Court, which has not been assigned to a third party prior to the Confirmation Date, shall revest in and be fully enforceable by the Reorganized Debtors in accordance with its terms, except as such terms are modified by the provisions of the Plan or any order of the Bankruptcy Court authorizing and providing for its assumption under applicable federal law. Notwithstanding anything to the contrary in the Plan, the Debtors or the Reorganized Debtors, as applicable, reserve the right to alter, amend, modify, or supplement the Rejected Executory Contract and Unexpired Lease List or Assumed Executory Contract and Unexpired Lease List identified in this Article V.A and in the Plan Supplement at any time through and including forty-five (45) days after the Effective Date.

To the extent that any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned pursuant to the Plan restricts or prevents, or purports to restrict or prevent, or is breached or deemed breached by, the assumption or assumption and assignment of such Executory Contract or Unexpired Lease (including any "change of control" provision), then such provision shall be deemed modified such that the transactions contemplated by the Plan shall not entitle the Executory Contract or Unexpired Lease counterparty thereto to terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights with respect thereto.

B. Indemnification Obligations

All Company Indemnification Obligations shall, to the greatest extent permitted by applicable law, be reinstated and remain intact, irrevocable, and shall survive the Effective Date on terms no less favorable to such current and former directors, officers, managers, employees, attorneys, accountants, investment bankers, and other Professionals of the Debtors than the indemnification provisions in place prior to the Effective Date. All such Company Indemnification Obligations will be assumed by the Reorganized Debtors on the Effective Date, and all such obligations will continue as obligations of the Reorganized Debtors.

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

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date or in the ordinary course of business, subject to the limitation described below, or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree.

No later than seven (7) calendar days before the Confirmation Hearing, the Debtors shall provide notices of proposed Cure amounts to counterparties to Executory Contracts and Unexpired Leases, which shall include a description of the procedures for objecting to assumption thereof based on the proposed Cure amounts or the Reorganized Debtors' ability to provide "adequate assurance of future performance thereunder" (within the meaning of section 365 of the Bankruptcy Code). Any objection by a counterparty to an Executory Contract or Unexpired Lease to a proposed assumption or related Cure amount must be Filed, served, and actually received by the counsel to the Debtor no later than [●], 2018, at 5:00 p.m., prevailing Eastern Time. Any counterparty to an Executory Contract or Unexpired Lease that fails to object timely to the proposed assumption or Cure amount will be deemed to have assented to such assumption or Cure amount.

In the event of a dispute regarding: (1) the amount of any Cure Claim; (2) the ability of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the Executory Contract or Unexpired Lease to be assumed (or assumed and assigned, as applicable); or (3) any other matter pertaining to assumption or assignment, then any Cure payments required by section 365(b)(1) of the Bankruptcy Code shall be made as soon as reasonably practicable following the entry of a Final Order of the Bankruptcy Court resolving such dispute (which may be the Confirmation Order) or as may be agreed upon by the Debtors or the Reorganized Debtors, as applicable, and the counterparty to the Executory Contract

or Unexpired Lease, and any such unresolved dispute shall not prevent or delay implementation of the Plan or the occurrence of the Effective Date. The Debtors and Reorganized Debtors, as applicable, reserve the right at any time to move to reject any Executory Contract or Unexpired Lease based upon the existence of any such unresolved dispute.

Assumption of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise, and payment of the applicable Cure, shall result in the full release and satisfaction of any Claims or defaults, whether monetary or nonmonetary, including defaults of provisions restricting the change in control or ownership interest composition or other bankruptcy-related defaults, arising under any assumed Executory Contract or Unexpired Lease at any time prior to the effective date of assumption. **Any Proof of Claim Filed with respect to an Executory Contract or Unexpired Lease that is assumed shall be deemed disallowed and expunged, without further notice to or action, order or approval of the Bankruptcy Court.**

D. Claims Based on Rejection of Executory Contracts and Unexpired Leases

Unless otherwise provided by a Final Order of the Bankruptcy Court, all Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to the Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within thirty (30) days after entry of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. **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 or the Reorganized Debtors, the Estates, or their property without the need for any objection by the Reorganized Debtors 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 the Executory Contract or Unexpired Lease shall be deemed fully satisfied, released, and discharged, notwithstanding anything in the Schedules or a Proof of Claim to the contrary.** All Allowed Claims arising from the rejection of the Debtors' Executory Contracts or Unexpired Leases shall be classified as General Unsecured Claims and shall be treated in accordance with Article III of the Plan.

E. Contracts and Leases Entered into After the Petition Date

Notwithstanding anything contained in the Plan (including any release, discharge, exculpation or injunction provisions) or the Confirmation Order, contracts, agreements, instruments, Certificates, leases and other documents entered into after the Petition Date by any Debtor, including any Executory Contracts and Unexpired Leases assumed by such Debtor, will be performed by the applicable Debtor or the Reorganized Debtors liable thereunder in the ordinary course of their business. Accordingly, such contracts, agreements, instruments, Certificates, leases and other documents (including any assumed Executory Contracts and Unexpired Leases) will survive and remain unaffected by the Plan (including the release, discharge, exculpation and injunction provisions), the entry of the Confirmation Order and any other Definitive Documentation.

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

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

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

G. Non-Occurrence of the Effective Date

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

H. Reservation of Rights

Neither the exclusion nor inclusion of any Executory Contract or Unexpired Lease on the Rejected Executory Contract and Unexpired Lease List or the Assumed Executory Contract and Unexpired Lease List, nor anything contained in the Plan, shall constitute an admission by the Debtors that any such contract or lease is in fact an Executory Contract or Unexpired Lease or that any of the Reorganized Debtors has any liability thereunder. If there is a dispute regarding whether a contract or lease is or was executory or unexpired at the time of assumption or rejection, the Debtors or the Reorganized Debtors, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter its treatment of such contract or lease under the Plan.

ARTICLE VI

PROVISIONS GOVERNING DISTRIBUTIONS

A. Timing and Calculation of Amounts to Be Distributed

Unless otherwise provided in the Plan or the Confirmation Order, on the Effective Date (or if a Claim or Interest is not an Allowed Claim or an Allowed Interest on the Effective Date, on the date that such Claim or Interest becomes an Allowed Claim or Allowed Interest, or as soon as reasonably practicable thereafter), each Holder of an Allowed Claim or Allowed Interest (as applicable) shall receive the full amount of the distributions that the Plan provides for Allowed Claims or Allowed Interests in the applicable Class. 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. If and to the extent that there are Disputed Claims or Disputed Interests, distributions on account of any such Disputed Claims or Disputed Interests shall be made pursuant to the provisions set forth in Article VII of the Plan. Except as otherwise provided in the Plan or the Confirmation Order, Holders of Claims or Interests shall not be entitled to interest, dividends, or accruals on the distributions provided for in the Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

B. Distributions on Account of Obligations of Multiple Debtors

For all purposes associated with distributions under the Plan, if an obligation of a Debtor is guaranteed by any other Debtor, or if any Debtor is jointly (or jointly and severally) liable on any obligation with any other Debtor, such guarantee or joint liability shall be deemed eliminated upon the receipt by the obligee of the treatment afforded to the primary obligation in accordance with the terms of this Plan, so that any obligation that could otherwise be asserted against more than one (1) Debtor shall result in a single distribution under the Plan. Notwithstanding the foregoing, Claims held by a single Entity against different Debtors that are not based on guarantees or joint and several liability shall be entitled to the applicable distribution for such Claim by each applicable Debtor. Any such Claims shall be released and discharged pursuant to Article VIII of the Plan and shall be subject to all potential objections, defenses, and counterclaims, and to estimation pursuant to section 502(c) of the Bankruptcy Code. In no case shall the aggregate value of all property received or retained under the Plan on account of any Allowed Claim exceed one hundred percent (100%) of the underlying Allowed Claim plus applicable interest, if any.

C. Distribution Agent

Except as otherwise provided in the Plan, all distributions under the Plan shall be made by the Distribution Agent on the Effective Date. The Distribution Agent shall not be required to give any bond, surety, or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court.

1. Powers of the Distribution Agent

The Distribution Agent shall be empowered to: (a) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under the Plan; (b) make all distributions contemplated by the Plan; (c) employ Professionals to represent it with respect to its responsibilities; and (d) exercise such other powers as may be vested in the Distribution Agent by order of the Bankruptcy Court, pursuant to the Plan, or as deemed by the Distribution Agent to be necessary and proper to implement the provisions of the Plan.

2. Expenses Incurred on or After the Effective Date

Except as otherwise ordered by the Bankruptcy Court, the amount of any reasonable fees and out-of-pocket expenses incurred by the Distribution Agent on or after the Effective Date (including taxes) and any reasonable compensation and out-of-pocket expense reimbursement claims (including reasonable, actual, and documented attorney and/or other professional fees and expenses) made by the Distribution Agent shall be paid in Cash by the Reorganized Debtors.

D. Delivery of Distributions

1. Delivery of Distributions in General

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims or Allowed Interests shall be made to Holders of record as of the Distribution Record Date by the Reorganized Debtors or the Distribution Agent, as appropriate: (a) to the signatory set forth on any Proof of Claim or Proof of Interest Filed by such Holder or other representative identified therein (or at the last known addresses of such Holder if no Proof of Claim or Proof of Interest is Filed or if the Debtors have not been notified in writing of a change of address); (b) at the addresses set forth in any written notices of address changes delivered to the Reorganized Debtors or the Distribution Agent, as appropriate, after the date of any related Proof of Claim or Proof of Interest; (c) with respect to distributions to the Term Loan Lenders under the Plan, to the Term Loan Agent; (d) with respect to any distributions on the ABL Claim, to the ABL Agent; (e) with respect to any distributions on the DIP Facility Claim, to the DIP Agent; or (f) on any counsel that has appeared in the Chapter 11 Cases on the Holder's behalf. Subject to this Article VI, distributions under the Plan on account of Allowed Claims shall not be subject to levy, garnishment, attachment, or like legal process, so that each Holder of an Allowed Claim shall have and receive the benefit of the distributions in the manner set forth in the Plan. The Debtors, the Reorganized Debtors, and the Distribution Agent, as applicable, shall not incur any liability whatsoever on account of any distributions under the Plan except for fraud, gross negligence, or willful misconduct.

2. Undeliverable Distributions and Unclaimed Property

In the event that any distribution to any Holder is returned as undeliverable, no distribution to such Holder shall be made unless and until the Distribution Agent has determined the then-current address of such Holder, at which time such distribution shall be made to such Holder without interest. Notwithstanding the foregoing, any such distributions shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code at the expiration of six (6) months from the later of: (a) the Effective Date; and (b) the date of the distribution. After such date, all unclaimed property or interests in property shall revert to the Reorganized Debtors automatically and without need for a further order by the Bankruptcy Court (notwithstanding any applicable federal, provincial, or state escheat, abandoned, or unclaimed property laws to the contrary), and the claim of any Holder to such property or interest in property shall be discharged of and forever barred.

3. Minimum Distributions

No fractional shares of New Equity or New Warrants (as applicable) shall be distributed and no Cash shall be distributed in lieu of such fractional amounts. When any distribution pursuant to the Plan on account of an Allowed Claim or Allowed Interest (as applicable) would otherwise result in the issuance of a number of shares of New Equity or New Warrants (as applicable) that is not a whole number, the actual distribution of shares of New Equity or New Warrants (as applicable) shall be rounded as follows: (a) fractions of one-half (½) or greater shall be rounded to the next higher whole number; and (b) fractions of less than one-half (½) shall be rounded to the next lower whole number with no further payment therefore. The total number of authorized shares of New Equity or New Warrants (as applicable) to be distributed to Holders of Allowed Claims and Allowed Interests (as applicable) shall be adjusted as necessary to account for the foregoing rounding. Further, no Cash payment of less than fifty dollars ($50.00) shall be made to a Holder of an Allowed Claim on account of such Allowed Claim.

E. Manner of Payment

At the option of the Distribution Agent, any Cash payment to be made under the Plan may be made by check or wire transfer, or as otherwise required or provided in applicable agreements.

F. Compliance with Tax Requirements/Allocations

In connection with the Plan, to the extent applicable, the Reorganized Debtors and the Distribution Agent shall comply with all tax withholding and reporting requirements imposed on them by any Governmental Unit, and all distributions pursuant hereto shall be subject to such withholding and reporting requirements. Notwithstanding any provision in the Plan to the contrary, the Reorganized Debtors and the Distribution Agent shall be authorized to take all actions necessary or appropriate to comply with such withholding and reporting requirements, including liquidating a portion of the distribution to be made under the Plan to generate sufficient funds to pay applicable withholding taxes, withholding distributions pending receipt of information necessary to facilitate such distributions or establishing any other mechanisms they believe are reasonable and appropriate. The Reorganized Debtors reserve the right to allocate all distributions made under the Plan in compliance with all applicable wage garnishments, alimony, child support and other spousal awards, Liens and encumbrances.

G. Surrender of Cancelled Instruments or Securities

On the Effective Date, each Holder of a Certificate shall be deemed to have surrendered such Certificate to the Distribution Agent or a Servicer (to the extent the relevant Claim or Interest is governed by an agreement and administered by a Servicer), except as otherwise provided in the Plan. Such Certificate shall be cancelled solely with respect to the Debtors (other than any Certificate that survives and is not cancelled pursuant to the Plan, including Article IV.G), and such cancellation shall not alter the obligations or rights of any non-Debtor third parties vis-à-vis one another with respect to such Certificate. Notwithstanding the foregoing paragraph, this Article VI shall not apply to any Claims and Interests Reinstated pursuant to the terms of the Plan.

H. Allocations Between Principal and Accrued Interest

Except as provided in the ABL Credit Agreement with respect to ABL Claims and the DIP Credit Agreement with respect to DIP Facility Claims, and the Term Loan Credit Agreement with respect to Term Loan Claims, distributions in respect of Allowed Claims shall be allocated first to the principal amount of such Claims (as determined for federal income tax purposes) and then, to the extent the consideration exceeds the principal amount of the Claims, to any portion of such Claims for accrued but unpaid interest.

I. Foreign Currency Exchange Rate

Except as otherwise provided in a Bankruptcy Court order, as of the Effective Date, any Claim asserted in currency other than U.S. dollars shall be automatically deemed converted to the equivalent U.S. dollar value using the exchange rate for the applicable currency as published in *The Wall Street Journal*, National Edition, on the Effective Date.

J. Setoffs and Recoupment

Except as otherwise expressly provided for in the Plan, each Reorganized Debtor, pursuant to the Bankruptcy Code (including section 553 of the Bankruptcy Code), applicable non-bankruptcy law, or as may be agreed to by the Holder of a Claim, may set off against or recoup any Allowed Claim (other than an Allowed Term Loan Claim, a DIP Facility Claim, an Allowed ABL Claim, or an Allowed Senior Subordinated Notes Claim) and the distributions to be made pursuant to the Plan on account of such Allowed Claim (before any distribution is made on account of such Allowed Claim), any Claims, rights, and Causes of Action of any nature that such Debtor or the Reorganized Debtor, as applicable, may hold against the Holder of such Allowed Claim (other than an Allowed Term Loan Claim, a DIP Facility Claim, an Allowed ABL Claim, or an Allowed Senior Subordinated Notes Claim), to the extent such Claims, rights, or Causes of Action against such Holder have not been otherwise compromised or settled on or prior to the Effective Date (whether pursuant to the Plan or otherwise). Notwithstanding the foregoing, except as expressly stated in Article VIII of this Plan, neither the failure to effectuate such a setoff or recoupment nor the allowance of any Claim pursuant to the Plan shall constitute a waiver or release by such Reorganized Debtor of any such Claims, rights, and Causes of Action that such Reorganized Debtor may possess against such Holder.

K. Claims Paid or Payable by Third Parties

1. Claims Paid by Third Parties

A Claim shall be reduced in full, and such Claim shall be disallowed without an objection to such Claim having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court, to the extent that the Holder of such Claim receives payment in full on account of such Claim from a party that is not a Debtor or Reorganized Debtor. To the extent a Holder of a Claim receives a distribution on account of such Claim and receives payment from a party that is not a Debtor or a Reorganized Debtor on account of such Claim, such Holder shall repay, return or deliver any distribution held by or transferred to the Holder to the applicable Reorganized Debtor to the extent the Holder's total recovery on account of such Claim from the third party and under the Plan exceeds the amount of such Claim as of the date of any such distribution under the Plan.

2. Claims Payable by Insurance Carriers

No distributions under the Plan shall be made on account of an Allowed Claim that is payable pursuant to one of the Debtors' insurance policies until the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy.

3. Applicability of Insurance Policies

Except as otherwise provided in the Plan, distributions to Holders of Allowed Claims shall be in accordance with the provisions of any applicable insurance policy. Nothing contained in the Plan shall constitute or be deemed a waiver of any Cause of Action that the Debtors or any Entity may hold against any other Entity, including insurers under any policies of insurance, nor shall anything contained in the Plan constitute or be deemed a waiver by such insurers of any defenses, including coverage defenses, held by such insurers.

ARTICLE VII

PROCEDURES FOR RESOLVING DISPUTED, CONTINGENT, AND UNLIQUIDATED CLAIMS OR INTERESTS

A. Disputed Claims Process

Notwithstanding section 502(a) of the Bankruptcy Code, and in light of the Unimpaired status of all Allowed General Unsecured Claims under the Plan, except as required by the Plan, Holders of Claims need not File Proofs of Claim, and the Reorganized Debtors and the Holders of Claims shall determine, adjudicate, and resolve any disputes over the validity and amounts of such Claims in the ordinary course of business as if the Chapter 11 Cases had not been commenced except that (unless expressly waived pursuant to the Plan) the Allowed amount of such Claims shall be subject to the limitations or maximum amounts permitted by the Bankruptcy Code, including sections 502 and 503 of the Bankruptcy Code, to the extent applicable. All Proofs of Claim filed in these Chapter 11 Cases shall be considered objected to and Disputed without further action by the Debtors. Upon the Effective Date, all Proofs of Claim filed against the Debtors, regardless of the time of filing, and including Proofs of Claim filed after the Effective Date, shall be deemed withdrawn and expunged, other than as provided below. Notwithstanding anything in this Plan to the contrary: (1) all Claims against the Debtors that result from the Debtors' rejection of an Executory Contract or Unexpired Lease; (2) disputes regarding the amount of any Cure pursuant to section 365 of the Bankruptcy Code; and (3) Claims that the Debtors seek to have determined by the Bankruptcy Court, shall in all cases be determined by the Bankruptcy Court.

For the avoidance of doubt, there is no requirement to File a Proof of Claim or Proof of Interest (or move the Bankruptcy Court for allowance) to be an Allowed Claim or Allowed Interest, as applicable, under the Plan. Notwithstanding the foregoing, Entities must File Cure objections as set forth in Article V.C of the Plan to the extent such Entity disputes the amount of the Cure set forth in the Assumed Executory Contract and Unexpired Lease List. **All Proofs of Claim required to be Filed by the Plan that are Filed after the date that they are required to be Filed pursuant to the Plan shall be disallowed and forever barred, estopped, and enjoined from assertion, and shall not be enforceable against any Reorganized Debtor, without the need for any objection by the Reorganized Debtors or any further notice to or action, order, or approval of the Bankruptcy Court.**

B. Claims Administration Responsibilities

Except as otherwise specifically provided in the Plan, after the Effective Date, the Reorganized Debtors, shall have the sole authority to: (1) File, withdraw, or litigate to judgment, any objections to Claims or Interests; and (2) settle or compromise any Disputed Claim or Interest without any further notice to or action, order, or approval by the Bankruptcy Court. For the avoidance of doubt, except as otherwise provided in the Plan, from and after the Effective Date, each Reorganized Debtor shall have and retain any and all rights and defenses such Debtor had immediately prior to the Effective Date with respect to any Disputed Claim or Interest, including the Causes of Action retained pursuant to Article IV.L of the Plan.

C. Estimation of Claims and Interests

Before or after the Effective Date, the Debtors, with the consent of the Required Consenting Noteholders (not to be unreasonably withheld), or the Reorganized Debtors, as applicable, may (but are not required to) at any time request that the Bankruptcy Court estimate any Disputed Claim or Interest that is contingent or unliquidated pursuant to section 502(c) of the Bankruptcy Code for any reason, regardless of whether any party previously has objected to such Claim or Interest or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any such Claim or Interest, including during the litigation of any objection to any Claim or Interest or during the appeal relating to such objection. Notwithstanding any provision otherwise in the Plan, a Claim that has been expunged from the Claims Register, but that either is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars ($0.00), unless otherwise ordered by the Bankruptcy Court. In the event that the Bankruptcy Court estimates any contingent or unliquidated Claim or Interest, that estimated amount shall constitute a maximum limitation on such Claim or Interest for all purposes under the Plan (including for purposes of distributions), and the relevant Reorganized Debtor may elect to pursue any supplemental proceedings to object to any ultimate distribution on such Claim or Interest.

D. Adjustment to Claims or Interests Without Objection

Any duplicate Claim or Interest or any Claim or Interest that has been paid, satisfied, amended, or superseded may be adjusted or expunged on the Claims Register by the Reorganized Debtors without the Reorganized Debtors having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice to or action, order, or approval of the Bankruptcy Court.

E. No Distributions Pending Allowance

Notwithstanding any other provision of the Plan, if any portion of a Claim or Interest is a Disputed Claim or Interest, as applicable, no payment or distribution provided hereunder shall be made on account of such Claim or Interest unless and until such Disputed Claim or Interest becomes an Allowed Claim or Interest; *provided* that if only the Allowed amount of a Claim or Interest is Disputed, such Claim or Interest shall be deemed Allowed in the amount not Disputed and payment or distribution shall be made on account of such undisputed amount.

F. Distributions After Allowance

To the extent that a Disputed Claim or Interest ultimately becomes an Allowed Claim or Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Interest in accordance with the provisions of the Plan. As soon as reasonably practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim or Interest becomes a Final Order, the Distribution Agent shall provide to the Holder of such Claim or Interest the distribution (if any) to which such Holder is entitled under the Plan as of the Effective Date, without any interest to be paid on account of such Claim or Interest.

G. No Interest

Unless otherwise specifically provided for in the Plan or by order of the Bankruptcy Court, including, without limitation, the Financing Order, postpetition interest shall not accrue or be paid on Claims, and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim or right. Additionally, and without limiting the foregoing, interest shall not accrue or be paid on any Disputed Claim with respect to the period from the

Effective Date to the date a final distribution is made on account of such Disputed Claim, if and when such Disputed Claim becomes an Allowed Claim.

H. Disallowance of Claims and Interests

All Claims and Interests of any Entity from which property is sought by the Debtors under sections 542, 543, 550, or 553 of the Bankruptcy Code or that the Debtors or the Reorganized Debtors allege is a transferee of a transfer that is avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code shall be disallowed if: (a) the Entity, on the one hand, and the Debtors or the Reorganized Debtors, as applicable, on the other hand, agree or the Bankruptcy Court has determined by Final Order that such Entity or transferee is liable to turn over any property or monies under any of the aforementioned sections of the Bankruptcy Code; and (b) such Entity or transferee has failed to turn over such property by the date set forth in such agreement or Final Order.

I. Time to File Objections to Claims

Any objections to Claims shall be Filed on or before the Claims Objection Deadline. For the avoidance of doubt, the Bankruptcy Court may extend the time period to object to Claims set forth in this paragraph at any time, including before or after the expiration of one hundred eighty (180) days after the Effective Date, in its discretion or upon request by the Debtors or any party in interest.

ARTICLE VIII

RELEASE, INJUNCTION, AND RELATED PROVISIONS

A. Discharge of Claims and Termination of Interests

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created or entered into pursuant to the Plan, the distributions, rights, and treatment that are provided in the Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims (including any Intercompany Claims resolved or compromised after the Effective Date by the Reorganized Debtors), Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, liens on, obligations of, rights against, and interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not: (a) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (b) a Claim or Interest based upon such debt, right, or interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (c) the Holder of such a Claim or Interest has accepted the Plan. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the occurrence of the Effective Date.

B. Releases by the Debtors

Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, the adequacy of which is hereby confirmed, on and after the Effective Date, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged by the Debtors, the Reorganized Debtors, and their Estates, from any and all Causes of Action, including any derivative claims asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, that the Debtors, the Reorganized Debtors, or their 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 against, or Interest in, a Debtor or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' capital structure, the assertion or enforcement of rights and remedies against the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions between or among a Company

Party and another Company Party, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Definitive Documentation, the Amended ABL Facility, the Amended ABL Documentation, the Amended Term Loan Facility, the Amended Term Loan Documentation, the DIP Facility, the DIP Credit Agreement, the ABL Facility, the ABL Credit Agreement, the Disclosure Statement, the Plan, the Plan Supplement or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date related or relating to any of the foregoing. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the Amended ABL Documentation and the Amended Term Loan Documentation.

C. Releases by Holders of Claims and Interests

Except as otherwise expressly set forth in this Plan or the Confirmation Order, on and after the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably and forever, released and discharged by each Debtor, Reorganized Debtor, the Debtors' Estates and each Releasing Party from any and all Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted on behalf of the Debtors, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors' in- or out-of-court restructuring efforts, intercompany transactions between or among a Company Party and another Company Party, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Definitive Documentation, the Amended ABL Facility, the Amended ABL Documentation, the Amended Term Loan Facility, the Amended Term Loan Documentation, the DIP Facility, the DIP Credit Agreement, the ABL Facility, the ABL Credit Agreement, the Disclosure Statement, the Plan, the Plan Supplement or any Restructuring Transaction, contract, instrument, release, or other agreement or document relating to any of the foregoing, created or entered into before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance or distribution of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, or upon any other related act or omission, transaction, agreement, event, or other occurrence taking place on or before the Effective Date related or relating to any of the foregoing. Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Effective Date obligations of any party or Entity under the Plan, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the Amended ABL Documentation and the Amended Term Loan Documentation, or any Claim or obligation arising under the Plan. For the avoidance of doubt, nothing in this Plan shall be deemed to be, or construed as, a release, waiver, or discharge of any of the Company Indemnification Obligations.

In the case of the ABL Agent, the ABL Lenders, the DIP Agent, the DIP Lenders, the Term Loan Agent, and the Term Loan Lenders, the foregoing release shall be in addition to the stipulations, releases, and exculpations set forth in the Financing Order.

D. Exculpation

Except as otherwise specifically provided in the Plan, no Exculpated Party shall have or incur, and each Exculpated Party is released and exculpated from any Cause of Action for any claim related to any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, preparation, dissemination, negotiation, or filing of the RSA and related prepetition transactions, the Disclosure Statement,

the Plan, the Plan Supplement, the Definitive Documentation, the Amended ABL Facility, the Amended ABL Documentation, the Amended Term Loan Facility, the Amended Term Loan Documentation, the DIP Facility, or any Restructuring Transaction, contract, instrument, release or other agreement or document relating to the foregoing created or entered into before or during the Chapter 11 Cases, any preference, fraudulent transfer, or other avoidance claim arising pursuant to chapter 5 of the Bankruptcy Code or other applicable law, the filing of the Chapter 11 Cases, the pursuit of Confirmation, the pursuit of consummation, the administration and implementation of the Plan, including the issuance of securities pursuant to the Plan, or the distribution of property under the Plan or any other related agreement, except for claims related to any act or omission that is determined in a Final Order to have constituted actual fraud or gross negligence, but in all respects such Entities shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities pursuant to the Plan. The Exculpated Parties have, and upon completion of the Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and distribution of consideration pursuant to the Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of the Plan or such distributions made pursuant to the Plan.

E. Injunction

Except as otherwise expressly provided in the Plan or for obligations issued or required to be paid pursuant to the Plan or the Confirmation Order, all Entities who have held, hold, or may hold claims or interests that have been released, discharged, or are subject to exculpation are permanently enjoined, from and after the Effective Date, from taking any of the following actions against, as applicable, the Debtors, the Reorganized Debtors, the Exculpated Parties, or the Released Parties: (a) commencing or continuing in any manner any action, suit, or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests; (b) enforcing, attaching, collecting, or recovering by any manner or means any judgment, award, decree, or order against such Entities on account of or in connection with or with respect to any such claims or interests; (c) creating, perfecting, or enforcing any encumbrance of any kind against such Entities or the property or the Estates of such Entities on account of or in connection with or with respect to any such claims or interests; (d) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due from such Entities or against the property of such Entities on account of or in connection with or with respect to any such claims or interests unless such Holder has Filed a motion requesting the right to perform such setoff on or before the Effective Date, and notwithstanding an indication of a claim or interest or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to applicable law or otherwise; and (e) commencing or continuing in any manner any action or other proceeding of any kind on account of or in connection with or with respect to any such claims or interests released or settled pursuant to the Plan.

Notwithstanding anything to the contrary in the foregoing, the injunction does not enjoin any party under the Plan or under any document, instrument or agreement (including those included in the Plan Supplement) executed to implement the Plan from bringing an action to enforce the terms of the Plan or such document, instrument or agreement (including those included in the Plan Supplement) executed to implement the Plan.

F. Protection Against Discriminatory Treatment

In accordance with section 525 of the Bankruptcy Code, and consistent with paragraph 2 of Article VI of the United States Constitution, no Governmental Unit shall discriminate against any Reorganized Debtor, or any Entity with which a Reorganized Debtor has been or is associated, solely because such Reorganized Debtor was a Debtor under chapter 11, may have been insolvent before the commencement of the Chapter 11 Cases (or during the Chapter 11 Cases but before such Debtor was granted or denied a discharge), or has not paid a debt that is dischargeable in the Chapter 11 Cases.

G. Document Retention

On and after the Effective Date, the Reorganized Debtors may maintain documents in accordance with their standard document retention policy, as may be altered, amended, modified, or supplemented by the Reorganized Debtors.

H. Reimbursement or Contribution

If the Bankruptcy Court disallows a Claim for reimbursement or contribution of an Entity pursuant to section 502(e)(1)(B) of the Bankruptcy Code, then to the extent that such Claim is contingent as of the time of allowance or disallowance, such Claim shall be forever disallowed and expunged notwithstanding section 502(j) of the Bankruptcy Code, unless prior to the Confirmation Date: (1) such Claim has been adjudicated as non-contingent; or (2) the relevant Holder of a Claim has Filed a Proof of Claim on account of such Claim and a Final Order has been entered prior to the Confirmation Date determining such Claim as no longer contingent.

I. Release of Liens

Except: (a) with respect to the Liens securing (i) any indebtedness, liabilities or obligations under the Amended ABL Facility, (ii) any indebtedness, liabilities or obligations under the Amended Term Loan Facility, and (iii) Other Secured Claims that are Reinstated pursuant to the Plan; or (b) as otherwise provided in the Plan or in any contract, instrument, release, or other agreement or document created or entered into pursuant to the Plan, on the Effective Date, all mortgages, deeds of trust, Liens, pledges, or other security interests against any property of the Estates, but subject to the consummation of the applicable distributions contemplated in the Plan, shall be fully released and discharged, and the Holders of such mortgages, deeds of trust, Liens, pledges, or other security interests shall execute such documents as may be reasonably requested by the Debtors or the Reorganized Debtors, as applicable, to reflect or effectuate such releases, and all of the right, title, and interest of any Holders of such mortgages, deeds of trust, Liens, pledges, or other security interests shall revert to the Reorganized Debtor and its successors and assigns.

ARTICLE IX

CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

A. Conditions Precedent to the Effective Date

It shall be a condition to the Effective Date that the following conditions shall have been satisfied or waived pursuant to Article IX.B of the Plan:

1. the RSA shall not have been terminated and shall remain in full force and effect;

2. all Definitive Documentation shall be in form and substance reasonably acceptable to (i) the Debtors and the Required Consenting Noteholders, (ii) the Required Consenting Term Loan Lenders to the extent set forth herein and in the RSA and otherwise consistent with the RSA, (iii) the Amended ABL Agent and the Amended ABL Lenders to the extent set forth herein, and (iv) the Sponsors to the extent set forth herein and in the RSA and otherwise consistent with the RSA;

3. entry of the Confirmation Order in form and substance reasonably acceptable to the Debtors, the Required Consenting Stakeholders, the Amended ABL Agent, the Amended ABL Lenders, and the DIP Agent and the Confirmation Order shall not have been stayed, modified, vacated or reversed on appeal;

4. entry of the Financing Order in form and substance reasonably acceptable to the Debtors, the DIP Agent, the Required Consenting Noteholders, and the Required Consenting Term Loan Lenders;

5. the New Equity and the New Warrants shall have been issued and delivered;

6. the Professional Fee Escrow Account shall have been established and funded in full;

7. the Sponsor Fees and Expenses and TPG Field Operations Fees shall have been paid in full in Cash;

8. the Sponsor Monitor Agreement shall have been rejected and all claims in connection therewith waived;

9. all of the Consenting Noteholder Fees and Expenses shall have been paid in full in Cash;

10. all of the Consenting Term Loan Lender Fees and Expenses shall have been paid in full in Cash;

11. all fees, costs, and expenses payable by the Debtors under the Financing Order shall have been paid in full in Cash;

12. entry into the Amended Term Loan Documentation, as applicable, in each case in form and substance reasonably acceptable to the Debtors, the Required Consenting Term Loan Lenders, the Required Consenting Noteholders, and the Amended Term Loan Agent, and to the extent the applicable documentation could reasonably be expected to materially and adversely, reasonably construed, affect the rights of the Sponsors, the Sponsors, and all conditions precedent to the consummation of such Amended Term Loan Documentation shall have been waived or satisfied in accordance with their terms thereof and the closing of such Amended Term Loan Documentation shall have occurred;

13. entry into the Amended ABL Documentation in form and substance reasonably acceptable to the Debtors, the Amended ABL Agent, the Amended ABL Lenders, the Required Consenting Noteholders, the Required Consenting Term Loan Lenders, and to the extent the applicable documentation could reasonably be expected to materially and adversely, reasonably construed, affect the rights of the Sponsors, the Sponsors;

14. entry into the Warrant Agreement in form and substance reasonably acceptable to the Debtors, the Required Consenting Noteholders, and the Sponsors;

15. the effectiveness of any other applicable Definitive Documentation; and

16. all requisite governmental and regulatory authorities and third parties will have approved or consented to the Restructuring Transactions, to the extent required.

B. Waiver of Conditions

The Debtors, with the consent of the Required Consenting Noteholders, the Sponsors, and, with respect to clauses (1)-(4), (10)-(13), (15) and (16) of Article IX.A of the Plan, the Required Consenting Term Loan Lenders, may waive any of the conditions to the Effective Date set forth above at any time, without any notice to parties in interest and without any further notice to or action, order, or approval of the Bankruptcy Court, and without any formal action other than a proceeding to confirm and consummate the Plan. The failure of the Debtors to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right, which may be asserted at any time.

C. Effect of Non-Occurrence of Conditions to the Effective Date

If the Effective Date does not occur on or before the termination of the RSA, then: (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected under the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (c) nothing contained in the Plan, the Confirmation Order, or the Disclosure Statement shall (i) constitute a waiver or release of any Claims, Interests, or Causes of Action, (ii) prejudice in any manner the rights of the Debtors, any Holders of Claims or Interests, or any other Entity, or (iii) constitute an admission, acknowledgement, offer, or undertaking of any sort by the Debtors, any Holders of Claims or Interests, or any other Entity in any respect; *provided*, *however*, that such termination of the RSA and rendering of the Plan null and void shall not affect the validity or enforceability of any order (other than the Confirmation Order) entered by the Bankruptcy Court or of any agreement, instrument or other documents executed by any Debtor prior to the date of such termination, including, without limitation, the Financing Order, the DIP Credit Agreement, and any other agreement, instrument or other document executed in connection therewith.

ARTICLE X

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, or related to, the Chapter 11 Cases and the Plan pursuant to sections 105(a) and 1142 of the Bankruptcy Code, including jurisdiction to:

1. Allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured or unsecured status, or amount of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the secured or unsecured status, priority, amount, or allowance of Claims or Interests;

2. decide and resolve all matters related to the granting and denying, in whole or in part, any applications for allowance of compensation or reimbursement of expenses to Professionals authorized pursuant to the Bankruptcy Code or the Plan;

3. resolve any matters related to Executory Contracts or Unexpired Leases, including: (a) the assumption, assumption and assignment, or rejection of any Executory Contract or Unexpired Lease to which a Debtor is party or with respect to which a Debtor may be liable and to hear, determine, and, if necessary, liquidate, any Cure Claims arising therefrom, including pursuant to section 365 of the Bankruptcy Code; (b) any potential contractual obligation under any Executory Contract or Unexpired Lease that is assumed; and (c) any dispute regarding whether a contract or lease is or was executory or expired;

4. ensure that distributions to Holders of Allowed Claims and Interests are accomplished pursuant to the provisions of the Plan and adjudicate any and all disputes arising from or relating to distributions under the Plan;

5. adjudicate, decide or resolve any motions, adversary proceedings, contested, or litigated matters, and any other matters, and grant or deny any applications involving a Debtor that may be pending on the Effective Date;

6. enter and implement such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of: (a) contracts, instruments, releases, indentures, and other agreements or documents approved by Final Order in the Chapter 11 Cases; and (b) the Plan, the Confirmation Order, and contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan;

7. enforce any order for the sale of property pursuant to sections 363, 1123, or 1146(a) of the Bankruptcy Code;

8. grant any consensual request to extend the deadline for assuming or rejecting Unexpired Leases pursuant to section 365(d)(4) of the Bankruptcy Code;

9. adjudicate, decide, or resolve any and all matters related to the Restructuring Transactions;

10. adjudicate, decide, or resolve any and all matters related to enforcement of the RSA;

11. issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with consummation or enforcement of the Plan;

12. resolve any cases, controversies, suits, disputes, Causes of Action, or any other matters that may arise in connection with the consummation, interpretation, or enforcement of the Plan, the Disclosure Statement, the Confirmation Order, or the Restructuring Transactions, or any Entity's obligations incurred in connection with the foregoing, including disputes arising under agreements, documents, or instruments executed in connection with the Plan, the Disclosure Statement, the Confirmation Order, or the Restructuring Transactions;

13. hear, determine, and resolve any cases, matters, controversies, suits, disputes, or Causes of Action in connection with or in any way related to the Chapter 11 Cases, including: (a) with respect to the repayment or return of distributions and the recovery of additional amounts owed by the Holder of a Claim or an Interest for amounts

not timely repaid pursuant to Article VI.K of the Plan; (b) with respect to the releases, injunctions, and other provisions contained in Article VIII of the Plan, including entry of such orders as may be necessary or appropriate to implement such releases, injunctions, and other provisions; (c) anything that may arise in connection with the consummation, interpretation, implementation, or enforcement of the Plan, the Confirmation Order, and, subject to any applicable forum selection clauses, contracts, instruments, releases, indentures, and other agreements or documents created in connection with the Plan; or (d) related to section 1141 of the Bankruptcy Code;

14. enter and implement such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked, or vacated;

15. consider any modifications of the Plan, to cure any defect or omission, or to reconcile any inconsistency in any Bankruptcy Court order, including the Confirmation Order;

16. hear and determine matters concerning taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

17. enter an order or Final Decree concluding or closing the Chapter 11 Cases;

18. enforce all orders previously entered by the Bankruptcy Court; and

19. hear any other matter not inconsistent with the Bankruptcy Code.

As of the Effective Date, notwithstanding anything in this Article X to the contrary, the New Organizational Documents, the Amended ABL Facility and any related documents thereto, and the Amended Term Loan Facility and any related documents thereto, shall be governed by the jurisdictional provisions therein and the Bankruptcy Court shall not retain jurisdiction with respect thereto.

ARTICLE XI

MODIFICATION, REVOCATION, OR WITHDRAWAL OF PLAN

A. Modification of Plan

Subject to the limitations and approval rights contained in the Plan and the RSA, the Debtors, with the consent of the the Required Consenting Noteholders, the Required Consenting Term Loan Lenders, and the Sponsors to the extent set forth herein and in the RSA and otherwise consistent with the RSA, reserve the right to modify the Plan and seek Confirmation consistent with the Bankruptcy Code and, as appropriate, not resolicit votes on such modified Plan; *provided* that any amendment or modification of the Plan or any allowance or disallowance of Claims or Interests that would adversely or materially, reasonably construed, affect the Claims and/or Interests (or the treatment of the Claims and/or Interests) of the Sponsors shall also be acceptable to the Sponsors. Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019 and those restrictions on modifications set forth in the Plan and the RSA, the Debtors expressly reserve their rights to alter, amend, or modify materially the Plan, one or more times, in accordance with the provisions hereof and the RSA, after Confirmation, and, to the extent necessary, may initiate proceedings in the Bankruptcy Court to so alter, amend, or modify the Plan, or remedy any defect or omission, or reconcile any inconsistencies in the Plan, the Disclosure Statement, or the Confirmation Order, in such matters as may be necessary to carry out the purposes and intent of, and in a manner consistent with, the Plan and the RSA.

Entry of the Confirmation Order shall constitute approval of all modifications to the Plan that are consistent with this Article XI.A and the RSA occurring after the solicitation thereof pursuant to section 1127(a) of the Bankruptcy Code and a finding that such modifications to the Plan do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

B. Revocation or Withdrawal of the Plan

Subject to the terms of the RSA, the Debtors reserve the right to revoke or withdraw the Plan prior to the entry of the Confirmation Order and to File subsequent plans of reorganization. If the Debtors revoke or withdraw the Plan, or if entry of the Confirmation Order or the Effective Date does not occur, then: (a) the Plan shall be null

and void in all respects; (b) any settlement or compromise embodied in the Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant hereto shall be deemed null and void; and (c) nothing contained in the Plan shall (i) constitute a waiver or release of any Claims by or against, or any Interest in, such Debtor or any other Entity, (ii) prejudice in any manner the rights of the Debtors or any other Entity, or (iii) constitute an admission of any sort by the Debtors or any other Entity.

ARTICLE XII

MISCELLANEOUS PROVISIONS

A. Immediate Binding Effect

Notwithstanding Bankruptcy Rules 3020(e), 6004(h), or 7062 or otherwise, upon the occurrence of the Effective Date, the terms of the Plan shall be immediately effective and enforceable and deemed binding upon the Debtors, the Reorganized Debtors, and any and all Holders of Claims or Interests (irrespective of whether such Claims or Interests are deemed to have accepted the Plan), all Entities that are parties to or are subject to the settlements, compromises, releases, discharges, exculpations, and injunctions described in the Plan, each Entity acquiring property under the Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims against and Interests in the Debtors shall be as fixed, adjusted, or compromised, as applicable, pursuant to the Plan regardless of whether any Holder of a Claim or Interest has voted on the Plan.

B. Additional Documents

On or before the Effective Date, the Debtors may File with the Bankruptcy Court such agreements and other documents as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Debtors or the Reorganized Debtors, as applicable, and all Holders of Claims and Interests receiving distributions pursuant to the Plan and all other parties in interest shall, from time to time, prepare, execute, and deliver any agreements or documents and take any other actions as may be necessary or advisable to effectuate the provisions and intent of the Plan.

C. Payment of Statutory Fees

All fees payable pursuant to 28 U.S.C. § 1930(a) shall be paid for each quarter (including any fraction thereof) until the Chapter 11 Cases are converted, dismissed, or a Final Decree is issued, whichever occurs first.

D. Reservation of Rights

The Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order. None of the Filing of the Plan, any statement or provision contained in the Plan, or the taking of any action by any Debtor with respect to the Plan, the Disclosure Statement, or the Plan Supplement shall be or shall be deemed to be an admission or waiver of any rights of any Debtor with respect to the Holders of Claims or Interests prior to the Effective Date.

E. Successors and Assigns

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

F. Service of Documents

Any pleading, notice, or other document required by the Plan to be served on or delivered to the Debtors or the Reorganized Debtors shall also be served on:

Debtors	Counsel to the Debtors
American Tire Corporation 12200 Herbert Wayne Court, Suite 150 Huntersville, North Carolina 28078 Attention: Gail Sharps Myers, General Counsel	Kirkland & Ellis LLP 300 North LaSalle Street Chicago, Illinois 60654 Attention: Anup Sathy, P.C., Chad Husnick, P.C., and Spencer Winters
United States Trustee	**Counsel to the ABL and DIP Agents**
Office of the United States Trustee for the District of Delaware 844 King Street, Suite 2207, Lockbox 35 Wilmington, Delaware 19810 Attention: Andrew Vara, Acting United States Trustee	Parker Hudson Rainer & Dobbs LLP 303 Peachtree Street NE, Suite 3600 Atlanta, Georgia 30308 Attention: C. Edward Dobbs
Counsel to the Consenting Term Loan Lenders	**Counsel to the DIP FILO Lenders and Consenting Noteholders**
Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 Avenue of the Americas New York, New York 10019 Attention: Brian S. Hermann and Jacob A. Adlerstein	Akin Gump Strauss Hauer & Feld LLP Bank of America Tower, 1 Bryant Park New York, New York 10036 Attention: Ira S. Dizengoff, Philip C. Dublin, and Naomi Moss
Counsel to the Sponsors	
Milbank, Tweed, Hadley & McCloy LLP 28 Liberty Street New York, New York 10005 Attention: Paul S. Aronzon, Thomas R. Kreller and Adam Moses -and- Weil, Gotshal & Manges LLP 767 5th Avenue New York, New York 10153 Attention: Ray C. Schrock, P.C., Ryan Preston Dahl, and Natasha Hwangpo	

G. Term of Injunctions or Stays

Unless otherwise provided in the Plan or in the Confirmation Order, all injunctions or stays in effect in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code or any order of the Bankruptcy Court, and extant on the Confirmation Date (excluding any injunctions or stays contained in the Plan or the Confirmation Order) shall remain in full force and effect until the Effective Date. All injunctions or stays contained in the Plan or the Confirmation Order shall remain in full force and effect in accordance with their terms.

H. Entire Agreement

On the Effective Date, the Plan and the Plan Supplement, the Confirmation Order, and all documents related thereto 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 such related documents.

I. Exhibits

All exhibits and documents included in the Plan Supplement are incorporated into and are a part of the Plan as if set forth in full in the Plan. After the exhibits and documents are Filed, copies of such exhibits and documents shall be made available upon written request to the Debtors' counsel at the address above or by downloading such exhibits and documents from www.kccllc.net/ATD or the Bankruptcy Court's website at http://www.deb.uscourts.gov. Unless otherwise ordered by the Bankruptcy Court, to the extent any exhibit or document in the Plan Supplement is inconsistent with the terms of any part of the Plan that does not constitute the Plan Supplement, such part of the Plan that does not constitute the Plan Supplement shall control.

J. Nonseverability of Plan Provisions upon Confirmation

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtors, with the consent of the Required Consenting Noteholders, the Required Consenting Term Loan Lenders, and the Sponsors to the extent set forth herein and in the RSA and otherwise consistent with the RSA, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding the foregoing, any such alteration or interpretation shall be reasonably acceptable in form and substance to the Debtors and the Required Consenting Stakeholders, as applicable. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan will remain in full force and effect and will in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is: (1) valid and enforceable pursuant to its terms; (2) integral to the Plan and may not be deleted or modified without the Debtors' consent, consistent with the terms set forth in the Plan; and (3) nonseverable and mutually dependent.

K. Closing of Chapter 11 Cases

The Reorganized Debtors shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.

L. Conflicts

To the extent that any provision of the Disclosure Statement, the Plan Supplement, or any other order (other than the Confirmation Order) referenced in the Plan (or any exhibits, appendices, supplements, or amendments to any of the foregoing), conflict with or is in any way inconsistent with any provision of the Plan, the Plan shall govern and control. To the extent that any provision in the Plan conflicts with or is in any way inconsistent with any provision of the Confirmation Order, the Confirmation Order shall govern and control.

M. Votes Solicited in Good Faith

Upon entry of the Confirmation Order, the Debtors will be deemed to have solicited votes on the Plan in good faith and in compliance with the Bankruptcy Code, and pursuant to section 1125(e) of the Bankruptcy Code, the Debtors and each of their respective Affiliates, agents, representatives, members, principals, shareholders, officers, directors, employees, advisors, and attorneys will be deemed to have participated in good faith and in compliance with the Bankruptcy Code in the offer, issuance, sale, and purchase of Securities offered and sold under the Plan and any previous plan, and, therefore, neither any of such parties or individuals or the Reorganized Debtors will have any liability for the violation of any applicable law, rule, or regulation governing the solicitation of votes on the Plan or the offer, issuance, sale, or purchase of the Securities offered and sold under the Plan and any previous plan.

[*Remainder of page intentionally left blank*]

Dated: October 15, 2018

ATD Corporation (on behalf of itself and all other Debtors)

By: _____

William Williams
ATD Corporation
Chief Financial Officer

EXHIBIT B

Restructuring Support Agreement

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

AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT

This AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT (including all exhibits, annexes, and schedules attached to this agreement in accordance with Section 15.02, this "**Agreement**") is made and entered into as of October 10, 2018 (the "**Execution Date**"), by and among the following parties (each of the following described in sub-clauses (i) through (iv) of this preamble, collectively, the "**Parties**"):[1]

(i) (a) ATD Corporation ("**ATD**"), a company incorporated under the Laws of Delaware, and (b) each of its affiliates listed on **Exhibit A** to this Agreement that has executed and delivered a counterpart signature page to this Agreement to counsel to the Consenting Stakeholders (the Entities in this clause (i), collectively, the "**Company Parties**");

(ii) the undersigned holders of, or investment advisors, sub-advisors, or managers of discretionary accounts that hold, Note Claims that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (ii), collectively, the "**Consenting Noteholders**");

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

(iv) the undersigned investment funds and affiliates of Ares and TPG that hold, or are investment advisors, sub-advisors, or managers of discretionary accounts that hold, Equity Interests and that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (iv), collectively, the "**Sponsors**" and, together with the other entities in clauses (ii) and (iii), the "**Consenting Stakeholders**").

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

RECITALS

WHEREAS, the Company Parties and the Consenting Stakeholders have in good faith and at arm's length negotiated or been apprised of certain restructuring and recapitalization transactions with respect to the Company Parties' capital structure on the terms set forth in: (a) this Agreement; (b) the term sheet setting forth the terms of the Restructuring Transactions, attached as **Exhibit B** to this Agreement (the "**Term Sheet**"); and (c) the *Joint Chapter 11 Plan of ATD Corporation and its Affiliated Debtors*, attached as **Exhibit C** to this Agreement (the "**Plan**" and, such transactions as described in this Agreement, the Term Sheet, and the Plan, the "**Restructuring Transactions**");

WHEREAS, the Company Parties will implement the Restructuring Transactions in connection with prearranged cases under chapter 11 of the Bankruptcy Code in the Bankruptcy Court (the cases commenced, the "**Chapter 11 Cases**"); and

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

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

AGREEMENT

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

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

"**ABL Facility**" has the meaning set forth in the Plan.

"**Agreement**" has the meaning set forth in the preamble hereto and, for the avoidance of doubt, includes all the exhibits, annexes, and schedules attached hereto in accordance with Section 15.02 (including the Term Sheet).

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

"**Agreement Effective Period**" means, with respect to a Party, the period from the Agreement Effective Date to the Termination Date applicable to that Party.

"**Alternative Restructuring Proposal**" means any inquiry, proposal, offer, bid, term sheet, discussion, or agreement with respect to a sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, liquidation, tender offer, recapitalization, plan of reorganization, share exchange, business combination, or similar transaction involving any one or more Company Parties or the debt, equity, or other interests in any one or more Company Parties that

is an alternative to one or more of the Restructuring Transactions. For the avoidance of doubt, the term "Alternative Restructuring Proposal" includes any debt or equity financing the proceeds of which are used to refinance or repay any obligations under the FILO DIP Facility.

"**Amended ABL Facility**" has the meaning set forth in the Plan.

"**Amended Term Loan**" has the meaning set forth in the Plan.

"**Amended Term Loan Agreement**" has the meaning set forth in the Plan.

"**Amended Term Loan PIK Fee**" has the meaning set forth in the Plan.

"**Ares**" means Ares Management, L.P.

"**ATD**" has the meaning set forth in the Preamble to this Agreement.

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

"**Bankruptcy Court**" means the United States Bankruptcy Court for the District of Delaware presiding over the Chapter 11 Cases.

"**Business Day**" means any day other than a Saturday, Sunday, or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state of New York.

"**Causes of Action**" means any action, Claim, cause of action, controversy, demand, right, action, lien, indemnity, Equity Interest, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license, and franchise of any kind or character whatsoever, whether known, unknown, contingent or noncontingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, in contract or in tort, in law or in equity, or pursuant to any other theory of law.

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

"**Claim**" has the meaning ascribed to it in section 101(5) of the Bankruptcy Code.

"**Company Claims/Interests**" means any Claim against, or Equity Interest in, a Company Party, including the Note Claims.

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

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

"**Confirmation Order**" means the confirmation order with respect to the Plan.

"**Consenting Noteholders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting Stakeholders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting Term Loan Lenders**" has the meaning set forth in the preamble to this Agreement.

"**Definitive Documents**" means the documents set forth in Section 3.01.

"**DIP Credit Agreement**" has the meaning set forth in the Plan.

"**Disclosure Statement**" means the related disclosure statement with respect to the Plan.

"**Entity**" shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

"**Equity Interests**" means, collectively, any (i) equity security (as such term is defined in Bankruptcy Code section 101(16)), (ii) limited liability company interest, or (iii) membership interest, in a Company Party.

"**Execution Date**" has the meaning set forth in the preamble to this Agreement.

"**FILO DIP Facility**" has the meaning set forth in the Plan.

"**Financing Order**" means any order entered in the Chapter 11 Cases authorizing debtor in possession financing or the use of cash collateral (whether interim or final).

"**First Day Pleadings**" means the first-day pleadings that the Company Parties file upon the commencement of the Chapter 11 Cases.

"**Holder**" has the meaning set forth in the Plan.

"**Indenture**" means the Indenture, dated February 25, 2015, by and among American Tire Distributors, Inc., American Tire Distributors Holdings, Inc., the subsidiary guarantors named therein, and Wells Fargo Bank, National Association, as trustee, as may be amended, supplemented, or otherwise modified from time to time.

"**Joinder**" means a joinder to this Agreement substantially in the form attached to this Agreement as **Exhibit D**.

"**Law**" means any federal, state, local, or foreign law (including common law), statute, code, ordinance, rule, regulation, order, ruling, or judgment, in each case, that is validly adopted, promulgated, issued, or entered by a governmental authority of competent jurisdiction (including the Bankruptcy Court).

"**Milestones**" means the milestones set forth in Section 4.

"**New Equity**" means the new common stock or common equity issued by Reorganized ATD.

"**New Equity Documentation**" has the meaning set forth in the Plan.

"**Notes**" means the 10.25% senior subordinated notes due 2022, issued by American Tire Distributors, Inc. pursuant to the Indenture.

"**Notes Claim**" means any Claim on account of the Notes, including any guarantee of the Notes pursuant to the Indenture.

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

"**Permitted Transferee**" means each transferee of any Company Claims/Interests who meets the requirements of Section 9.01.

"**Petition Date**" means the first date any of the Company Parties commences a Chapter 11 Case.

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

"**Plan Effective Date**" means the occurrence of the effective date of the Plan according to its terms.

"**Plan Supplement**" means the compilation of documents and forms of documents, schedules, and exhibits to the Plan that will be filed by the Company Parties with the Bankruptcy Court.

"**Qualified Marketmaker**" means an entity that (a) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers Company Claims/Interests (or enter with customers into long and short positions in Company Claims/Interests), in its capacity as a dealer or market maker in Company Claims/Interests and (b) is, in fact, regularly in the business of making a market in claims against issuers or borrowers (including debt securities or other debt).

"**Reorganized ATD**" means either (a) ATD Corporation, as reorganized pursuant to and under the Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the Plan Effective Date, or (b) a new corporation or limited liability company that may be formed to, among other things, directly or indirectly acquire substantially all of the assets and/or stock of the debtors in the Chapter 11 Cases and issue the New Equity to be distributed pursuant to the Plan.

"**Reorganized Debtor**" means either (a) each of the affiliates of ATD listed on **Exhibit A** hereto that have executed and delivered counterpart signature pages to this Agreement to counsel to the Consenting Stakeholders, as reorganized pursuant to and under the Plan, or any successor or assign thereto, by merger, amalgamation, consolidation, or otherwise, on or after the Plan Effective Date or (b) a new corporation or limited liability company that may be formed to, among other things, directly or indirectly acquire substantially all of the assets and/or stock of any debtor (other than ATD) in the Chapter 11 Cases pursuant to the Plan.

"**Required Consenting Noteholders**" means, as of the relevant date, Consenting Noteholders holding at least 50.01% of the aggregate outstanding principal amount of the Notes that are held by all Consenting Noteholders.

"**Required Consenting Stakeholders**" means the Required Consenting Noteholders, the Required Consenting Term Loan Lenders, and each of the Sponsors.

"**Required Consenting Term Loan Lenders**" means, as of the relevant date, (i) if members of the Term Lender Committee collectively hold at least 35% of the aggregate principal amount of the Term Loans, two or more Consenting Term Loan Lenders that are members of the Term Loan Committee holding at least 50.01% of the aggregate Term Loans that are held by all Consenting Term Loan Lenders that are members of the Term Lender Committee or (ii) if the members of the Term Lender Committee collectively hold less than 35% of the aggregate principal amount of the Term Loans, the Consenting Term Loan Lenders holding at least 50.01% of the aggregate principal amount of Term Loans held by all Consenting Term Loan Lenders.

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

"**Restructuring Transactions**" has the meaning set forth in the preamble to this Agreement.

"**Rules**" means Rule 501(a)(1), (2), (3), and (7) of Regulation D under the Securities Act.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Solicitation Materials**" means all solicitation materials in respect of the Plan.

"**Termination Date**" means the date on which termination of this Agreement as to a Party is effective in accordance with Sections 13.01, 13.02, 13.03, 13.04, or 13.05.

"**Term Lender Committee**" means the *ad hoc* committee of holders of Term Loan Claims that is represented by Paul, Weiss, Rifkind Wharton & Garrison LLP and Houlihan Lokey, Inc.

"**Term Loan**" has the meaning set forth in the Plan.

"**Term Loan Claim**" means any Claim on account of the Term Loan Credit Agreement, including any guarantee of the Term Loan Credit Agreement.

"**Term Loan Credit Agreement**" means that certain credit agreement dated as of March 28, 2014 (as amended and restated from time to time) among American Tire Distributors, Inc., American Tire Distributors Holdings, Inc., each of the other guarantors party thereto, the agent thereto, and the Term Loan Lenders.

"**Term Loan Facility**" has the meaning set forth in the Plan.

"**Term Sheet**" has the meaning set forth in the preamble to this Agreement.

"**TPG**" means TPG Capital, L.P.

"**Transfer**" means to sell, resell, reallocate, use, pledge, assign, transfer, hypothecate, participate, donate, or otherwise encumber or dispose of, directly or indirectly (including through derivatives, options, swaps, pledges, forward sales, or other transactions); *provided, however*, that any pledge in favor of (i) a bank or broker dealer at which a Consenting Stakeholder maintains an account, where such bank or broker dealer holds a security interest or other encumbrance over property in the account generally or (ii) any lender, agent or trustee to secure obligations generally under debt issued by the applicable fund or account, in each case shall not be deemed a "Transfer" for any purposes hereunder.

"**Transfer Agreement**" means an executed form of the transfer agreement providing, among other things, that a transferee is bound by the terms of this Agreement and substantially in the form attached to this Agreement as **Exhibit E**.

"**Warrants**" means those certain warrants to purchase New Equity on the terms set forth in the warrant term sheet attached as Exhibit 1 to the Term Sheet.

1.02. Interpretation. For purposes of this Agreement:

(a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender;

(b) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(c) unless otherwise specified, any reference in this Agreement 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 such document shall be substantially in such form or substantially on such terms and conditions;

(d) unless otherwise specified, any reference in this Agreement to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, supplemented, or otherwise modified from time to time; notwithstanding the foregoing, any capitalized terms in this Agreement that are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date of this Agreement;

(e) unless otherwise specified, all references in this Agreement to "Sections" are references to Sections of this Agreement;

(f) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(g) references to "shareholders," "directors," and/or "officers" shall also include "members" and/or "managers," as applicable, as such terms are defined under the applicable limited liability company Laws;

(h) the use of "include" or "including" is without limitation, whether stated or not; and

(i) the phrase "counsel to the Consenting Stakeholders" refers in this Agreement to each counsel specified in Section 15.10 other than counsel to the Company Parties.

Section 2. ***Effectiveness of this Agreement.*** This Agreement shall become effective and binding upon each of the Parties at 12:00 a.m., prevailing Eastern Time, on the Agreement Effective Date, which is the date on which all of the following conditions have been satisfied or waived in accordance with this Agreement:

(a) each of the Company Parties shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the Parties;

(b) holders of at least two thirds (2/3) of the aggregate outstanding principal amount of Notes shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the Parties;

(c) holders of at least a majority of the aggregate outstanding principal amount of loans due under the Term Loan Credit Agreement shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the Parties;

(d) each of the Sponsors shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the Parties; and

(e) counsel to the Company Parties shall have given notice to counsel to the Consenting Stakeholders in the manner set forth in Section 15.10 (by email or otherwise) that the other conditions to the Agreement Effective Date set forth in this Section 2 have occurred.

Section 3. ***Definitive Documents.***

3.01. The Definitive Documents governing the Restructuring Transactions shall include, without limitation, the following: (A) the Plan and its exhibits, ballots, and solicitation procedures; (B) the Confirmation Order; (C) the Financing Order and, to the extent applicable, the debtor in possession credit agreement and any related documentation; (D) the Disclosure Statement; (E) the order of the Bankruptcy Court approving the Disclosure Statement and the other Solicitation Materials; (F) the First Day Pleadings and all orders sought pursuant thereto; (G) the Plan Supplement; (H) the Warrants and any related documentation; (I) the Amended ABL Documentation (as defined in the Plan) and any related documents; (J) the New Equity Documentation (K) the corporate governance documents and other organizational documents of Reorganized ATD and the Reorganized Debtors; (L) the Amended Term Loan Documentation (as defined in the Plan) and any related documents; and (M) such other agreements and documentation reasonably desired or necessary to consummate and document the transactions contemplated by this Agreement, the Term Sheet, and the Plan.

3.02. The Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date remain subject to negotiation and completion. Upon completion, the Definitive Documents and every other document, deed, agreement, filing, notification, letter, or instrument related to the Restructuring Transactions shall contain terms, conditions, representations, warranties, and covenants consistent with the terms of this Agreement, as it may be modified, amended, or supplemented in accordance with Section 14. Further, the Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date shall, subject to the second sentence of this paragraph and the consent provisions contained in the Term Sheet under the caption "Miscellaneous Provisions—Corporate Governance Documents and Other Organizational Documents of Reorganized ATD and the Reorganized Debtors," otherwise be in form and substance reasonably acceptable to the Company Parties (acting at the direction of the transactions committee of the board of directors), the Required Consenting Term Loan Lenders (except with respect to the Definitive Documents listed in Section 3.01(H), 3.01(J) and 3.01(K)) and the Required Consenting Noteholders; *provided*, *however*, that, in addition to the consent rights of the Required Consenting Noteholders, the Required Consenting Term Loan Lenders and the Company Parties as set forth above, (i) subject to the second sentence of this paragraph and the consent provisions contained in the Term Sheet under the caption "Miscellaneous Provisions—Corporate Governance Documents and Other Organizational Documents of Reorganized ATD and the Reorganized Debtors," to the extent such Definitive Documents do, or could reasonably be expected to, materially and adversely affect, or adversely affect in a disproportionate manner, the rights of the Sponsors (including, without limitation, any terms relating to the treatment of the Sponsors' respective claims and/or interests under the Plan, the Sponsors' consent rights, the Sponsors' designation rights with respect to the New Board, the release of the Sponsors and their Related Parties proposed in the Plan and the other rights and privileges of the Sponsors set forth in this Agreement) (the "Specified Standard"), such Definitive Documents shall also be in form and substance reasonably acceptable to the Sponsors; (ii) the Warrants, and the documentation relating to the Warrants, shall also be in form and substance consistent with the warrant term sheet attached as Exhibit 1 to the Term Sheet or otherwise reasonably acceptable to the Sponsors; and (iii) the Confirmation Order shall be in form and substance reasonably acceptable to the Sponsors.

Section 4. ***Milestones.*** The following Milestones shall apply to this Agreement unless extended or waived in writing by the Company Parties and the Required Consenting Stakeholders:

(a) no later than November 15, 2018, the Debtors shall have filed the Plan and the Disclosure Statement with the Bankruptcy Court;

(b) no later than December 31, 2018, the Bankruptcy Court shall have entered an order approving the Disclosure Statement;

(c) no later than February 15, 2019, the Bankruptcy Court shall have entered the Confirmation Order; and

(d) no later than February 28, 2019, the Plan Effective Date shall have occurred.

Section 5. ***Commitments of the Consenting Stakeholders.***

5.01. Affirmative Commitments. During the Agreement Effective Period, each Consenting Stakeholder severally, and not jointly, agrees in respect of all of its Company Claims/Interests pursuant to this Agreement to:

(a) support the Restructuring Transactions within the timeframes outlined herein and in the Definitive Documents;

(b) use commercially reasonable efforts to cooperate with and, subject to applicable Laws, assist the Company Parties, at the Company Parties' expense, in obtaining additional support for the Restructuring Transactions from the Company Parties' other stakeholders; and

(c) negotiate in good faith and use commercially reasonable efforts to execute and implement the Definitive Documents that are consistent with this Agreement to which it is required to be a party.

5.02. Chapter 11 Voting. In addition to the obligations set forth in Section 5.01(a), during the Agreement Effective Period, each Consenting Stakeholder that is entitled to vote to accept or reject the Plan pursuant to its terms, severally, and not jointly, agrees that it shall, subject to receipt by such Consenting Stakeholder, whether before or after the commencement of the Chapter 11 Cases, of the Solicitation Materials:

(a) vote each of its Company Claims/Interests to accept the Plan by delivering its duly executed and completed ballot accepting the Plan on a timely basis following the commencement of the solicitation of the Plan and its actual receipt of the Solicitation Materials and the ballot;

(b) to the extent it is permitted to elect whether to opt out of the releases set forth in the Plan, elect not to opt out of the releases set forth in the Plan by timely delivering its duly executed and completed ballot(s) indicating such election; and

(c) not change, withdraw, amend, or revoke (or cause to be changed, withdrawn, amended, or revoked) any vote or election referred to in clauses (a)(i) and (ii) above.

5.03. Negative Covenants. During the Agreement Effective Period, each Consenting Stakeholder severally, and not jointly, agrees in respect of all of its Company Claims/Interests pursuant to this Agreement that it shall not, directly or indirectly, and shall not direct any other person to:

(a) object to, delay, impede, or take any other action to interfere with acceptance, implementation, or consummation of the Restructuring Transactions;

(b) propose, file, support, or vote for any Alternative Restructuring Proposal;

(c) file any motion, pleading, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not materially consistent with this Agreement or the Plan;

(d) exercise any right or remedy for the enforcement, collection, or recovery of any of the Company Claims/Interests against the Company Parties, including rights or remedies arising from or asserting or bringing any claims under or with respect to the Notes or the Term Loan Credit Agreement, other than as otherwise permitted under this Agreement;

(e) initiate, or have initiated on its behalf, any litigation proceeding of any kind with respect to the Chapter 11 Cases, this Agreement or the other Restructuring Transactions contemplated in this Agreement against the Company Parties or the other Parties, other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(f) object to, delay, impede, or take any other action to interfere with the Company Parties' ownership and possession of their assets, wherever located, or interfere with the automatic stay arising under section 362 of the Bankruptcy Code; or

(g) object to, delay, impede, or take any other action to interfere with, any motion or other pleading or document filed by a Company Party in the Bankruptcy Court that is consistent with this Agreement.

5.04. No Liabilities. Nothing in this Agreement shall require any Consenting Stakeholder to incur any expenses, liabilities or other obligations, or agree to any commitments, undertakings, concessions, indemnities or other arrangements that could result in expenses, liabilities or other obligations to any Consenting Stakeholder. Notwithstanding the immediately preceding sentence, nothing in this Section 5.04 shall serve to limit, alter or modify any Consenting Stakeholder's express obligations under the terms of this Agreement.

Section 6. ***Additional Provisions Regarding the Consenting Stakeholders' Commitments.*** Notwithstanding anything contained in this Agreement, nothing in this Agreement shall: (a) affect the ability of any Consenting Stakeholder to consult with any other Consenting Stakeholder, the Company Parties, or any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee); (b) impair or waive the rights of any Consenting Stakeholder to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions; and (c) prevent any Consenting Stakeholder from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement.

Section 7. ***Commitments of the Company Parties.***

7.01. Affirmative Commitments. Except as set forth in Section 8, during the Agreement Effective Period, the Company Parties agree to:

(a) support and take all steps reasonably necessary and desirable to consummate the Restructuring Transactions in accordance with this Agreement and within the timeframes outline herein;

(b) to the extent any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions contemplated in this Agreement, support and take all steps reasonably necessary and desirable to address any such impediment;

(c) use commercially reasonable efforts to obtain any and all required regulatory and/or third-party approvals for the Restructuring Transactions;

(d) use commercially reasonable efforts to facilitate the settlement of any binding trades of Company Claims/Interests that remain pending and have not settled as of the date of this Agreement (the "Unsettled Trades");

(e) negotiate in good faith and use commercially reasonable efforts to execute and deliver the Definitive Documents and any other required agreements to effectuate and consummate the Restructuring Transactions as contemplated by this Agreement;

(f) provide draft copies of all substantive motions, documents, and other pleadings to be filed in the Chapter 11 Cases to counsel to the Consenting Stakeholders as soon as reasonably practicable, but in no event less than two (2) Business Days prior to the date when the Company Parties intend to file such documents, and, without limiting any approval rights set forth in this Agreement, consult in good faith with counsel to the Consenting Stakeholders regarding the form and substance of any such proposed filing; notwithstanding the foregoing, in the event that not less than two (2) Business Days' notice is not reasonably practicable under the circumstances, the Company Parties shall provide draft copies of any such motions, documents, or other pleadings to counsel to the applicable Consenting Stakeholders as soon as otherwise reasonably practicable before the date when the Company intends to file any such motion, documents, or other pleading;

(g) provide, and direct their employees, officers, advisors, and other representatives to provide, to the Consenting Noteholders and the Consenting Term Loan Lenders, and each of their respective legal and financial advisors (i) reasonable access to the Company Parties' books and records during normal business hours on reasonable advance notice to the Company Parties' representatives and without disruption to the operation of the Company Parties' business, (ii) reasonable access to the management and advisors of the Company Parties on reasonable advance notice to such persons and without disruption to the operation of the Company Parties' business, and (iii) such other information as reasonably requested by the Consenting Noteholders and Consenting Term Loan Lenders or their legal and financial advisors; notwithstanding the foregoing, the Company shall not be required (x) to permit any inspection, or to disclose any information, that in the reasonable judgment of the Company, would cause the Company to violate its respective obligations with respect to confidentiality to a third party if the Company used its commercially reasonable efforts to obtain, but failed to obtain, the consent of such third party to such inspection or disclosure, (y) to disclose any legally privileged information of the Company, or (z) to violate applicable Law;

(h) timely file a formal objection to any motion filed with the Bankruptcy Court by a third party seeking the entry of an order (i) directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code), (ii) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, or (iii) dismissing the Chapter 11 Cases; and

(i) timely file a formal objection to any motion filed with the Bankruptcy Court by a third party seeking the entry of an order modifying or terminating the Company Parties' exclusive right to file and/or solicit acceptances of a plan of reorganization, as applicable.

7.02. Negative Commitments. Except as set forth in Section 8, during the Agreement Effective Period, each of the Company Parties shall not directly or indirectly:

(a) object to, delay, impede, or take any other action to interfere with acceptance, implementation, or consummation of the Restructuring Transactions;

(b) take any action that is inconsistent with, or is intended to frustrate or impede approval, implementation and consummation of the Restructuring Transactions described in, this Agreement or the Plan;

(c) modify the Plan, in whole or in part, in a manner that is not consistent with this Agreement in all material respects; or

(d) file any motion, pleading, or Definitive Documents with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not materially consistent with this Agreement (including the consent rights of the Consenting Stakeholders set forth herein as to the form and substance of such motion, pleading or Definitive Document) or the Plan.

Section 8. ***Additional Provisions Regarding Company Parties' Commitments.***

8.01. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require a Company Party or the board of directors, board of managers, or similar governing body of a Company Party, after consulting with counsel, to take any action or to refrain from taking any action with respect to the Restructuring Transactions to the extent taking or failing to take such action would be inconsistent with applicable Law or its fiduciary obligations under applicable Law, and any such action or inaction pursuant to this Section 8.01 shall not be deemed to constitute a breach of this Agreement.

8.02. Notwithstanding anything to the contrary in this Agreement, but subject to the terms of Section 8.01, each Company Party and their respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives shall have the rights to: (a) consider, respond to, and facilitate Alternative Restructuring Proposals; (b) provide access to non-public information concerning any Company Party to any Entity or enter into Confidentiality Agreements or nondisclosure agreements with any Entity; (c) maintain or continue discussions or negotiations with respect to Alternative Restructuring Proposals; (d) otherwise cooperate with, assist, participate in, or facilitate any inquiries, proposals, discussions, or negotiation of Alternative Restructuring Proposals in good faith and consistent with applicable fiduciary obligations; and (e) enter into or continue discussions or negotiations with holders of Company Claims/Interests (including any Consenting Stakeholder), any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), or any other Entity regarding the Restructuring Transactions or Alternative Restructuring Proposals. At all times prior to the date on which the Company Parties enter into a definitive agreement in respect of such an Alternative Restructuring Proposal or

make a public announcement regarding their intention to do so, the Company Parties shall (x) provide to Akin Gump Strauss Hauer & Feld LLP, PJT Partners, Paul, Weiss, Rifkind, Wharton & Garrison LLP, Houlihan Lokey, Inc., Milbank, Tweed, Hadley & McCloy LLP, and Weil, Gotshal & Manges LLP a copy of any written offer or proposal (and notice and a description of any oral offer or proposal) for such Alternative Restructuring Proposal within two (2) Business Days of the Company Parties' or their advisors' receipt of such offer or proposal and (y) provide such information to Akin Gump Strauss Hauer & Feld LLP, PJT Partners, Paul, Weiss, Rifkind, Wharton & Garrison LLP, Houlihan Lokey, Inc., Milbank, Tweed, Hadley & McCloy LLP, and Weil, Gotshal & Manges LLP regarding such discussions (including copies of any materials provided to such parties hereunder) as necessary to keep Akin Gump Strauss Hauer & Feld LLP, PJT Partners, Paul, Weiss, Rifkind, Wharton & Garrison LLP, Houlihan Lokey, Inc., Milbank, Tweed, Hadley & McCloy LLP, and Weil, Gotshal & Manges LLP contemporaneously informed as to the status and substance of such discussions.

8.03. Nothing in this Agreement shall: (a) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions; or (b) prevent any Company Party from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement.

Section 9. ***Transfer of Interests and Securities.***

9.01. During the Agreement Effective Period, no Consenting Stakeholder shall Transfer any ownership (including any beneficial ownership as defined in the Rule 13d-3 under the Securities Exchange Act of 1934, as amended) in any Company Claims/Interests to any affiliated or unaffiliated party, including any party in which it may hold a direct or indirect beneficial interest, unless:

(a) in the case of any Company Claims/Interests, the authorized transferee is either (1) a qualified institutional buyer as defined in Rule 144A under the Securities Act, (2) a non-U.S. person in an offshore transaction as defined in Regulation S under the Securities Act, (3) an institutional accredited investor (as defined in the Rules), or (4) a Consenting Stakeholder;

(b) either (i) the transferee executes and delivers to counsel to the Company Parties, at or before the time of the proposed Transfer, a Transfer Agreement or (ii) the transferee is a Consenting Stakeholder or an affiliate thereof and the transferee provides notice of such Transfer (including the amount and type of Company Claim/Interest Transferred) to counsel to the Company Parties by the close of business on the second Business Day following such Transfer; and

(c) with respect to the Transfer of any Equity Interests only, such Transfer shall not (i) violate the terms of any order entered by the Bankruptcy Court with respect to preservation of net operating losses or (ii) in the reasonable business judgment of the Company Parties and their legal and tax advisors, adversely (A) affect the Company Parties' ability to maintain the value of and utilize the Company Parties' net operating loss carryforwards or other tax attributes or (B) the Company Parties' ability to obtain the regulatory consents or approval necessary to effectuate the Restructuring Transactions.

9.02. Upon compliance with the requirements of Section 9.01, the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement to the extent of the rights and obligations in respect of such transferred Company Claims/Interests. Any Transfer in violation of Section 9.01 shall be void *ab initio*.

9.03. This Agreement shall in no way be construed to preclude the Consenting Stakeholders from acquiring additional Company Claims/Interests. Notwithstanding the foregoing, (a) such additional Company Claims/Interests shall automatically and immediately upon acquisition by a Consenting Stakeholder be deemed subject to the terms of this Agreement (regardless of when or whether notice of such acquisition is given to counsel to the Company Parties or counsel to the Consenting Stakeholders) and (b) such Consenting Stakeholder must provide notice of such acquisition (including the amount and type of Company Claim/Interest acquired) to counsel to the Company Parties within five (5) Business Days of such acquisition.

9.04. This Section 9.04 shall not impose any obligation on any Company Party to issue any "cleansing letter" or otherwise publicly disclose information for the purpose of enabling a Consenting Stakeholder to Transfer any of its Company Claims/Interests. Notwithstanding anything to the contrary in this Agreement, to the extent a Company Party and another Party have entered into a Confidentiality Agreement, the terms of such Confidentiality Agreement shall continue to apply and remain in full force and effect according to its terms, and this Agreement does not supersede any rights or obligations otherwise arising under such Confidentiality Agreements.

9.05. Notwithstanding Section 9.01, a Qualified Marketmaker that acquires any Company Claims/Interests with the purpose and intent of acting as a Qualified Marketmaker for such Company Claims/Interests shall not be required to execute and deliver a Transfer Agreement in respect of such Company Claims/Interests if (i) such Qualified Marketmaker subsequently transfers such Company Claims/Interests (by purchase, sale assignment, participation, or otherwise) within five (5) Business Days of its acquisition to a transferee that is an entity that is not an affiliate, affiliated fund, or affiliated entity with a common investment advisor; (ii) the transferee otherwise is a Permitted Transferee under Section 9.01; and (iii) the Transfer otherwise is a Permitted Transfer under Section 9.01. To the extent that a Consenting Stakeholder is acting in its capacity as a Qualified Marketmaker, it may Transfer (by purchase, sale, assignment, participation, or otherwise) any right, title, or interests in Company Claims/Interests that the Qualified Marketmaker acquires from a holder of the Company Claims/Interests who is not a Consenting Stakeholder without the requirement that the transferee be a Permitted Transferee.

9.06. Notwithstanding anything to the contrary in this Section 9.06, the restrictions on Transfer set forth in this Section 9.06 shall not apply to the grant of any liens or encumbrances on any claims and interests in favor of a bank or broker-dealer holding custody of such claims and interests in the ordinary course of business and which lien or encumbrance is released upon the Transfer of such claims and interests.

Section 10. ***Representations and Warranties of Consenting Stakeholders.*** Each Consenting Stakeholder severally, and not jointly, represents and warrants that, as of the date such Consenting Stakeholder executes and delivers this Agreement:

(a) it is the beneficial or record owner (which shall be deemed to include any Unsettled Trades) of the face amount of the Company Claims/Interests or is the nominee, investment manager, or advisor for beneficial holders of the Company Claims/Interests reflected in, and having made reasonable inquiry, is not the beneficial or record owner of any Company Claims/Interests other than those reflected in, such Consenting Stakeholder's signature page to this Agreement or a Transfer Agreement, as applicable (as may be updated pursuant to Section 9);

(b) other than with respect to any Company Claims/Interests that are subject to Unsettled Trades, it has the full power and authority to act on behalf of, vote and consent to matters concerning, such Company Claims/Interests;

(c) other than with respect to any Company Claims/Interests that are subject to Unsettled Trades, such Company Claims/Interests are free and clear of any pledge, lien, security interest, charge, claim, equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition, transfer, or encumbrances of any kind, that would materially and adversely affect in any way such Consenting Stakeholder's ability to perform any of its obligations under this Agreement at the time such obligations are required to be performed;

(d) other than with respect to any Company Claims/Interests that are subject to Unsettled Trades, it has the full power to vote, approve changes to, and transfer all of its Company Claims/Interests referable to it as contemplated by this Agreement subject to applicable Law;

(e) solely with respect to holders of Company Claims/Interests, (i) it is either (A) a qualified institutional buyer as defined in Rule 144A under the Securities Act, (B) not a U.S. person (as defined in Regulation S under the Securities Act), or (C) an institutional accredited investor (as defined in the Rules), and (ii) any securities acquired by the Consenting Stakeholder in connection with the Restructuring Transactions will have been acquired for investment and not with a view to distribution or resale in violation of the Securities Act; and

(f) it is not part of a "group" (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Securities Exchange Act of 1934, as amended or any successor provision), including any group acting for the purpose of acquiring, holding, or disposing of securities (within the meaning of Rule 13d-5(b)(1) under the Securities Exchange Act of 1934, as amended), with any other Party. For the avoidance of doubt, neither the existence of this Agreement, nor any action that may be taken by a Consenting Stakeholder pursuant to this Agreement, shall be deemed to constitute or to create a presumption by any of the Parties that the Consenting Stakeholders are in any way acting in concert or as such a "group" within the meaning of Rule 13d-5(b)(1).

Section 11. ***Representations and Warranties of Company Parties.*** Each Company Party severally, and not jointly, represents and warrants that, as of the date such Company Party

executes and delivers this Agreement, entry into this Agreement is consistent with the exercise of such Company Party's fiduciary duties.

Section 12. ***Mutual Representations, Warranties, and Covenants***. Each of the Parties, severally, and not jointly, represents, warrants, and covenants to each other Party, as of the date such Party executes and delivers this Agreement and as of immediately prior to the Plan Effective Date:

(a) it is validly existing and in good standing under the Laws of the state of its organization, and this Agreement is a legal, valid, and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(b) except as expressly provided in this Agreement, the Plan, and the Bankruptcy Code, no consent or approval is required by any other person or entity in order for it to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement;

(c) the entry into and performance by it of, and the transactions contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its articles of association, memorandum of association, or other constitutional documents;

(d) except as expressly provided in this Agreement, it has (or will have, at the relevant time) all requisite corporate or other power and authority to enter into, execute, and deliver this Agreement and to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement; and

(e) except as expressly provided by this Agreement, it is not party to any restructuring or similar agreements or arrangements with the other Parties to this Agreement that have not been disclosed to all Parties to this Agreement.

Section 13. ***Termination Events*****.**

13.01. Consenting Stakeholder Termination Events. This Agreement may be terminated (x) with respect to the Consenting Noteholders by the Required Consenting Noteholders, (y) with respect to the Consenting Term Loan Lenders by the Required Consenting Term Loan Lenders and (z) with respect to the Sponsors by unanimous act of the Sponsors in each case, by the delivery to the Company Parties of a written notice in accordance with Section 15.10 upon the occurrence of the following events:

(a) the breach in any material respect by a Company Party of any of the representations, warranties, or covenants of the Company Parties set forth in this Agreement that is (i) adverse to the Consenting Stakeholders seeking termination pursuant to this provision and (ii) remains uncured (to the extent curable) for five (5) Business Days after such terminating Consenting Stakeholders transmit a written notice in accordance with Section 15.10 detailing any such breach;

(b) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) would reasonably be expected to prevent the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for ten (10) Business Days after such terminating Consenting Stakeholders transmit a written notice in accordance with Section 15.10 detailing any such issuance; notwithstanding the foregoing, this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation set out in this Agreement;

(c) the Bankruptcy Court enters an order denying confirmation of the Plan and such order remains in effect for five (5) Business Days after entry of such order;

(d) the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Company Party seeking an order (without the prior written consent of the Required Consenting Stakeholders, not to be unreasonably withheld), (i) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code, (ii) appointing an examiner with expanded powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code or a trustee in one or more of the Chapter 11 Cases of a Company Party, or (iii) rejecting this Agreement;

(e) the failure to meet a Milestone, which has not been waived or extended in a manner consistent with this Agreement, unless such failure is the result of any act, omission, or delay on the part of the terminating Consenting Stakeholder in violation of its obligations under this Agreement;

(f) any Company Party (i) files, amends, or modifies, or files a pleading seeking approval of, any Definitive Document or authority to amend or modify any Definitive Document, in a manner that is materially inconsistent with, or constitutes a material breach of, this Agreement and is adverse to the Consenting Stakeholder seeking termination pursuant to this provision (including with respect to the consent rights afforded the Consenting Stakeholders under this Agreement), without the prior written consent of the Required Consenting Stakeholders, (ii) withdraws the Plan without the prior consent of the Required Consenting Stakeholders, or (iii) publicly announces its intention to take any such acts listed in the foregoing clause (i) or (ii), in the case of each of the foregoing clauses (i) through (iii), which remains uncured (to the extent curable) for five (5) Business Days after such terminating Consenting Stakeholders transmit a written notice in accordance with Section 15.10 detailing any such breach; or

(g) any Company Party (i) makes a public announcement that it intends to accept an Alternative Restructuring Proposal or (ii) enters into a definitive agreement with respect to an Alternative Restructuring Proposal.

13.02. Individual Consenting Stakeholder Termination Event. Any Consenting Stakeholder may terminate this Agreement, with respect to such Consenting Stakeholder only (and not with respect to the Agreement as a whole), if the Plan Effective Date shall not have occurred by [March 31, 2019,] by providing written notice to all Parties in accordance with Section 15.10 of this Agreement.

13.03. Company Party Termination Events. Any Company Party may terminate this Agreement as to all Parties upon prior written notice to all Parties in accordance with Section 15.10 of this Agreement upon the occurrence of any of the following events:

(a) the breach in any material respect by Consenting Noteholders holding an amount of Notes that would result in non-breaching Consenting Noteholders holding less than two-thirds (2/3) of the aggregate outstanding principal amount of the Notes that remains uncured (to the extent curable) for five (5) Business Days after the terminating Company Parties transmit a written notice in accordance with Section 15.10 detailing any such breach;

(b) the breach in any material respect by Consenting Term Loan Lenders holding an amount of Term Loan Claims that would result in non-breaching Consenting Term Loan Lenders holding less than a majority of the aggregate principal amount of Term Loan Claims that remains uncured (to the extent curable) for five (5) Business Days after the terminating Company Parties transmit a written notice in accordance with Section 15.10 detailing any such breach;

(c) the board of directors, board of managers, or such similar governing body of any Company Party determines, after consulting with counsel, (i) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties or applicable Law or (ii) in the exercise of its fiduciary duties, to pursue an Alternative Restructuring Proposal;

(d) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) would reasonably be expected to prevent the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for ten (10) Business Days after such terminating Company Party transmits a written notice in accordance with Section 15.10 detailing any such issuance; notwithstanding the foregoing, this termination right shall not apply to or be exercised by any Company Party that sought or requested such ruling or order in contravention of any obligation or restriction set out in this Agreement; or

(e) the Bankruptcy Court enters an order denying confirmation of the Plan.

13.04. Mutual Termination. This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual written agreement among all of the following: (a) the Required Consenting Stakeholders; and (b) each Company Party.

13.05. Automatic Termination. This Agreement shall terminate automatically without any further required action or notice immediately prior to the Plan Effective Date.

13.06. Effect of Termination. After the occurrence of a Termination Date as to a Party, this Agreement shall be of no further force and effect as to such Party and each Party subject to such termination shall be released from its commitments, undertakings, and agreements under or related to this Agreement and shall have the rights and remedies that it would have had, had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Claims or causes of action. Notwithstanding the foregoing, a termination under Section 13.03(c) shall occur

immediately. Upon the occurrence of a Termination Date prior to the Confirmation Order being entered by a Bankruptcy Court, any and all consents or ballots tendered by the Parties subject to such termination before a Termination Date shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions and this Agreement or otherwise. Notwithstanding the foregoing, any Consenting Stakeholder withdrawing or changing its vote pursuant to this Section 13.06 shall promptly provide written notice of such withdrawal or change to each other Party to this Agreement and, if such withdrawal or change occurs on or after the Petition Date, file notice of such withdrawal or change with the Bankruptcy Court. Nothing in this Agreement shall be construed as prohibiting a Company Party or any of the Consenting Stakeholders from contesting whether any such termination is in accordance with its terms or to seek enforcement of any rights under this Agreement that arose or existed before a Termination Date. Except as expressly provided in this Agreement, nothing in this Agreement is intended to, or does, in any manner waive, limit, impair, or restrict (a) any right of any Company Party or the ability of any Company Party to protect and reserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Consenting Stakeholder, and (b) any right of any Consenting Stakeholder, or the ability of any Consenting Stakeholder, to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Company Party or Consenting Stakeholder. No purported termination of this Agreement shall be effective under this Section 13.06 or otherwise if the Party seeking to terminate this Agreement is in material breach of this Agreement, except a termination pursuant to Section 13.03(c) or Section 13.03(e). Nothing in this Section 13.06 shall restrict any Company Party's right to terminate this Agreement in accordance with Section 13.03(c).

Section 14. ***Amendments and Waivers*****.**

(a) This Agreement may not be modified, amended, or supplemented, and no condition or requirement of this Agreement may be waived, in any manner except in accordance with this Section 14.

(b) This Agreement may be modified, amended, or supplemented in a writing signed by: (i) each Company Party; (ii) the Required Consenting Noteholders; (iii) the Required Consenting Term Loan Lenders; and (iv) the Sponsors (acting unanimously) solely with respect to any modification, amendment, or supplement that meets or otherwise falls under the Specified Standard; *provided*, that a condition or requirement of this Agreement may only be waived by (w) each Company Party, (x) the Required Consenting Noteholders, (y) the Required Consenting Term Loan Lenders and (z) the Sponsors. Notwithstanding the foregoing, (A) if the proposed modification, amendment, waiver, or supplement has a material, disproportionate, and adverse effect on any of the Company Claims/Interests held by a Consenting Stakeholder, then the consent of each such affected Consenting Stakeholder shall also be required to effectuate such modification, amendment, waiver, or supplement and (B) Section 13.02 may not be amended, modified, supplemented or waived without the consent of each Company Party and each Consenting Stakeholder.

(c) Any proposed modification, amendment, waiver, or supplement that does not comply with this Section 14 shall be ineffective and void *ab initio*.

(d) The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power, or remedy under this Agreement shall operate as a waiver of any such right, power, or remedy or any provision of this Agreement, nor shall any single or partial exercise of such right, power, or remedy by such Party preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power, or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by Law.

Section 15. ***Miscellaneous.***

15.01. Acknowledgement. Notwithstanding any other provision of this Agreement, this Agreement is not and shall not be deemed to be an offer with respect to any securities or solicitation of votes for the acceptance of a plan of reorganization for purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise. Any such offer or solicitation will be made only in compliance with all applicable securities Laws, provisions of the Bankruptcy Code, and/or other applicable Law.

15.02. Exhibits Incorporated by Reference; Conflicts. Each of the exhibits, annexes, signatures pages, and schedules attached to this Agreement is expressly incorporated and made a part of this Agreement, and all references to this Agreement shall include such exhibits, annexes, and schedules. In the event of any inconsistency between this Agreement (without reference to the exhibits, annexes, and schedules attached to this Agreement) and the exhibits, annexes, and schedules attached to this Agreement, this Agreement (without reference to the exhibits, annexes, and schedules thereto) shall govern.

15.03. Further Assurances. Subject to the other terms of this Agreement, the Parties agree to use their commercially reasonable efforts to execute and deliver such other instruments and perform such acts, in addition to the matters specified in this Agreement, as may be reasonably appropriate or necessary, or as may be required by order of the Bankruptcy Court, from time to time, to effectuate the Restructuring Transactions, as applicable.

15.04. Complete Agreement. Except as otherwise explicitly provided in this Agreement, this Agreement constitutes the entire agreement among the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements, oral or written, among the Parties with respect thereto, other than any Confidentiality Agreement. The Parties acknowledge and agree that they are not relying on any representations or warranties other than as set forth in this Agreement.

15.05. GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN THE CHOSEN STATE, WITHOUT GIVING EFFECT TO ITS CONFLICT OF LAWS PRINCIPLES. Each Party to this Agreement agrees that it shall bring any action or proceeding in respect of any claim arising out of or related to this Agreement, to the extent possible, in the Bankruptcy Court, and solely in connection with

claims arising under this Agreement: (a) irrevocably submits to the exclusive jurisdiction of the Bankruptcy Court; (b) waives any objection to laying venue in any such action or proceeding in the Bankruptcy Court; and (c) waives any objection that the Bankruptcy Court is an inconvenient forum or does not have jurisdiction over any Party to this Agreement.

15.06. TRIAL BY JURY WAIVER. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

15.07. Execution of Agreement. This Agreement may be executed and delivered in any number of counterparts and by way of electronic signature and delivery, each such counterpart, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

15.08. Rules of Construction. This Agreement is the product of negotiations among the Company Parties and the Consenting Stakeholders, and in the enforcement or interpretation of this Agreement, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion of this Agreement, shall not be effective in regard to the interpretation of this Agreement. The Company Parties and the Consenting Stakeholders were each represented by counsel during the negotiations and drafting of this Agreement and continue to be represented by counsel.

15.09. Successors and Assigns; Third Parties. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors and permitted assigns, as applicable. There are no third-party beneficiaries under this Agreement, and, except as set forth in Section 9, the rights or obligations of any Party under this Agreement may not be assigned, delegated, or transferred to any other person or entity.

15.10. Notices. All notices hereunder shall be deemed given if in writing and delivered, by electronic mail, courier, or registered or certified mail (return receipt requested), to the following addresses (or at such other addresses as shall be specified by like notice):

(a) if to a Company Party, to:

American Tire Distributors Holdings, Inc.
12200 Herbert Wayne Court, Suite 150
Huntersville, North Carolina 28078
Attention: Gail Sharps Myers, General Counsel
E-mail address: gsharpsmyers@ATD-US.com

with copies to:

Kirkland & Ellis LLP
300 North LaSalle Street
Chicago, IL 60654
Attention: Anup Sathy, Chad Husnick, and Spencer Winters
E-mail address: asathy@kirkland.com, chusnick@kirkland.com and spencer.winters@kirkland.com

(b) if to a Consenting Noteholder, to:

Akin Gump Strauss Hauer & Feld LLP
Bank of America Tower, 1 Bryant Park
New York, New York 10036
Attention: Ira Dizengoff, Philip Dublin, and Allison Miller
E-mail address: idizengoff@akingump.com, pdublin@akingump.com, and amiller@akingump.com

(c) if to a Consenting Term Loan Lender, to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Attention: Brian Hermann, Jacob Adlerstein, and Oksana Lashko
E-mail address: bhermann@paulweiss.com, jadlerstein@paulweiss.com, olashko@paulweiss.com

(d) if to the Sponsors, to:

Ares Management, L.P.
2000 Avenue of the Stars, 12th Floor
Los Angeles, California 90067
Attention: Eric Waxman
E-mail address: ewaxman@aresmgmt.com

Milbank, Tweed, Hadley & McCloy LLP
2029 Century Park East, 33rd Floor
Los Angeles, California 90067
Attention: Paul Aronzon, Thomas Kreller and Adam Moses
E-mail address: paronzon@milbank.com, tkreller@milbank.com and amoses@milbank.com

-and-

TPG Capital, L.P.
301 Commerce Street, Suite 3300
Fort Worth, Texas 76102
Attention: Ashleigh Blaylock and Adam Fliss
E-mail address: ablaylock@tpg.com and afliss@tpg.com

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York New York 10153
Attention: Ryan Dahl and Natasha Hwangpo
E-mail address: ryan.dahl@weil.com and natasha.hwangpo@weil.com

Any notice given by delivery, mail, or courier shall be effective when received.

15.11. Independent Due Diligence and Decision Making. Each Consenting Stakeholder confirms that its decision to execute this Agreement has been based upon its independent investigation of the operations, businesses, financial and other conditions, and prospects of the Company Parties. Each Consenting Stakeholder acknowledges and agrees that it is not relying on any representations or warranties other than as set forth in this Agreement.

15.12. Enforceability of Agreement. Each of the Parties to the extent enforceable waives any right to assert that the exercise of termination rights under this Agreement is subject to the automatic stay provisions of the Bankruptcy Code, and expressly stipulates and consents hereunder to the prospective modification of the automatic stay provisions of the Bankruptcy Code for purposes of exercising termination rights under this Agreement, to the extent the Bankruptcy Court determines that such relief is required.

15.13. Waiver. If the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason, the Parties fully reserve any and all of their rights and nothing herein shall constitute or be deemed to constitute such Party's consent or approval of any chapter 11 plan of reorganization for the Debtors or any waiver of any rights such Party may have under any subordination agreement. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating to this Agreement shall not be admissible into evidence in any proceeding other than a proceeding to enforce its terms or the payment of damages to which a Party may be entitled under this Agreement.

15.14. Specific Performance. It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party, and each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief (without the posting of any bond and without proof of actual damages) as a remedy of any such breach, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.

15.15. Several, Not Joint, Claims. Except where otherwise specified, the agreements, representations, warranties, and obligations of the Parties under this Agreement are, in all respects, several and not joint.

15.16. Severability and Construction. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect if essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable.

15.17. Relationship Among Consenting Noteholders and Consenting Term Loan Lenders.

(a) None of the Consenting Noteholders or Consenting Term Loan Lenders shall have any fiduciary duty, any duty of trust or confidence in any form, or other duties or responsibilities to each other, any Consenting Stakeholder, the Company Parties or their affiliates, or any of the Company Parties' or their affiliates' creditors or other stakeholders, including, without limitation, any holders of Notes, Term Loan Claims or Company Claims/Interests, and, other than as expressly set forth in this Agreement, there are no commitments among or between the Consenting Stakeholders. It is understood and agreed that any Consenting Stakeholder may trade in any debt or equity securities of the Company without the consent of the Company or any other Consenting Stakeholder, subject to applicable securities laws and this Agreement (including Section 9 of this Agreement). No prior history, pattern or practice of sharing confidences among or between any of the Consenting Stakeholders and/or the Company shall in any way affect or negate this understanding and agreement.

(b) The Company Parties understand that the Consenting Stakeholders are engaged in a wide range of financial services and businesses, and, in furtherance of the foregoing, the Company Parties acknowledge and agree that the obligations set forth in this Agreement shall only apply to the trading desk(s) and/or business group(s) of the Consenting Stakeholders that principally manage and/or supervise the Consenting Stakeholder's investment in the Company Parties, and shall not apply to any other trading desk or business group of the Consenting Stakeholder so long as they are not acting at the direction or for the benefit of such Consenting Stakeholder.

15.18. Email Consents. Where a written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this Agreement, pursuant to Section 3.02, Section 14, or otherwise, including a written approval by the Company Parties or the Required Consenting Stakeholders, such written consent, acceptance, approval, or waiver shall be deemed to have occurred if, by agreement between counsel to the Parties submitting and receiving such consent, acceptance, approval, or waiver, it is conveyed in writing (including electronic mail) between each such counsel without representations or warranties of any kind on behalf of such counsel.

15.19. Settlement Discussions. This Agreement is part of a proposed settlement of matters that could otherwise be the subject of litigation among the Parties. Nothing in this Agreement shall be deemed an admission of any kind. Pursuant to Federal Rule of Evidence 408, any applicable state rules of evidence and any other applicable law, foreign or domestic, this Agreement, and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than to prove the existence of this Agreement or in a proceeding to enforce the terms of this Agreement.

15.20. Good Faith Cooperation; Further Assurances. The Parties shall cooperate with each other in good faith and shall coordinate their activities (to the extent reasonably practicable) in respect of all matters concerning the implementation and consummation of the Restructuring. Further, each of the Parties shall take such action (including executing and delivering any other agreements and making and filing any required regulatory filings) as may be reasonably necessary to carry out the purposes and intent of this Agreement.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

ATD CORPORATION
AMERICAN TIRE DISTRIBUTORS HOLDINGS, INC.
ACCELERATE HOLDINGS CORP.
AMERICAN TIRE DISTRIBUTORS, INC.
ATD CORPORATION
HERCULES ASIA PACIFIC, LLC
RUBBR AUTOMOTIVE SERVICES, LLC
THE HERCULES TIRE & RUBBER COMPANY
TERRY'S TIRE TOWN HOLDINGS, INC.
TIRE PROS FRANCORP

By: _____

Name: William Williams

Authorized Signatory

[CONSENTING STAKEHOLDER]

_____

Name:
Title:

Address:

E-mail address(es):

Aggregate Amounts Beneficially Owned or Managed on Account of:	
Notes	
Term Loan Claims	
Shares of Existing Common Stock	

EXHIBIT A

Company Parties

ACCELERATE HOLDINGS CORP.
AMERICAN TIRE DISTRIBUTORS, INC.
AMERICAN TIRE DISTRIBUTORS HOLDINGS, INC.
ATD CORPORATION
HERCULES ASIA PACIFIC, LLC
RUBBR AUTOMOTIVE SERVICES, LLC
THE HERCULES TIRE & RUBBER COMPANY
TERRY'S TIRE TOWN HOLDINGS, INC.
TIRE PROS FRANCORP

EXHIBIT C

Amended Term Loan Term Sheet

Exhibit 2

Amended Term Loan Term Sheet

Capitalized terms used but not defined in this Exhibit 2 shall have the meanings set forth in the (i) Term Loan Credit Agreement (modified as contemplated hereby, the "***Amended Term Loan Credit Agreement***", and the loans thereunder, the "***Term Loans***"), by and among American Tire Distributors, Inc., a Delaware corporation (the "***Borrower***" and together with the Guarantors under the Credit Agreement, the "***Loan Parties***"), American Tire Distributors Holdings, Inc., a Delaware corporation, each guarantor from time to time party thereto, the lenders from time to time party thereto (the "***Lenders***") and the Administrative Agent (as defined below) and (ii) the *Joint Chapter 11 Plan of ATD Corporation and its Affiliated Debtors*, as applicable. In the case of any such capitalized term that is subject to multiple and differing definitions, the appropriate meaning thereof in this Exhibit 2 shall be determined by reference to the context in which it is used.

Administrative Agent and Collateral Agent:	Replacement Term Loan Agent to be appointed by ad hoc committee members constituting Required Lenders (in such capacities and together with its permitted successors, the "***Administrative Agent***").
Borrower:	American Tire Distributors, Inc., a Delaware corporation
Interest Rates and Fees:	Either (x) Cash or (y) Combination of Cash/PIK, at the Borrower's Option, payable quarterly as follows: Cash: L + 7.50% Cash/PIK: L + 6.50% cash, plus 1.50% PIK.
Maturity:	Extended to September 1, 2024.
Amortization:	As set forth in the Term Loan Credit Agreement.
Guarantees and Collateral:	Expand to include guarantees by foreign subsidiaries and pledge of assets by foreign subsidiaries, including, without limitation, pledge of IP (including IP related to the TireBuyer website), subject to exceptions to be agreed. No subsidiary that is not a guarantor or obligor with respect to the Term Loan Credit Agreement may be a guarantor or obligor with respect to debt on which any Loan Party is a guarantor or obligor. Collateral to include all inventory of all Loan Parties and, subject to customary exceptions to be agreed, all capital stock of all Loan Parties. Guarantees and Collateral of foreign subsidiaries and pledges of equity of foreign subsidiaries may be adjusted based on tax diligence; provided that any subsidiary or collateral excluded for tax reasons shall be subject to a negative pledge, subject to customary exceptions to be agreed.
Incremental Facilities:	Retain uncommitted incremental loan feature subject to meeting a Secured Net Leverage Ratio test of no greater than 4.0x; provided that, for the avoidance of doubt, lenders providing incremental loans will not be

	permitted to provide consents and waivers with respect to events that occurred prior to the incurrence of such incremental loans. For the avoidance of doubt, incremental loan feature to remain subject to the existing MFN in Section 2.12(e)(ii) of the Term Loan Credit Agreement. All financial ratios in the Term Loan Credit Agreement shall be calculated using an EBITDA definition to be agreed.
Mandatory Prepayments:	As set forth in the Term Loan Credit Agreement, except that excess cash flow sweep to be set at 75.0%, subject to adjustments to be agreed and subject to no excess cash flow sweep for any period prior to the first full year following the Plan Effective Date (as hereinafter defined), plus technical clean-up changes to be agreed.
Voluntary Prepayments and Commitment Reductions:	As set forth in the Term Loan Credit Agreement.
Prepayment Premium:	Prior to the first anniversary of the Plan Effective Date: 3.0% Prior to the second anniversary of the Plan Effective Date: 1.0% On or after the second anniversary of the Plan Effective Date: 0%
Documentation:	The amendments contemplated by this Term Sheet shall be affected pursuant to mutually satisfactory amendment documentation (the "***Amendment***"), including the terms set forth herein and other changes to be agreed.[1]
Representations and Warranties:	As set forth in the Term Loan Credit Agreement; provided that Section 5.05(b) shall be revised to read "Since [●], there has been no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect."
Conditions Precedent to the Amendment:	The effectiveness of this amendment shall be subject to customary conditions precedent for transactions of this nature, including the following: (a) The completion of the Restructuring Transactions contemplated by this Agreement. (b) (i) The payment of the Amended Term Loan PIK Fee, (ii) the execution and delivery by the Borrower and the other Loan Parties of the Amendment consistent with this Term Sheet, (iii) the delivery of customary secretary's certificates (with certification of organizational authorization and organizational documents) of the Loan Parties, customary organizational good standing certificates of the Loan Parties (to the extent such concept exists) and customary legal opinions and (iv) a certificate of the Borrower certifying that no Default shall have occurred and be continuing as of the

[1] Amendment shall be approved pursuant to a confirmed chapter 11 plan of reorganization.

Plan Effective Date (other than ipso facto Defaults and Defaults that have been cured or waived).

(c) No outstanding Indebtedness for borrowed money of the Loan Parties as of the Plan Effective Date other than (i) Indebtedness under the ABL Facility (subject to the Credit Facilities baskets described below), (ii) Indebtedness under the Amended Term Loan Credit Agreement in respect of prepetition Term Loans in an aggregate principal amount equal the aggregate principal amount of the prepetition Term Loans at the Execution Date plus the amount of the Amended Term Loan PIK Fee and (iii) up to $250 million of additional Indebtedness, of which (x) $150 million will be in the form of term Indebtedness secured by Liens on the ABL First Lien Collateral (as defined in the Crossing Lien Intercreditor Agreement) ranking senior to those securing the Term Loans and Liens on the Noteholder First Lien Collateral (as defined in the Crossing Lien Intercreditor Agreement) ranking junior to those securing the Term Loans (the "***Exit FILO Facility***"**)** and (y) $100 million of which will be in the form of additional Term Loans under the Amended Term Loan Credit Agreement, which will be identical in all respects to the other Term Loans.

Affirmative Covenants: Borrower obligation to use commercially reasonable efforts to obtain ratings for both the Exit FILO Facility and Term Loan.

As set forth in the Term Loan Credit Agreement, subject to technical changes and changes consistent with this term sheet.

Negative Covenants: As set forth in the Term Loan Credit Agreement, subject to technical changes and changes consistent with this term sheet. In addition, changes to substantially eliminate the opportunity to promote junior or junior lien debt and to incur *pari passu* lien debt, priming lien debt, or structurally priming debt and/or capital stock following the Plan Effective Date, including, the following changes:

i. Ability to make Restricted Payments (including payments on junior, junior lien and unsecured debt) to be substantially eliminated (subject to customary immaterial carve-outs);

ii. "Permitted Incremental Equivalent Debt" concept to remain subject to same MFN as Incremental Term Loans and subject to meeting a Secured Net Leverage Ratio test of no greater than 4.0x (based on the same agreed EBITDA definition);

iii. Post-emergence Credit Facilities baskets:

a. Credit Facilities basket: Limited to revolving (not term) Indebtedness facilities for working capital purposes and other ordinary course uses as determined by the Borrower in its business judgment,[2] in an aggregate principal amount at any one time outstanding not to exceed the borrowing

[2] It is understood that acquisitions will be addressed by the acquisition debt basket described in Item iv below.

base as defined under the ABL Facility (as in effect immediately prior to the Petition Date, with eligibility and other relevant determinations relating to the borrowing base and its components to be consistent with past practice as of immediately prior to the Petition Date), provided that (i) debt allocated to this basket may not be refinanced with debt allocated to any other basket, and (ii) Liens on the ABL First Lien Collateral securing the Credit Facilities may rank senior to the Liens thereon securing the Amended Term Loan Credit Agreement, and the Liens on the Noteholder First Lien Collateral securing the Credit Facilities shall rank junior to the Liens thereon securing the Amended Term Loan Credit Agreement, in each case, subject to the Crossing Lien Intercreditor Agreement[3];

b. Exit FILO Facility basket: Debt and Liens basket for the Exit FILO Facility, which may not be reborrowed after being repaid;

c. Return of vendor terms (definitions and measurement dates to be agreed reasonably by the parties) after the Plan Effective Date will result in a corresponding repayment (not to exceed $140 million aggregate principal amount) of the Exit FILO Facility, which repayment shall reduce capacity under the Exit FILO Facility basket and, to the extent there are no amounts outstanding under the Exit FILO Facility,[4] the repayment of the ABL Facility;

iv. Acquisition debt basket in form and substance customary for these types of financings to be agreed reasonably among the Borrower, Required Consenting Term Loan Lenders and Required Consenting Noteholders, based on the principle that such acquisitions should not increase leverage;

v. Refinancing Indebtedness definition to be amended so that (i) any Refinancing Indebtedness must be no greater in right of payment or Lien priority than the debt being refinanced, and (ii) no secured debt may be Refinancing Indebtedness in respect of any unsecured debt;

vi. Permitted Indebtedness baskets to be reduced to substantially eliminate the opportunity to promote junior or junior lien debt and

[3] Assumes that Canadian subsidiaries will become guarantors under the Amended Term Loan Credit Agreement. Bifurcation of the single borrowing base into U.S. and Canadian borrowing bases may be necessary if Canadian subsidiaries are not made guarantors of the Term Loan Credit Agreement due to tax considerations.

[4] Subject to negotiations with the lenders under the ABL Facility. The Borrower, the Required Consenting Term Loan Lenders and Required Consenting Noteholders agree to reasonably address any changes resulting from such negotiations in order to preserve the protections intended by this provision.

to incur *pari passu* lien debt, priming lien debt or structurally priming debt and/or capital stock, including:[5]

a. Cap Lease/PMSI debt (basket (c)) to be reduced to greater of $[__] million or [__]% of Total Assets[6] from $65 mm/2.50% (plus $62 mm for a regional distribution center);

b. Contribution debt (basket (m)(i)) to be eliminated (currently 100% of equity contributions);

c. General Debt (basket (m)(ii)) to be reduced to greater of $[__] million or [__]% of Total Assets (from $70 mm/4.75%) and limited to unsecured or junior lien debt;

d. Vendor Debt (basket (n)) to be increased to $[__] million (from $50 mm);

e. Foreign Subsidiary debt (basket (x)) to be reduced to $[__] million;

f. Acquisition debt (basket (y)) to be discussed in context of discussion of acquisition debt basket generally; and

g. Permitted Ratio Debt (basket (bb)) to be modified to be permitted so long as (i) Consolidated Net Leverage Ratio is less than or equal to [__]x; (ii) such debt is unsecured or secured only by the Collateral (and no other assets) on a junior basis to the Term Loans; and (iii) such debt has no obligors or guarantors other than Loan Parties;

vii. Permitted Investment baskets to be reduced to substantially eliminate the opportunity to promote junior or junior lien debt and to incur *pari passu* lien debt, priming lien debt, or structurally priming debt and/or capital stock, including:[7]

a. Clause (a) and clause (c) sublimits for Non-Loan Party Investments to be reduced to $[__];

b. Clause (n) loans to employees to be reduced to $[__] million from $25 million;

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5 Any bracketed amounts that are not specified are to be agreed reasonably among the Borrower, the Required Consenting Term Loan Lenders and Required Consenting Noteholders.

6 Total Assets percentages to be based on Total Assets of the Borrower and its subsidiaries on the Plan Effective Date.

7 Any bracketed amounts that are not specified are to be agreed reasonably among the Borrower, the Required Consenting Term Loan Lenders and Required Consenting Noteholders.

c. Clause (x) general basket to be reduced to the greater of $[__] million and [__]% of Total Assets (from $100 mm/5.00%);

d. Clause (y) 4.50x NLR Investment basket to be eliminated; and

e. Clause (aa) Similar Business basket to be reduced to the greater of $[__] million and [__]% of Total Assets (from $50 mm/2.00%);

viii. Permitted Lien baskets to be reduced to substantially eliminate the opportunity to promote junior or junior lien debt and to incur *pari passu* lien debt, priming lien debt or structurally priming debt and/or capital stock, including:[8]

a. Refinancing Lien baskets (f) and (q) to be clarified so that refinancing Liens cannot be higher in priority than the Liens being refinanced;

b. General Lien basket (s) to be reduced to the greater of $[__] million and [__]% of Total Assets (from $35 mm/2.50%); and

c. Basket (ff) for pledges of Unrestricted Subsidiary stock to be eliminated;

d. Credit Facilities/Loan Documents basket (ii) to be clarified to ensure it is consistent with this term sheet; and

e. 4.0x SNLR (basket (jj)) to be eliminated;

ix. Asset Disposition covenant 7.05(j) to be amended so that only assumed liabilities ranking *pari passu* or senior in right of payment and Lien priority with the Term Loans are deemed to be cash;

x. Securitization provisions to be eliminated; and

xi. Section 7.11 to be revised to include: "Amend, modify or change in any manner materially adverse to the interests of the Lenders, as determined in good faith by the Borrower, any term or condition of any Junior Financing Documentation in respect of any Junior Financing having an aggregate outstanding principal amount greater than the…." (including any Refinancing Indebtedness in respect thereof).

[8] Any bracketed amounts that are not specified are to be agreed reasonably among the Borrower, the Required Consenting Term Loan Lenders and Required Consenting Noteholders.

	Definition of "Junior Financing" to be revised to include unsecured debt and debt secured by liens junior to the Term Loans (excluding liens subject to the Crossing Lien Intercreditor Agreement).
Unrestricted Subsidiaries:	Remove all references to and terms relating to Unrestricted Subsidiaries.
Events of Default:	As set forth in the Term Loan Credit Agreement.
Voting:	As set forth in the Term Loan Credit Agreement. Any Term Loans beneficially owned (or participated in) by affiliates of the Borrower will be deemed to vote in proportion with the other Term Loans.
Amendments:	As set forth in the Term Loan Credit Agreement, with amendments to eliminate ability to make amendments that would adversely affect the Lien priority or priority in right of payment (or waterfall priority) of the Term Loans without the consent of each affected Lender, including revising Section 10.01 shall be revised to include new clause "(h) notwithstanding anything in this Agreement to the contrary, amend or otherwise modify Section 8.03 without the consent of each Lender;"
Cost and Yield Protection:	As set forth in the Term Loan Credit Agreement.
Assignments and Participations:	As set forth in the Term Loan Credit Agreement.
Governing Law and Forum:	New York.

EXHIBIT D

Warrant Term Sheet

Execution Version

WARRANTS TERM SHEET

Capitalized terms used but not defined in this Warrants Term Sheet (this "**Term Sheet**") have the respective meanings assigned to such terms in the Restructuring Term Sheet (which is attached to the Restructuring Support Agreement, dated as of October 10, 2018), to which this Warrants Term Sheet is attached as Exhibit 1.

Issuer:	Reorganized ATD (the "Issuer").
Holders:	Ares entities, TPG entities, the other holders of Existing Equity Interests and their respective transferees (the "Holders").[1]
Security:	Warrants (the "Warrants") to purchase New Equity in three Tranches, with each Tranche (as defined below) representing 5% of the aggregate number of shares of New Equity issued and outstanding on the Plan Effective Date (with such percentage calculated after giving effect to the issuance of all Warrant Shares for such Tranche), subject to dilution on account of (i) the Employee Incentive Plan (which will reserve an aggregate of 10% of the New Equity, on a fully diluted basis (assuming full exercise of the Warrants), for grants to be made from time to time to employees of Reorganized ATD at the discretion of the New Board), and (ii) subject to the terms described under "Anti-Dilution/Adjustments" below, any other issuances of shares of New Equity on or following the Plan Effective Date (other than pursuant to the Plan). The Warrants shall be allocated among the Holders in proportion to their relative holdings of existing Equity Interests. For the avoidance of doubt, the New Equity for which the

[1] Holders of Warrant Shares (upon exercise of the Warrants) will be entitled to the same rights as other similarly-situated equityholders under the new corporate governance documents. The parties acknowledge and agree that the new corporate governance documents will contain customary tag-along rights, preemptive rights, piggyback registration rights and information rights, and that the entitlement to such rights shall not require an ownership percentage in the Issuer greater than that held by each of the Sponsors on the Plan Effective Date, and, accordingly, the Sponsors shall receive the Specified Rights on the Plan Effective Date. The new corporate governance documents will also contain a customary affiliate transaction covenant, the terms of which shall be acceptable to the Required Consenting Noteholders. Except as provided herein, the terms and provisions of the new corporate governance documents shall be in form and substance reasonably acceptable to the Company Parties (acting at the direction of the transactions committee of the board of directors) and the Required Consenting Noteholders, and to the extent the corporate governance documents do, or could reasonably be expected to, meet or otherwise fall under the Specified Standard, the Sponsors. Such corporate governance documents (which shall exclude the Warrant Agreement, amendments to which shall reflect the terms of this Term Sheet set forth below under the caption "Warrant Agreement") shall provide that they cannot be amended, supplemented or otherwise modified in a manner that (i) adversely affects the rights or obligations of any holder of New Equity (including the Sponsors) without similarly affecting the rights or obligations of all holders of the New Equity, without such holder's consent or (ii) modifies, reduces or eliminates any of the Specified Rights or other rights negotiated for by the Sponsors in the Agreement, or adds new provisions that contravene or impair any Sponsor's Specified Rights, in each case, without such Sponsor's consent.

Warrants are exercisable will be the same equity security of the same class that is issued as New Equity pursuant to the Restructuring, and (once a Warrant Share is issued) will carry the same rights as such New Equity.

Exercise Price: The exercise price (as the same may be adjusted from time to time, the "Exercise Price") for each share of New Equity issuable upon the exercise of the Warrants (the "Warrant Shares") shall be equal to:

(I) in the case of the first Tranche of Warrants (the "Tranche I Warrants"), the quotient of (i) the total equity value implied by a total enterprise value of the Issuer and its subsidiaries ("TEV") equal to $2,125,000,000 (with such total equity value determined as such TEV minus the consolidated net debt of the Issuer and its subsidiaries as of the Plan Effective Date), divided by (ii) the number of shares of New Equity issued under the Plan on the Plan Effective Date;

(II) in the case of the second Tranche of Warrants (the "Tranche II Warrants"), the quotient of (i) the total equity value implied by a TEV equal to $2,500,000,000 (with such total equity value determined as such TEV minus the consolidated net debt of the Issuer and its subsidiaries as of the Plan Effective Date), divided by (ii) the number of shares of New Equity issued under the Plan on the Plan Effective Date; and

(III) in the case of the third Tranche of Warrants (the "Tranche III Warrants" and, collectively with the Tranche I Warrants and the Tranche II Warrants, the "Tranches" and each a "Tranche"), the quotient of (i) the Tranche III Threshold, divided by (ii) the product of (A) the number of shares of New Equity issued under the Plan on the Plan Effective Date multiplied by (B) 0.95.

The "Tranche III Threshold" means, as of any date, an amount equal to the aggregate amount of principal and interest that would have been due and payable as of such date (exclusive of any redemption or other special premium) pursuant to the Notes if the Notes had continued to remain outstanding as of the Plan Effective Date in a principal amount equal to $1,050,000,000, which shall be calculated by increasing the Tranche III Threshold on each September 1 and March 1 following the Plan Effective Date through the date of exercise of the applicable Tranche III Warrant at an annual rate of deemed interest equal to 10.25% (on an initial principal amount of $1,050,000,000, which principal amount shall be reduced solely for purposes of

calculating such deemed interest by the amount of any cash dividends paid in respect of the New Equity on or following the Plan Effective Date), excluding (for purposes of calculating such reduction) dividends that were paid to, or held for the benefit of, holders of Existing Equity Interests, the Warrant Shares and their respective transferees or on account of the Employee Incentive Plan. For the avoidance of doubt, such deemed interest shall not be compounding.

Exercisability: Exercisable in whole or in part at any time on or prior to the Expiration Date in cash.

The Warrants may be exercised on a cashless basis at the times and in the manner described as follows:

- In connection with, and using the value of the New Equity implied by, a Sale of Reorganized ATD (as defined below) for cash, securities, other consideration or any combination thereof.

- If the New Equity is at any time listed for trading on a national securities exchange or is traded over-the-counter, at any such time using a value of the New Equity based on the average trading price for such New Equity during the 10 trading day period immediately prior to any applicable date of determination.

- In connection with any issuance of New Equity or securities linked to New Equity, or a security that is of the same class as any New Equity (or of a class with economic rights that are *pari passu* with the New Equity), by the Issuer or any of its affiliates in an initial public offering or material private placement (and, in any such instance, based upon the fair market value of the New Equity in connection therewith) or in connection with any other transaction by the Issuer in which the fair market value of the New Equity is determined, in each instance, but only if such cashless exercise occurs immediately prior to, on or within 30 days following, the date of such transaction.

- At any other time prior to the Expiration Date so long as at least 40% of the Warrants of such Tranche originally outstanding are concurrently being exercised.

The New Board shall determine the fair market value of the New Equity in connection with any cashless exercise of the

Warrants provided for in the immediately preceding bullet point, in its reasonable discretion. No third party appraisal shall be required in connection with any cashless exercise of the Warrants.

Tax Efficiency: Notwithstanding the first bullet point above, if, following receipt by a Holder of the Issuer's notice of a Sale of Reorganized ATD as provided for below pursuant to the final paragraph of "Sale Transaction," (i) such Holder holds Warrants that are in-the-money based on the price per share of New Equity implied by such Sale of Reorganized ATD, (ii) such Holder requests that its in-the-money Warrants be sold or exchanged (the "Alternative Monetization") in such Sale of Reorganized ATD (in lieu of the sale or exchange of the Warrant Shares issuable upon exercise of such Warrants) because an Alternative Monetization would be materially more tax-efficient for such Holder than a sale or exchange of Warrant Shares, and (iii) the Alternative Monetization would not adversely affect the applicable tax consequences for the Issuer or the holders of New Equity in connection with such Sale of Reorganized ATD, *then* the Issuer shall use its commercially reasonable efforts to cause such Holder's Warrants to be sold or exchanged in such Sale of Reorganized ATD for an amount equal to (a) the excess of (I) the price per share of New Equity implied by such Sale of Reorganized ATD over (II) the Exercise Price of such Warrants, multiplied by (b) the number of shares of New Equity subject to such Warrants; provided, that the failure of the acquirer(s) in such Sale Transaction to agree to an Alternative Monetization shall not hinder or otherwise impede the ability of the Issuer and the other parties in such Sale Transaction to consummate such transaction.

Transfers: The Warrants shall be freely transferable, subject only to applicable securities laws and the restrictions on transfers and sales of New Equity set forth in the Definitive Documents (which transfer and sale restrictions shall be limited to restrictions on transfers and sales (i) to competitors, (ii) that the Issuer has previously notified would result in Reorganized ATD being subject to reporting requirements under the Securities and Exchange Act of 1934, as amended, if it is not already subject to such requirements as of any applicable time of determination, (iii) restrictions necessary to preserve any favorable tax attributes of Reorganized ATD, as determined in good faith by the New Board and (iv) such other transfer restrictions to be set forth in the organizational documents of Reorganized ATD, which shall be consistent with the terms of

	this Term Sheet, the Restructuring Term Sheet and the Restructuring Support Agreement.
Expiration Date:	Five (5) years from the Plan Effective Date.
Voting Rights:	Holders of issued Warrants shall have no voting rights unless and until such Warrants are exercised into New Equity, in which case the Holders shall have the same voting rights as other holders of New Equity.
Anti-Dilution/Adjustments:	The Warrants shall be subject to anti-dilution protection regarding the Exercise Price and number of shares of New Equity to be issued upon the exercise of the Warrants only for (i) corporate structural events (e.g., for recapitalizations, reclassifications, splits, reverse splits, reorganizations, consolidations, mergers, stock dividends and similar dilutive or structural transactions), (ii) dividends or distributions made to equity holders, (iii) issuances of equity or equity-linked securities materially below fair market value (the determination of "materially below fair market value," in each case, shall be made by the New Board, acting in good faith consistent with its fiduciary duties) to affiliates and/or then-existing holders of equity of the Issuer and (iv) repurchases or redemptions of equity or equity-linked securities at a price greater than fair market value.
Sale Transaction:	If a bona fide Sale of Reorganized ATD is consummated prior to the Expiration Date in which all of the consideration paid to non-employee stockholders consists of cash or property (including securities) or part cash and part property (including securities) and the Issuer duly and timely effects notice to the Holders pursuant to the final paragraph of this "Sale Transaction," then any Warrants that are unexercised prior to the consummation of such Sale of Reorganized ATD shall be deemed to have expired worthless and will be cancelled for no further consideration. "Sale of Reorganized ATD" means any bona fide consolidation, merger, sale or other transfer of all or substantially all of the equity interests or assets, in each case, of Reorganized ATD, or any successor, and its subsidiaries (taken as a whole) or any similar transaction in which the holders of New Equity are entitled to receive (either directly or upon subsequent liquidation) cash, securities or other property with respect to or in exchange for shares of New Equity.

	For the avoidance of doubt, Holders shall not be entitled to the fair market value of the Warrants (using the Black Scholes model or otherwise) in connection with a Sale of Reorganized ATD, but shall have the right to exercise the Warrants at any time prior to any Sale of Reorganized ATD. The Issuer shall provide the Holders with 7 business days' prior written notice to the Holders of a Sale of Reorganized ATD.
Piggyback Registration Rights:	Holders of the Warrant Shares issued upon exercise of the Warrants will have customary piggyback registration rights. Such rights shall be no less advantageous to such holders of the Warrant Shares than any piggyback registration rights granted to any other similarly situated holders of the New Equity.
Preemptive Rights:	Holders of Warrant Shares issued upon exercise of the Warrants will have customary preemptive rights (subject to customary carve-outs) over issuances of (i) equity and equity-linked securities and instruments by the Issuer and (ii) debt by the Issuer to then-existing equityholders. Such rights shall be no less advantageous to the holders of such Warrant Shares than any preemptive rights granted to any other similarly situated holders of the New Equity.
Information Rights:	Holders and holders of the Warrant Shares issued upon the exercise of the Warrants will have customary information rights. Such rights shall be no less advantageous to such Holders or holders of the Warrant Shares than any such rights granted to any other similarly situated holders of the New Equity.
Tag-Along Rights	Holders of the Warrant Shares issued upon the exercise of the Warrants will have customary tag-along rights. Such rights shall be no less advantageous to the holders of such Warrant Shares than any tag-along rights granted to similarly situated holders of the New Equity.
Notices:	The Issuer shall provide 7 business days prior written notice to Holders of (i) any date on which the Issuer shall take a record of the holders of the New Equity for purposes of customary equityholder "record date" events (such as dividends, distributions, recapitalizations, redemptions, reclassifications, splits, reverse splits, reorganizations, consolidations and mergers), (ii) any transaction or other event that permits Holders to cashless exercise the Warrants and (iii) other events

	of which Issuer must give notice to similarly-situated holders of New Equity under the new corporate governance documents.
Reservation of New Equity:	The Issuer shall at all times reserve and keep available a number of its authorized but unissued shares of New Equity sufficient to permit the exercise in full of all outstanding Warrants.
Warrant Agent:	The Warrant agent shall be the Company's transfer agent unless otherwise agreed by the Required Consenting Noteholders and the Company.
Warrant Agreement:	The Warrants will be subject to a Warrant Agreement (the "Warrant Agreement") setting forth the rights described herein and other customary terms and conditions as may be agreed by the Required Consenting Noteholders. The Warrant Agreement shall be governed by the laws of the State of Delaware and may not be amended without the consent of (i) Holders holding at least 50.01% of the Warrants and (ii) the Company. Notwithstanding the foregoing, any amendment that materially and adversely affects any right of a Holder relative to the other Holders shall require the consent of such affected Holder.

EXHIBIT E

Liquidation Analysis

LIQUIDATION ANALYSIS[1]

Introduction

Under the "best interests of creditors" test set forth in section 1129(a)(7) of the Bankruptcy Code, a bankruptcy court may not confirm a plan under chapter 11 of the Bankruptcy Code unless each holder of an allowed claim or interest in an impaired class either: (a) accepts the plan; or (b) will receive or retain property on account of such claim or interest of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive or retain if the debtor were liquidated under chapter 7 of the Bankruptcy Code.

To demonstrate that the Plan satisfies the "best interests of creditors" test, the Debtors, with the assistance of their restructuring advisors, AlixPartners, have prepared a hypothetical liquidation analysis (this "Liquidation Analysis"), which is based upon certain assumptions discussed in the Disclosure Statement and accompanying notes to this Liquidation Analysis.

This Liquidation Analysis sets forth an estimated range of recovery values for each Class of Claims and Interests that may be realizable upon the disposition of assets pursuant to a hypothetical chapter 7 liquidation of the Debtors' estates. As illustrated by this Liquidation Analysis, Holders of Claims in certain Unimpaired Classes that would receive a full recovery under the Plan would receive less than a full recovery in a hypothetical liquidation. Additionally, Holders of Claims or Interests in Impaired Classes would receive a lower recovery in a hypothetical liquidation than they would under the Plan. Further, no Holder of a Claim or Interest would receive or retain property under the Plan of a value that is less than such Holder would receive in a chapter 7 liquidation. Accordingly, and as set forth in greater detail below, the Debtors believe that the Plan satisfies the "best interests of creditors" test set forth in section 1129(a)(7) of the Bankruptcy Code.

Statement of Limitations

The preparation of a liquidation analysis is an uncertain process involving the use of estimates and assumptions that, although considered reasonable by the Debtors based upon their business judgment and input from their advisors, are inherently subject to significant business, economic, and competitive risks, uncertainties, and contingencies, most of which are difficult to predict and many of which are beyond the control of the Debtors, their management, and their advisors. Inevitably, some assumptions in this Liquidation Analysis would not materialize in an actual chapter 7 liquidation, and unanticipated events and circumstances could materially affect the ultimate results in an actual chapter 7 liquidation. This Liquidation Analysis was prepared for the sole purpose of generating a reasonable good faith estimate of the proceeds that would be generated if the Debtors' assets were liquidated in accordance with chapter 7 of the Bankruptcy Code. This Liquidation Analysis is not intended and should not be used for any other purpose. The underlying financial information in the Liquidation Analysis and values stated herein have not been subject to any review, compilation, or audit by any independent accounting firm. In addition, various liquidation decisions upon which certain assumptions are based are subject to change. As a result, the actual amount of Claims that would ultimately be Allowed against the Debtors' Estates could vary significantly from the estimates stated herein, depending on the nature and amount of Claims asserted during the pendency of the hypothetical chapter 7 cases. Similarly, the value of the Debtors' assets in a liquidation scenario is uncertain and could vary significantly from the values set forth in this Liquidation Analysis.

This Liquidation Analysis was prepared for the sole purpose of generating a reasonable and good faith estimate of the recoveries that would result if the Debtors' assets were liquidated in accordance with chapter 7 of the Bankruptcy Code and is not intended and should not be used for any other purpose. This Liquidation Analysis does not include estimates for: (a) the tax consequences, either foreign or domestic, that may be triggered upon the liquidation and sale of the Debtors' assets; (b) recoveries resulting from any potential preference (other than those specifically identified below), fraudulent transfer, or other litigation or avoidance actions; or (c) certain Claims that may be entitled to priority under the Bankruptcy Code, including Administrative Claims entitled to priority under

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1 Capitalized terms used but not otherwise defined in this **Exhibit E** shall have the meanings ascribed to such terms in the *Joint Plan of Reorganization of ATD Corporation and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (as altered, amended, modified, or supplemented form time to time, the "Plan")

sections 503(b) and 507(b) of the Bankruptcy Code. More specific assumptions are detailed in the notes below. ACCORDINGLY, NEITHER THE DEBTORS NOR THEIR ADVISORS MAKE ANY REPRESENTATION OR WARRANTY THAT THE ACTUAL RESULTS OF A CHAPTER 7 LIQUIDATION OF THE DEBTORS' ESTATES WOULD OR WOULD NOT, IN WHOLE OR IN PART, APPROXIMATE THE ESTIMATES AND ASSUMPTIONS REPRESENTED IN THIS LIQUIDATION ANALYSIS. THE ACTUAL LIQUIDATION VALUE OF THE DEBTORS' ESTATES IS SPECULATIVE AND RESULTS COULD VARY MATERIALLY FROM ESTIMATES PROVIDED IN THIS LIQUIDATION ANALYSIS.

In preparing the Liquidation Analysis, the Debtors estimated Allowed Claims in addition to the debt claims based upon a review of the Debtors' financial statements. 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 Claims, and chapter 7 Administrative Claims such as liquidation and wind-down expenses, trustee fees, tax liabilities, and professional fees attributable to the liquidation and wind-down (together, the "Wind-Down Expenses"). To date, the Bankruptcy Court has not estimated or otherwise fixed the total amount of Allowed Claims used for purposes of preparing this Liquidation Analysis. Therefore, the Debtors' estimate of Allowed Claims set forth in this Liquidation Analysis should not be relied on for any other purpose, including determining the value of any distributions to be made on account of Allowed Claims and Interests under the Plan. NOTHING CONTAINED IN THIS LIQUIDATION ANALYSIS IS INTENDED TO BE OR CONSTITUTES A CONCESSION OR ADMISSION OF THE DEBTORS. THE ACTUAL AMOUNT OF ALLOWED CLAIMS IN THE CHAPTER 11 CASES COULD MATERIALLY DIFFER FROM THE ESTIMATED AMOUNTS SET FORTH IN THIS LIQUIDATION ANALYSIS.

Basis of Presentation

This Liquidation Analysis has been prepared assuming that the Debtors converted their current Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code on or about December 28, 2018 (the "Liquidation Date"). Except as otherwise noted herein, this Liquidation Analysis is based upon the unaudited financial statements of the Debtors as of September 28, 2018 and those values, in total, are assumed to be representative of the Debtors' assets and liabilities as of the Liquidation Date. It is assumed that on the Liquidation Date, the Bankruptcy Court would appoint a chapter 7 trustee (the "Trustee") to oversee the liquidation of the Debtors' Estates, during which time all of the assets of the Debtors would be sold and the Cash proceeds, net of liquidation-related costs, would then be distributed to creditors in accordance with applicable law in the following priority: (a) ***first***, to pay any Wind-Down Expenses; (b) ***second***, to pay the secured portions of any Allowed Secured Claims, including the DIP Facility Claims, ABL Claims, Term Loan Claims, Secured Claims of certain vendors (the "Vendor Security Claims"), and any Other Secured Claims, in accordance with their respective priorities in the applicable collateral securing such Allowed Secured Claims; and (c) ***third***, to pay amounts on any Allowed Other Priority Claims.[2] Any remaining net Cash would be distributed to creditors holding General Unsecured Claims, including deficiency Claims that arise to the extent of any unsecured portion of Allowed Secured Claims.

The Liquidation Analysis has been prepared assuming that the Debtors' current Chapter 11 Cases convert to cases under chapter 7 on the Liquidation Date. This Liquidation Analysis is based on the book values of the Debtors' assets and liabilities as of September 28, 2018, or more recent values where available. Certain balances, including Cash, amounts drawn under the DIP Facility, and working capital have been projected forward to the Liquidation Date. The Debtors' management team believes that the September 28, 2018 book values of assets and certain liabilities are proxies for such book values as of the Liquidation Date. This Liquidation Analysis assumes operations of the Liquidating Entities will cease and any related individual assets will be sold in a sale under a three-month liquidation process (the "Liquidation Timeline") under the direction of the Trustee, utilizing the Debtors' resources and third-party advisors, to allow for the orderly wind down of the Debtors' Estates. There can be no assurance that the liquidation would be completed in a limited time frame, nor is there any assurance that the recoveries assigned to the

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2 For purposes of this Liquidation Analysis, the proceeds of a hypothetical liquidation of the Debtors' Canadian non-Debtor affiliates (the "Canadian Non-Debtors," and together with the Debtors, the "Liquidating Entities") were also estimated and analyzed in order to determine the potential recoveries to the Debtors on account of certain Intercompany Claims, Intercompany Interests, and equity holdings held by the Debtors. The results of liquidating the Liquidating Entities, including the Canadian Non-Debtors, have been depicted below. Other Priority Claims, other than an Administrative Claim or Priority Tax Claim, which are entitled to priority under section 507(a) of the Bankruptcy Code, such as Claims for prepetition commissions or deposits.

assets would in fact be realized. Under section 704 of the Bankruptcy Code, a trustee must, among other duties, collect and convert the property of the estate as expeditiously (generally in a distressed process) as is compatible with the best interests of parties-in-interest. This Liquidation Analysis also assumed that the Debtors will have continued access to (a) the DIP Facility and cash collateral during the course of the Liquidation Timeline to fund Wind-Down Expenses, and (b) operations, accounting, treasury, information technology, and other management services needed to wind down the Debtors' Estates. This Liquidation Analysis was prepared on a by-entity basis for all Liquidating Entities and is displayed below on a consolidated basis for convenience. Asset recoveries accrue first to satisfy creditor Claims at the legal entity level. To the extent any remaining value exists, such value flows to each individual entity's parent organization. For the DIP Facility Claims, ABL Claims, Term Loan Claims, and Senior Subordinated Notes Claims, this Liquidation Analysis assumes that such Claims have been filed against each of the Debtors. In addition, this Liquidation Analysis includes an analysis of the recovery of prepetition Intercompany Claims. Prepetition Intercompany Claims are treated as receiving the same recovery as General Unsecured Claims.

DETAILED LIQUIDATION ANALYSIS

This Liquidation Analysis for the Liquidation Entities was analyzed on a by-entity basis. Asset book values shown below are estimated as of September 28, 2018, unless otherwise noted. An estimate of additional General Unsecured Claims and Claims from the rejection of Executory Contracts or Unexpired Leases arising from a chapter 7 liquidation has not been made and could increase the amount of such Claims. The following Liquidation Analysis for the Liquidating Entities should be reviewed in conjunction with the associated notes.

Liquidation Analysis Summary - American Tire Distributors Inc. (Debtors Only)						
		Book	Recovery %		Proceeds	
($ millions)	Note:	Value	Low	High	Low	High
Cash	[A]	$ 4.2	100.0%	100.0%	$ 4.2	$ 4.2
Trade Accounts Receivable, net	[B]	256.4	70.0%	85.0%	179.4	217.9
Other Accounts Receivable, net	[C]	4.0	49.5%	59.3%	2.0	2.4
Tax Receivable	[D]	2.7	19.2%	21.3%	0.5	0.6
Prepaid Expenses	[E]	41.8	31.5%	44.5%	13.2	18.6
Inventory	[F]	774.7	70.0%	80.0%	542.3	619.8
PP&E	[G]	301.3	5.5%	6.9%	16.6	20.9
Intangible Assets	[H]	604.7	2.2%	4.3%	13.1	26.2
Goodwill	[I]	200.5	0.0%	0.0%	-	-
Other Assets	[J]	32.0	0.0%	0.0%	-	-
NTD Equity Recovery	[K]				25.7	45.9
NTD Intercompany Recovery	[L]				7.5	7.5
Gross Proceeds from Liquidation		$2,222.5			$ 804.5	$ 964.0
Wind Down Claims	[M]					
Wind Down Claims					$ 71.6	$ 76.4
Recovery $					71.6	76.4
Recovery %					100.0%	100.0%
Professional Fee Carveout	[N]					
Professional Fee Claims					$ 27.8	$ 27.8
Recovery $					27.8	27.8
Recovery %					100.0%	100.0%
ABL DIP Claims	[O]					
ABL DIP Claims					$ 358.5	$ 358.5
Recovery $					358.5	358.5
Recovery %					100.0%	100.0%
FILO DIP Claims	[P]					
FILO DIP Claims					$ 250.0	$ 250.0
Recovery $					250.0	250.0
Recovery %					100.0%	100.0%
Term Loan Claims	[Q]					
Term Loan Claims					$ 695.0	$ 695.0
Recovery from Collateral					62.1	126.0
Recovery from Senior Subordinated Notes					0.1	0.8
Recovery from Deficiency					0.0	0.4
Total Recovery					62.2	127.3
Recovery %					8.9%	18.3%
Vendor Security Claims	[R]					
Vendor Security Claims					$ 85.7	$ 85.7
Recovery $					2.9	13.1
Recovery from Deficiency					3.4	14.2
Total Recovery					6.3	27.2
Recovery %					7.3%	31.8%
General Administrative Claims	[S]					
General Administrative Claims					$ 553.2	$ 543.0
Recovery $					28.2	96.8
Recovery %					5.1%	17.8%
Senior Subordinated Notes Claims	[T]					
Senior Subordinated Notes Claims					$1,050.0	$1,050.0
Recovery $					-	-
Recovery %					0.0%	0.0%
General Unsecured Claims	[U]					
General Unsecured Claims - Debtors					$ 116.2	$ 116.2
Recovery $					0.0	0.0
Recovery %					0.0%	0.0%
Intercompany Payments to Non-Debtors	[V]				$ 0.0	$ 0.0
Total Distributions					$ 804.5	$ 964.0

Notes to the Liquidation Analysis

[A] Cash and Cash Equivalents: The Cash balance represents the estimated balance as of December 28, 2018. The Cash forecast projects that approximately $4.2 million of Cash held in U.S. banks (i.e., 100%) is pledged as collateral to the Debtors' credit facilities. A 100% recovery on Cash and equivalents has been estimated for the low and high cases.

[B] Trade Accounts Receivable, Net: Receivables have been projected as of December 28, 2018. A 70% to 85% recovery has been estimated given the lack of customer concentration and relatively young age of the Debtors' receivables.

[C] Other Accounts Receivable, Net: Other Accounts Receivable includes items such as vendor receivables and other non-trade receivables. The Other Accounts Receivable balance has been projected as of December 28, 2018. On a blended basis, a 49.5% to 59.3% recovery has been estimated on the Debtors' other accounts receivable.

[D] Tax Receivable: Tax Receivables include excise tax receivables and long-term income tax receivables. The Tax Receivables balance is based on the Debtors' September 28, 2018 trial balance. On a blended basis, a 19.2% to 21.3% recovery has been estimated on the Debtors' other accounts receivables.

[E] Prepaid Expenses: Recoverable Prepaid Expenses consist of prepaid insurance, inventory and other categories while other prepaid items such as prepaid licenses and rent will be largely unrecoverable in a chapter 7 liquidation. On a blended basis, a 31.5% to 44.5% recovery has been estimated on the Debtors' other accounts receivables.

[F] Inventory: Inventory has been projected as of December 28, 2018. A 70% to 80% recovery has been estimated for inventory that is primarily comprised of tire inventory. The recovery percentage range is based on appraisal work performed by Hilco Valuation Services, net of inventory liquidation expenses.

[G] PP&E: Most of the facilities operated by the Debtors are leased. The limited recovery from property, plant, and equipment ("PP&E") is primarily driven by owned equipment and vehicles as well as the limited land on the balance sheet. On a blended basis, the recovery is 5.5% to 6.9% of net book value.

[H] Intangible Assets: Intangible assets consist of intellectual property, customer lists, and other intangible assets. Only the Liquidating Entities' trademarks are estimated to provide a recovery in this Liquidation Analysis. On a blended basis, the recovery is 2.2% to 4.3% of net book value.

[I] Goodwill: Goodwill is expected to have 0% recovery.

[J] Other Assets: Other assets are mainly accounting in nature and do not represent economic assets. These assets are expected to have 0% recovery.

[K] NTD Equity Recovery: Consists of the equity value of the Debtors' ownership of the Canadian Non-Debtors, in excess of claims at those entities.

[L] NTD Intercompany Recovery: The Canadian intercompany recovery is the recovery on the intercompany receivable held by the Debtors from intercompany claims against the Canadian Non-Debtors.

[M] Wind Down Claims: Wind Down Claims represent the expenses associated with administering the chapter 7 liquidation of the Debtors' Estates. A combined 3% trustee and related legal expense has been applied to non-Cash asset recovery values. Additionally, an estimated $37.5 million of Wind-Down Expenses, and certain employee liabilities (such as accrued salary) have been included in the estimated Wind Down Claims. Expenses associated with liquidating the inventory have not been included in the estimate of Wind Down Claims but are netted against the inventory recoveries.

[N] Professional Fee Carveout: Represents the estimated professional fee liability of $27.8 million as of December 28, 2018. A full recovery is estimated for professional fees under this Liquidation Analysis.

[O] ABL DIP Claims: Represents the estimated ABL DIP balance as of December 28, 2018. A full recovery is estimated for ABL DIP Claims.

[P] FILO DIP Claims: Represents the estimated FILO DIP balance as of December 28, 2018. A full recovery is estimated for FILO DIP Claims.

[Q] Term Loan Claims: Term Loan Claims' recovery is primarily derived from a first and second lien on specific collateral of the loan parties. In addition, the Term Loan Claims recovery includes (a) recoveries that would have otherwise been due to the Senior Subordinated Notes Claims and is turned over to the Term Loan Claims in accordance with the terms of the subordination agreement; and (b) recoveries on account of any deficiency Claims that arise to the extent of any unsecured portion of the Term Loan Claims. In total, the Term Loan Claims recovery is estimated to range from 8.9% - 18.3%.

[R] Vendor Security Claims: The Vendor Security Claims are associated with certain vendors that have a second lien claim, behind the ABL Claims, on their branded inventory. Based on the Debtors' stated plans to pay vendors during the normal course of business, any deficiency is estimated to be a general administrative claim. In total, the Vendor Security Claims recovery is estimated to range from 7.3% - 31.8%.

[S] General Administrative Claims: General Administrative Claims are an estimate of post-petition accruals and payables. The estimated recovery on General Administrative Claims is 5.1% - 17.8%.

[T] Senior Subordinated Notes Claims: Subject to the subordination agreement, the Senior Subordinated Notes Claims are estimated to turn over any proceeds to Holders of the Term Loan Claims. As such, no recovery is estimated for the Senior Subordinated Notes Claims.

[U] General Unsecured Claims: General Unsecured Claims represent an estimate of pre-petition unsecured claims. Recovery on General Unsecured Claims is estimated to be 0%.

[V] Intercompany Payments to Non-Debtors: Represents the estimated payments on Intercompany Claims to Non-Debtors. Recovery on Intercompany Claims is estimated to be $0.

EXHIBIT F

Valuation Analysis

REORGANIZED DEBTORS VALUATION ANALYSIS

THE VALUATION INFORMATION CONTAINED HEREIN IS NOT A PREDICTION OR GUARANTEE OF THE ACTUAL MARKET VALUE THAT MAY BE REALIZED THROUGH THE SALE OF ANY SECURITIES TO BE ISSUED PURSUANT TO THE PLAN. THIS VALUATION IS PRESENTED SOLELY FOR THE PURPOSE OF PROVIDING ADEQUATE INFORMATION AS REQUIRED BY SECTION 1125 OF THE BANKRUPTCY CODE TO ENABLE THE HOLDERS OF CLAIMS OR INTERESTS ENTITLED TO VOTE TO ACCEPT OR REJECT THE PLAN TO MAKE AN INFORMED JUDGMENT ABOUT THE PLAN AND SHOULD NOT BE USED OR RELIED UPON FOR ANY OTHER PURPOSE, INCLUDING THE PURCHASE OR SALE OF CLAIMS AGAINST OR INTERESTS IN THE DEBTORS.

At the Debtors' request, Moelis & Company LLC ("Moelis") performed a valuation analysis of the Reorganized Debtors.

Based upon and subject to the review and analysis described herein, and subject to the assumptions, limitations and qualifications described herein, Moelis' view, as of October 16, 2018, was that the estimated going concern enterprise value of the Reorganized Debtors, as of an assumed Effective Date for purposes of Moelis' valuation analysis of December 31, 2018 (the "Assumed Effective Date"), would be in a range between $1,875 million and $2,125 million. The midpoint of our enterprise valuation range is $2,000 million. Based upon our range of estimated going concern enterprise value of the Reorganized Debtors of between $1,875 million and $2,125 million and assumed net debt of $1,396 million (assuming a debt balance of $1,431 million[1] and a pro forma cash balance of $35 million as of December 31, 2018) as provided by the Debtors, the imputed estimate of the range of equity value for the Reorganized Debtors, as of the Assumed Effective Date, is between approximately $479 million and $729 million, with a midpoint estimate of $604 million.

Moelis' views are necessarily based on economic, monetary, market, and other conditions as in effect on, and the information made available to Moelis as of, the date of its analysis. It should be understood that, although subsequent developments may affect Moelis' views, Moelis does not have any obligation to update, revise, or reaffirm its estimate.

Moelis' analysis is based, at the Debtors' direction, on a number of assumptions, including, among other assumptions, that (i) the Debtors will be reorganized in accordance with the Plan which will be effective on the Assumed Effective Date, (ii) the Reorganized Debtors will achieve the results set forth in the Debtors' management's Financial Projections (as defined in this Disclosure Statement and attached as Exhibit G to this Disclosure Statement) for 2019 through 2023 (the "Projection Period") provided to Moelis by the Debtors, (iii) the Reorganized Debtors' capitalization and available cash will be as set forth in the Plan and this Disclosure Statement, and (iv) the Reorganized Debtors will be able to obtain all future financings, on the terms and at the times, necessary to achieve the results set forth in the Financial Projections. Moelis makes no representation as to the achievability or reasonableness of such assumptions. In addition, Moelis assumed that there will be no material change in economic, monetary, market, and other conditions as in effect on, and the information made available to Moelis, as of the Assumed Effective Date.

Moelis assumed, at the Debtors' direction, that the Financial Projections prepared by the Debtors' management were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the Debtors' management as to the future financial and operating performance of the Reorganized Debtors. The future results of the Reorganized Debtors are dependent upon various factors, many of which are beyond the control or knowledge of the Debtors, and consequently are inherently difficult to project. The Reorganized Debtors' actual future results may differ materially (positively or negatively) from the Financial Projections and, as a result, the actual enterprise value of the Reorganized Debtors may be materially higher or lower than the estimated range herein. Among other things, failure to consummate the Plan in a timely manner may have a materially negative impact on the enterprise value of the Reorganized Debtors.

The estimated enterprise value in this section represents a hypothetical enterprise value of the Reorganized Debtors as the continuing operators of the business and assets of the Debtors, after giving effect to the Plan,

[1] Includes $636 million of normalized ABL (including FILO) and $795 million of Term Loan.

based on consideration of certain valuation methodologies as described below. The estimated enterprise value in this section does not purport to constitute an appraisal or necessarily reflect the actual market value that might be realized through a sale or liquidation of the Reorganized Debtors, their securities or their assets, which may be materially higher or lower than the estimated enterprise value range herein. The actual value of an operating business such as the Reorganized Debtors' business is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in various factors affecting the financial condition and prospects of such a business.

In conducting its analysis, Moelis, among other things: (i) reviewed certain publicly available business and financial information relating to the Reorganized Debtors that Moelis deemed relevant; (ii) reviewed certain internal information relating to the business, earnings, cash flow, assets, liabilities, and prospects of the Reorganized Debtors, including the Financial Projections, furnished to Moelis by the Debtors; (iii) conducted discussions with members of senior management and representatives of the Debtors concerning the matters described in clauses (i) and (ii) of this paragraph, as well as their views concerning the Debtors' business prospects before giving effect to the Plan, and the Reorganized Debtors' business and prospects after giving effect to the Plan; (iv) reviewed publicly available financial and stock market data for certain other companies in lines of business that Moelis deemed relevant; (v) reviewed publicly available financial data for certain transactions that Moelis deemed relevant; (vi) reviewed a draft of the Plan dated October 15, 2018; and (vii) conducted such other financial studies and analyses and took into account such other information as Moelis deemed appropriate. In connection with its review, Moelis did not assume any responsibility for independent verification of any of the information supplied to, discussed with, or reviewed by Moelis and, with the consent of the Debtors, relied on such information being complete and accurate in all material respects. In addition, at the direction of the Debtors, Moelis did not make any independent evaluation or appraisal of any of the assets or liabilities (contingent, derivative, off-balance- sheet, tax-related or otherwise) of the Reorganized Debtors, nor was Moelis furnished with any such evaluation or appraisal. Moelis also assumed, with the Debtors' consent, that the final form of the Plan does not differ in any respect material to its analysis from the final draft that Moelis reviewed.

The estimated enterprise value in this section does not constitute a recommendation to any Holder of a Claim or Interest as to how such Holder of a Claim or Interest should vote or otherwise act with respect to the Plan. Moelis has not been asked to and does not express any view as to what the trading value of the Reorganized Debtors' securities would be when issued pursuant to the Plan or the prices at which they may trade in the future. The estimated enterprise value set forth herein does not constitute an opinion as to fairness from a financial point of view to any Holder of a Claim or Interest of the consideration to be received by such Holder of a Claim or Interest under the Plan or of the terms and provisions of the Plan.

Valuation Methodologies

In preparing its valuation, Moelis performed a variety of financial analyses and considered a variety of factors. The following is a brief summary of the material financial analyses performed by Moelis, which consisted of (a) a discounted cash flow analysis, (b) a selected publicly traded companies analysis, and (c) a selected transactions analysis. This summary does not purport to be a complete description of the analyses performed and factors considered by Moelis. The preparation of a valuation analysis is a complex analytical process involving various judgmental determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to particular facts and circumstances, and such analyses and judgments are not readily susceptible to summary description. As such, Moelis' valuation analysis must be considered as a whole. Reliance on only one of the methodologies used, or portions of the analysis performed, could create a misleading or incomplete conclusion as to enterprise value.

A. ***Discounted Cash Flow Analysis.*** The discounted cash flow ("DCF") analysis is an enterprise valuation methodology that estimates the value of an asset or business by calculating the present value of expected future cash flows to be generated by that asset or business plus a present value of the estimated terminal value of that asset or business. Moelis' DCF analysis used the Financial Projections' estimated debt-free, after-tax free cash flows through December 31, 2023. These cash flows were then discounted at a range of estimated weighted average costs of capital ("Discount Rate") for the Reorganized Debtors. The Discount Rate reflects the estimated blended rate of return that would be expected by debt and equity investors to invest in the Reorganized Debtors' business based on a target capital structure. The enterprise value was determined by calculating the present value of the Reorganized Debtors' unlevered after-tax free cash flows based on the Financial Projections plus an estimate for the value of the Reorganized Debtors beyond the Projection Period known as the terminal value. In determining the estimated terminal value of the Reorganized Debtors, Moelis relied upon the perpetuity growth method which estimates a range of values of the Reorganized Debtors at the end of the Projection Period based on applying a perpetuity growth rate to final year cash flows. The range of growth rates was selected based on estimates of replacement tire market growth rate and domestic GDP growth rate.

To determine the Discount Rate, Moelis used the estimated cost of equity and the estimated after-tax cost of debt for the Reorganized Debtors, assuming a targeted, long-term, debt-to-total capitalization ratio (based on debt-to-capitalization ratios of the selected publicly traded companies and the proposed capital structure contemplated by the Plan initially and after giving effect to the projected financial performance of the Reorganized Debtors during the Projection Period). Moelis calculated the cost of equity based on (i) the capital asset pricing model, which assumes that the expected equity return is a function of the risk-free rate, equity risk premium, and the correlation of the stock performance of the selected publicly traded companies to the return on the broader market, and (ii) an adjustment related to the estimated equity market capitalization of the Reorganized Debtors, which reflects the historical equity risk premium of small, medium, and large equity market capitalization companies. Moelis did not make an independent assessment of the go-forward tax environment that would result from the Tax Cuts and Jobs Act of 2017, and relied on management guidance in determining a go-forward blended tax rate.

B. ***Selected Publicly Traded Companies Analysis.*** The selected publicly traded companies analysis is based on the enterprise values of selected publicly traded distribution companies that have operating and financial characteristics comparable in certain respects to the Reorganized Debtors. For example, such characteristics may include similar size and scale of operations, end-market exposure, product mix, operating margins, growth rates, and geographical exposure. Under this methodology, certain financial multiples that measure financial performance and value are calculated for each selected company and then applied to the Reorganized Debtors' financials to imply an enterprise value for the Reorganized Debtors. Moelis used, among other measures, enterprise value (defined as market value of equity, plus book value of debt and book value of preferred stock and minority interests, less cash, subject to adjustments for underfunded pension and retirement obligations and other items where appropriate) for each selected company as a multiple of such company's publicly available consensus projected EBITDA for fiscal year 2019.

Although the selected companies were used for comparison purposes, no selected publicly traded company is either identical or directly comparable to the business of the Reorganized Debtors. Accordingly, Moelis' comparison of selected publicly traded companies to the business of the Reorganized Debtors and analysis of the results of such comparisons was not purely mathematical, but instead involved considerations and judgments concerning differences in operating and financial characteristics and other factors that could affect the relative values of the selected publicly traded companies and the Reorganized Debtors. The selection of appropriate companies for this analysis is a matter of judgment and subject to limitations due to sample size and the public availability of meaningful market-based information.

C. ***Selected Transactions Analysis.*** The selected transactions analysis is based on the implied enterprise values of companies and assets involved in publicly disclosed merger and acquisition transactions for which the targets had operating and financial characteristics comparable in certain respects to the Reorganized Debtors. Under this methodology, the enterprise value of each such target is determined by an analysis of the consideration paid and the net debt assumed in the merger or acquisition transaction. The enterprise value is then compared to a selected financial metric, in this case, EBITDA for the Reorganized Debtors, respectively, for the next twelve month period for which financial results have been publicly announced ("NTM"), in order to determine an enterprise value multiple. Moelis analyzed various merger and acquisition transactions that have occurred in the distribution sector since 2013. Moelis limited its search to transactions since 2013 because the sector environment in the period prior to 2013 was materially different than the environment today. In this analysis, the NTM EBITDA enterprise value multiples were utilized to determine a range of implied enterprise value for the Reorganized Debtors.

Other factors not directly related to a company's business operations can affect a valuation in a transaction, including, among others factors, the following: (a) circumstances surrounding a merger transaction may introduce "diffusive quantitative results" into the analysis (*e.g.*, a buyer may pay an additional premium for reasons that are not solely related to competitive bidding); (b) the market environment is not identical for transactions occurring at different periods of time; (c) circumstances pertaining to the financial position of the company may have an impact on the resulting purchase price (e.g., a company in financial distress may receive a lower price due to perceived weakness in its bargaining leverage); and (d) the ongoing tax environment at the time of the transaction.

Reorganized Debtors - Valuation Considerations

The estimated enterprise value in this section is not necessarily indicative of actual value, which may be significantly higher or lower than the ranges set forth herein. Accordingly, none of the Debtors, Moelis or any other person assumes responsibility for the accuracy of such estimated enterprise value. Depending on the actual financial results of the Debtors or changes in the economy and the financial markets, the enterprise value of the Reorganized Debtors as of the Assumed Effective Date may differ from the estimated enterprise value set forth herein as of an Assumed Effective Date of January 1, 2019. In addition, the market prices, to the extent there is a market, of Reorganized Debtors' securities will depend upon, among other things, prevailing interest rates, conditions in the economy and the financial markets, the investment decisions of prepetition creditors receiving such securities under the Plan (some of whom may prefer to liquidate their investment rather than hold it on a long-term basis), and other factors that generally influence the prices of securities.

EXHIBIT G

Financial Projections

FINANCIAL PROJECTIONS AND ASSUMPTIONS

A. INTRODUCTION

The Debtors have prepared the Financial Projections to assist the Bankruptcy Court in determining whether the Plan meets the "feasibility" requirements of section 1129(a)(11) of the Bankruptcy Code. The Debtors believe that the Plan meets such requirements. In connection with the negotiation and development of the Plan, and for the purpose of determining whether the Plan meets the feasibility standard outlined in the Bankruptcy Code, the Debtors analyzed their ability to satisfy their financial obligations while maintaining sufficient liquidity and capital resources during the Projection Period. With this consideration in mind, the Debtors' management and advisors prepared consolidated Financial Projections for the years ending December 2018 through December 2023. The Financial Projections have been prepared on a consolidated basis, consistent with ATD's financial reporting practices, and include all Debtor and non-Debtor entities.

Furthermore, the Debtors do not, as a matter of course, publish their forecasts, strategies, or forward-looking projections of their financial position, results of operations, and cash flows. Accordingly, the Debtors do not anticipate that they will, and disclaim any obligation to, furnish updated Financial Projections to the Holders of Claims or Interests after the date of this Disclosure Statement, or to include such information in documents required to be filed with the Securities and Exchange Commission or to otherwise make such information public. The assumptions disclosed herein are those that the Debtors believe to be significant to the Financial Projections and are "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995.

The Financial Projections present, to the best of the Debtors' knowledge and belief, the Reorganized Debtors' projected financial position, results of operations, and cash flows for the Projection Period and reflect the Debtors' assumptions and judgments of the projections based on an estimated emergence date at fiscal year-end December 2018. Although the forward-looking statements, opinions, forecasts and projections contained in this presentation reflect management's current assumptions based upon information currently available to management and based upon that which management believes to be reasonable assumptions, actual results may not be consistent with these forward-looking statements, opinions, forecasts and projections and any differences may be material. Forward-looking statements, opinions, forecasts and projections necessarily involve significant known and unknown risks, assumptions and uncertainties that may cause ATD's actual results, performance prospects and opportunities in future periods to differ materially from those expressed or implied by such forward-looking statements, opinions, forecasts and projections. Consequently, actual financial results could differ materially from the Financial Projections. See section VIII entitled "Risk Factors" in this Disclosure Statement for examples of such considerations. The Financial Projections assume the Plan will be implemented in accordance with its stated terms. The Financial Projections should be read in conjunction with the assumptions and qualifications contained herein. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in either the Disclosure Statement or the Plan, as applicable. The Financial Projections have also been prepared to reflect a simplified "fresh-start" presentation, assuming the Debtors emerge on the Assumed Emergence Date. See table entitled "Projected Pro Forma Consolidated Balance Sheet" later in this Exhibit G.

THE FINANCIAL PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ("GAAP") IN THE UNITED STATES. FURTHERMORE, THE FINANCIAL PROJECTIONS HAVE NOT BEEN AUDITED OR REVIEWED BY A REGISTERED INDEPENDENT PUBLIC ACCOUNTING FIRM.

THE FINANCIAL PROJECTIONS, WHILE PRESENTED WITH NUMERICAL SPECIFICITY, ARE BASED UPON A VARIETY OF ESTIMATES AND ASSUMPTIONS WHICH MAY NOT BE REALIZED AND ARE SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES WHICH ARE BEYOND THE CONTROL OF THE DEBTORS. CONSEQUENTLY, THE FINANCIAL PROJECTIONS SHOULD NOT BE REGARDED AS A REPRESENTATION OR WARRANTY BY THE DEBTORS, OR ANY OTHER PERSON, AS TO THE ACCURACY OF THE FINANCIAL PROJECTIONS OR THAT THE FINANCIAL PROJECTIONS WILL BE REALIZED. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE PRESENTED IN THE FINANCIAL PROJECTIONS. HOLDERS OF CLAIMS OR INTERESTS MUST MAKE THEIR OWN ASSESSMENT AS TO THE REASONABLENESS OF SUCH

ASSUMPTIONS AND THE RELIABILITY OF THE FINANCIAL PROJECTIONS IN MAKING THEIR DETERMINATION OF WHETHER TO ACCEPT OR REJECT THE PLAN.

B. BUSINESS DESCRIPTION

ATD operates the largest distribution network of replacement tires across North America based on dollar amount of wholesale sales and number of warehouses. Through this network ATD provides over 80,000 customers with approximately 70,000 types of stock-keeping units (SKUs) consisting of tires, tire supplies and tools, and custom wheels and accessories, among other products. An extensive and efficient distribution network with over 140 distribution centers allows ATD to maintain a significant scale advantage within the marketplace. ATD's vast product offering, distribution and inventory management system, sales force and marketing services, and ability to cater to a broad customer base gives them a competitive edge over other smaller and regionally-focused replacement tire distributors.

Income Statement Assumptions - Revenue

A. SALES

In developing the Financial Projections, ATD evaluated market conditions by channel, product group, and brand, and projected demand growth and price points in each category.

ATD has a comprehensive portfolio of products that allows it to penetrate the replacement tire market across a broad range of price points. During 2017, tire sales accounted for 97% of net sales with passenger and light truck tire ("PLT") sales accounting for 85% of this amount and tire supplies and tools, and custom wheels and accessories accounting for the remaining 3% of net sales. As such, the bulk of ATD's product sales are derived from the tires that ATD either produces or acquires through suppliers. Specifically, ATD obtains its inventory from seven of the top ten leading passenger and light truck tire brands in the United States and produces Hercules®, a leading private brand in North America based on 2017 unit sales.

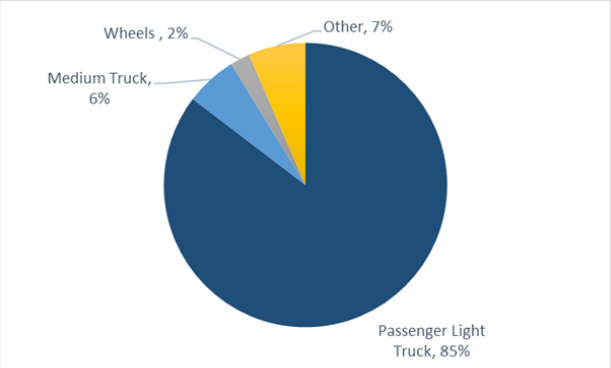
ATD's customer base is highly diversified but generally falls within the following channels: (a) core which includes local, regional, and national independent tire retailers; (b) corporate accounts which include mass merchandisers, warehouse clubs, car rental agencies, and tire manufacturer-owned stores; (c) car dealer, which includes automotive dealerships; and (d) e-commerce, which includes TireBuyer, ATD's branded & operated E-Commerce platform.

Recent trends toward disintermediation and online retail shopping have disrupted the replacement tire industry. The Financial Projections account for the effect that this disintermediation risk and other market forces could have on future earnings. It also contains assumptions on brand conversion and new business pipeline as part of a set of strategic initiatives to maintain its market position in the rapidly changing tire replacement market.

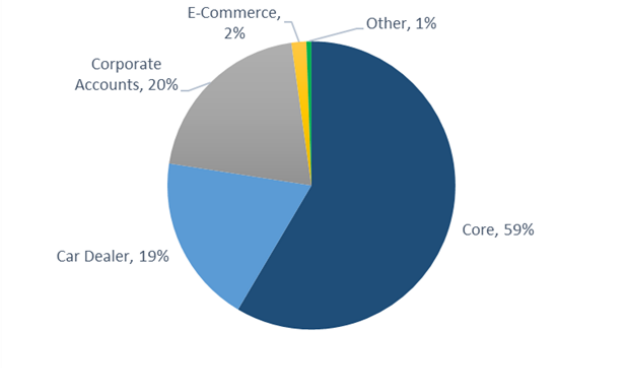
ATD has projected a reduction of PLT unit sales from 35.7 million in 2018 to 34.2 million in 2019 in accounting for the trends noted above. These are partially offset by new business contribution of approximately 2.5 million units in 2019 growing to approximately 4.5 million units in 2020. The Financial Projections also include a 1% to 2% steady-state organic volume growth in its base unit sales which is consistent with historical patterns, and 2% to 3% average selling price inflation. Within its major channels, ATD has estimated growth from 2020 through 2023 at 0.5% to 1% for its core independent tire retailers, 1% to 2% for car dealers, 7% for e-commerce sales, and an increase of 30% in corporate accounts in 2020 from new business contributions, stabilizing at 2.5% from 2021 through 2023.

Revenue(1) by Product Group and Channel

By Product Group



By Channel



(1) Based on projected 2019 revenue of $4.98 billion

Net Sales and PLT Units

	2018	2019	2020	2021	2022	2023
PLT Units (millions)	35.7	34.2	36.6	37.1	37.7	38.2
PLT Units vs. Prior Year (millions)		(1.5)	2.4	0.6	0.5	0.5
YoY Growth %		-4.2%	7.0%	1.5%	1.4%	1.3%
Net Sales ($ millions)	5,085	4,987	5,516	5,680	5,855	6,023
YoY Growth %		-1.9%	10.6%	3.0%	3.1%	2.9%

Income Statement Assumptions – Expenses

ATD has projected the following expense items, net of certain strategic cost initiatives noted within section III.B.1(a) of this Disclosure Statement.

A. COST OF GOODS SOLD

ATD's total cost of goods remains consistent during the Projection Period at approximately 82% of net sales and is predominately related to tire product costs from supplier purchases, offset by vendor rebates and other allowance credits.

B. SALARIES AND WAGES

Salaries and wages includes salaries, fixed and hourly wages, overtime pay, benefits, sales commissions, casual labor and payroll taxes. These costs represent approximately 7% of net sales throughout the Projection Period. The Financial Projections assume market wage adjustments for certain groups of employees in the second half of 2018, and a 2% per year merit wage inflation for all employees in 2019 and through the end of the Projection Period.

C. OCCUPANCY AND VEHICLES

Occupancy costs are primarily made up of rent, insurance costs, utilities costs, and maintenance and repair costs. Predominately all of ATD's facilities are leased. Vehicle costs include vehicle leases, fuel costs, and third-party courier expenses. The Financial Projections assume a fuel cost increase of 2% to 4% per year for the years 2019 through 2023. Occupancy and vehicle costs represent approximately 4% to 5% of net sales throughout the Projection Period.

D. OTHER SELLING GENERAL AND ADMINISTRATIVE COSTS

Other selling general and administrative expenses include information technology costs, advertising costs, travel and meetings, human resources and other various overhead costs. These costs represent approximately 2% of net sales and are expected to grow with an inflation rate of approximately 2% per year throughout the Projection Period.

E. DEPRECIATION AND AMORTIZATION

Depreciation and amortization expenses are forecast using straight line depreciation methods for fixed assets and intangible assets during the Projection Period. Depreciation for capital expenditures during the Projection Period are forecast on a straight-line basis over a period of 5 years. Depreciation for existing property, plant and equipment is based on the book value of those assets, spread on a straight-line basis over the remaining useful life for each of those assets. Amortization is based on the expected life of the intangible assets and is forecast on a straight-line basis during the Projection Period. No new intangible assets are recorded during the Projection Period. Goodwill is not assumed to be amortized in the Financial Projections.

F. TRANSACTION AND TRANSFORMATION COSTS

Transaction and transformation costs include advisory transaction fees, financing fees, costs related to the payment of certain prepetition liabilities at emergence as part of the Plan, and one-time costs related to strategic initiatives. Financing fees in the Financial Projections include issuance fees for the DIP Facility, rollover fees for the prepetition ABL Facility and prepetition Term Loan Facility, and exit financing fees for the post-emergence debt.

G. INTEREST

Interest expense is based upon projected debt level and applicable interest rates, for the debt obligations as outlined in the Plan. See the table in section I. Debt below for a summary of debt terms.

H. TAXES

Effective tax rates by jurisdiction are used to forecast total income tax expense on an accrual basis in the Financial Projections. Additionally, the Financial Projections assume that COD income resulting from the debt restructuring will result in the extinguishment of net operating loss carryforwards and reduction of other tax attributes. As a result, the Financial Projections include an increase in the deferred tax liability post-emergence and estimated cash taxes owed of approximately $29 million in 2019, $35 million in 2020, $37 million in 2021, $44 million in 2022, and $47 million in 2023. The primary differences between the cash tax rate and effective or book tax rate in the Financial Projections are the non-deductibility of certain transaction costs and interest expense disallowed for tax purposes.

Balance Sheet Assumptions[1]

A. CASH AND CASH EQUIVALENTS

ATD considers all deposits with an original maturity of three months or less and readily convertible cash to be cash equivalents in its consolidated financial statements. The increase in cash balances during the Projection Period are attributed to buildup of cash in Canada from operations as no assumptions have been made within the Financial Projections as to future dividends or repatriation of funds.

B. ACCOUNTS RECEIVABLE

Growth in accounts receivable during the Projection Period relates to expected revenue growth. The Financial Projections assume that year end days sale's outstanding remains constant at approximately 22 days from the end of 2018 through the end of 2023.

C. INVENTORY

Inventories are stated at the lower of cost, determined on the first-in, first-out basis and consist primarily of automotive tires, custom wheels, and related tire supplies and tools. ATD performs periodic assessments to determine the existence of obsolete, slow-moving and non-saleable inventories and record necessary provisions to reduce such inventories to net realizable value. ATD is currently evaluating changing its accounting policy with respect to valuation of its slow-moving inventory and has not yet quantified the effect of such a change to its balance sheet and any resulting change to the fresh-start accounting estimates included herein.

The Financial Projections assume improvement of 11 days from year end days on-hand of 78 in 2018 to 67 in 2019. ATD transitions away from Goodyear and Bridgestone, and drives greater efficiency from a variety of levers including: (i) the expectation of higher network optimization with go-forward brands, (ii) highly integrated vendor supply planning collaboration to optimize product screen management, and (iii) contributions from data analytic platforms to improve demand predictability, product availability, and reduce excess holding levels. Year end days on hand remain at 67 days from 2019 through end of 2023.

D. OTHER CURRENT ASSETS

Other Current Assets include predominately pre-paid expenses and other miscellaneous receivables.

E. PROPERTY AND EQUIPMENT, NET

Includes largely software-related assets along with machinery & equipment, leasehold improvements, and furniture and fixtures. The Financial Projections assume expenditures of $60 to $65 million per year for information technology-related, growth, and maintenance assets. Assets acquired during the Projection Period are depreciated on a straight-line basis over 5 years.

F. GOODWILL AND OTHER INTANGIBLES, NET

Net intangible assets include goodwill, customer lists, tradenames and other miscellaneous intangibles. Such intangibles are projected to amortize over the remainder of their useful life. No amortization is assumed for goodwill.

G. OTHER LONG TERM ASSETS

Other Long Term Assets includes investments, deferred tax assets, deposits, and other long term receivables.

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[1] The Balance Sheet Assumptions should be read in conjunction with the Projected Pro Forma Consolidated Balance Sheet Assumptions.

H. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Financial Projections reflect the improvement of ATD's year end days payable from 50 days at end of 2018 to 55 days by the end of 2019. Year end days payable remains constant at 55 days from end of 2019 through end of 2023. Prepetition accounts payable is assumed to be paid as part of ATD's court-approved first day orders or upon emergence as part of the Plan. Accrued liabilities includes accruals for salaries, bonuses, other benefits, severance, taxes, and interest, among others.

I. DEBT

Upon consummation of the Plan, ATD is assumed to have the following debt obligations in place throughout the Projection Period:

Facility	Commitment ($ millions)	Interest Rate
Amended ABL Facility	$ 950.0	L+213 - Libor Loans L+ 600 - FILO Loan
Canadian ABL Facility	$ 180.0	L+250 - Libor Loans L+400 - FILO Loan
Amended Term Loan Facility	$ 785.5	L + 750
Capital Leases	$ 59.5	Various

J. OTHER LONG TERM LIABILITIES

Other long term liabilities include primarily deferred tax obligations and other long term lease accruals.

K. STOCKHOLDER EQUITY

Stockholder equity at the Emergence Date reflects conversion of prepetition Senior Subordinated Notes to equity and is inclusive of estimated fresh-start accounting adjustments.

Cash Flow Assumptions

A. CASH FLOW FROM OPERATIONS

During the Projection Period, it is expected that ATD will generate $72 million from working capital. In the 12 months from the Assumed Emergence Date until December 2019, ATD expects to generate $74 million from working capital largely from (i) restoring prepetition terms with its vendors and (ii) reducing inventory levels as the company transitions away from non-go-forward brands. Key components of working capital usage include inventory build-up and incremental accounts receivable related to incremental sales.

B. CASH FLOW FROM INVESTING

The Financial Projections assume capital spending of $60 million in 2019, increasing to $65 million in 2020 and remaining at this level through the end of the forecast period. Capital investment includes operations, equipment replacement, distribution center real estate improvements and repairs, tire molds for proprietary brand style and product line changes, and information technology spending, among others. Information technology spending historically accounts for 80% of total annual capital spending.

C. CASH FLOWS FROM FINANCING

Sources of cash reflect the proceeds from the FILO DIP Facility and any borrowing from the ABL DIP Facility. Uses of cash primarily reflect amortization repayments under the FILO DIP Facility and the ABL DIP Facility.

The ‘‘SOURCES AND USES’’ set forth below presents the estimated sources and uses of funds for the consummation of the Restructuring Transactions contemplated in the Plan. The actual amounts are subject to adjustment and may differ at the time of the consummation of the Restructuring Transactions, depending on several factors, including differences in estimated transaction fees and expenses, differences between actual and projected operating results, and any differences in the contemplated debt financings when consummated.

Projected Pro Forma Consolidated Statements of Operations
Estimated Cash Sources and Uses at the Assumed Emergence Date
(UNAUDITED)
(DOLLARS IN MILLIONS)

Assumed emergence date at fiscal year end December 2018; $ in millions

Sources		
Additional Loans Under Amended Term Loan Facility		100
Additional Loans Under Amended ABL Facility		150
Release of Advisor Fee Retainers		2
Release of Utilities Retainer		1
Drawdown of Amended ABL Facility		66
Total Sources	**$**	**319**

Uses		
Repayment of FILO DIP Facility		250
Payment of Prepetition Liabilities [(1)]		19
Transaction Fees [(2)]		50
Total Uses	**$**	**319**

1. Payment of prepetition liabilities assumes the payment of outstanding trade payable amounts not paid during the pendency of the Chapter 11 cases pursuant to certain orders of the Bankruptcy Court allowing the Debtors to pay certain prepetition claims (the “First Day Orders”).
2. Transaction Fees include advisor transaction fees and exit financing fees.

The Projected Pro Forma Consolidated Balance Sheet as of the Assumed Emergence Date presents: (a) the projected consolidated financial position of the Debtors as of fiscal year end December 2018, prior to the consummation of the transactions contemplated in the Plan; (b) the pro forma adjustments to such projected consolidated financial position required to reflect the Restructuring Transactions; and (c) the pro forma projected consolidated financial position of the Debtors as of the Assumed Emergence Date, after giving effect to the Restructuring Transactions. The Restructuring Transactions set forth in the columns captioned ''Reorganization Adjustments'' and "Fresh Start Adjustments" reflect the anticipated effects of the Restructuring Transactions.

Projected Pro Forma Consolidated Balance Sheet
(UNAUDITED)
(DOLLARS IN MILLIONS)

Period End Date	Pre-Emergence Dec-2018 [1]	Reorganization Adjustments [2]	Fresh Start Adjustments [3]	Pro-Forma Bal. Dec-2018
($ in millions)				
Cash and Cash Equivalents	35	-	-	35
Accounts Receivable	295	-	-	295
Inventory	912	-	-	912
Other Current Assets	41	-	-	41
Total Current Assets	**1,283**	**-**	**-**	**1,283**
Property and Equipment, net	318	-	-	318
Goodwill and Other Intangibles, net	1,417	-	(288)	1,129
Other Assets	42	-	-	42
TOTAL ASSETS	**$ 3,060**	**$ -**	**$ (288)**	**$ 2,772**
Accounts Payable & Accrued Liabilities	716	(80)	-	636
Current Portion of Long Term Debt	10	-	-	10
Other Current Liabilities	12	-	-	12
Total Current Liabilities	**737**	**(80)**	**-**	**657**
Long-Term Debt	2,451	(1,050)	-	1,401
Other Liabilities	82	-	43	125
Total Long-Term Liabilities	**2,532**	**(1,050)**	**43**	**1,525**
Total Stockholder's Equity	(209)	1,130	(331)	590
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	**$ 3,060**	**$ -**	**$ (288)**	**$ 2,772**

1. The pre-emergence balance sheet reflects forecast results for the period ending December 2018, prior to the execution of the transaction contemplated in the Plan.
2. The Plan assumes that the $1,050 in principal amount of the Senior Subordinated Notes will be converted to equity.
3. At the time of filing this Exhibit G to the Disclosure Statement, ATD has not completed a fair value assessment of its assets and liabilities. The Financial Projections adjust ATD's equity, tax liabilities and goodwill balances to reflect the estimated effects of the transaction.

The ‘‘PROJECTED PRO FORMA CONSOLIDATED STATEMENTS OF OPERATIONS’’ presents the projected consolidated results of operations of ATD for the period commencing September 29, 2018 through fiscal year end December 2018, and for the fiscal years ending December 2019, 2020, 2021, 2022 and 2023, after giving effect to the Restructuring Transactions to occur on the Assumed Emergence Date.

Projected Pro Forma Consolidated Statements of Operations
(UNAUDITED)
(DOLLARS IN MILLIONS)

Period End Date	Partial Year Oct-Dec 2018	Dec-2019	Dec-2020	Dec-2021	Dec-2022	Dec-2023
($ in millions)						
Net Sales	1,305	4,987	5,516	5,680	5,855	6,023
Cost of Goods Sold	1,062	4,052	4,522	4,662	4,807	4,947
Gross Profit	**$ 243**	**$ 934**	**$ 995**	**$ 1,018**	**$ 1,048**	**$ 1,077**
Salaries and Wages	95	391	399	405	411	417
Occupancy & Vehicles	63	241	245	247	251	255
Other Selling General & Administrative	22	89	91	93	95	97
Depreciation & Amortization	40	168	168	161	159	158
Transaction/Transformation expenses	99	32	-	-	-	-
Total Operating Expenses	**$ 319**	**$ 921**	**$ 903**	**$ 907**	**$ 916**	**$ 927**
Operating Income/(Loss)	**$ (76)**	**$ 13**	**$ 92**	**$ 111**	**$ 132**	**$ 150**
Interest Expense	54	124	127	123	122	117
Income Before Taxes	**$ (129)**	**$ (111)**	**$ (36)**	**$ (12)**	**$ 10**	**$ 32**
Income Taxes	3	0	9	13	22	26
Net Income / (Loss)	**$ (133)**	**$ (111)**	**$ (45)**	**$ (26)**	**$ (12)**	**$ 7**
Adjusted EBITDA [(1)]	**$ 67**	**$ 220**	**$ 266**	**$ 279**	**$ 297**	**$ 315**

1. Adjusted EBITDA is calculated as Operating Income plus Depreciation, Amortization, Transaction and Transformation expenses, and adjusted for management fees, stock-based compensation, non-income based taxes, impairment, gains/losses on asset disposals, foreign currency exchange gains or losses, and other.

The ‘‘PROJECTED PRO FORMA CONSOLIDATED BALANCE SHEETS’’ presents the projected consolidated financial position of ATD as of fiscal year end December 2018, after giving effect to the consummation of the Restructuring Transactions, and as of each of fiscal year ending December 2019, 2020, 2021, 2022, and 2023.

Projected Pro Forma Year End Consolidated Balance Sheets
(UNAUDITED)
(DOLLARS IN MILLIONS)

Period End Date	Dec-2018	Dec-2019	Dec-2020	Dec-2021	Dec-2022	Dec-2023
($ in millions)						
Cash and Cash Equivalents	35	35	35	49	72	97
Accounts Receivable	295	361	392	402	414	426
Inventory	912	879	978	1,006	1,038	1,068
Other Current Assets	41	42	42	42	42	42
Total Current Assets	**1,283**	**1,317**	**1,446**	**1,498**	**1,565**	**1,633**
Property and Equipment, net	318	293	272	258	247	236
Goodwill and Other Intangibles, net	1,129	1,053	975	891	810	727
Other Assets	42	47	52	56	60	67
TOTAL ASSETS	**$ 2,772**	**$ 2,709**	**$ 2,746**	**$ 2,703**	**$ 2,682**	**$ 2,663**
Accounts Payable & Accrued Liabilities	636	744	806	804	801	799
Current Portion of Long Term Debt	10	10	10	10	10	10
Other Current Liabilities	12	6	5	4	4	3
Total Current Liabilities	**657**	**759**	**821**	**818**	**814**	**812**
Long-Term Debt	1,401	1,331	1,335	1,319	1,304	1,272
Other Liabilities	125	101	79	60	42	27
Total Long-Term Liabilities	**1,525**	**1,431**	**1,414**	**1,379**	**1,346**	**1,299**
Total Stockholder's Equity	590	519	510	507	522	552
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	**$ 2,772**	**$ 2,709**	**$ 2,746**	**$ 2,703**	**$ 2,682**	**$ 2,663**

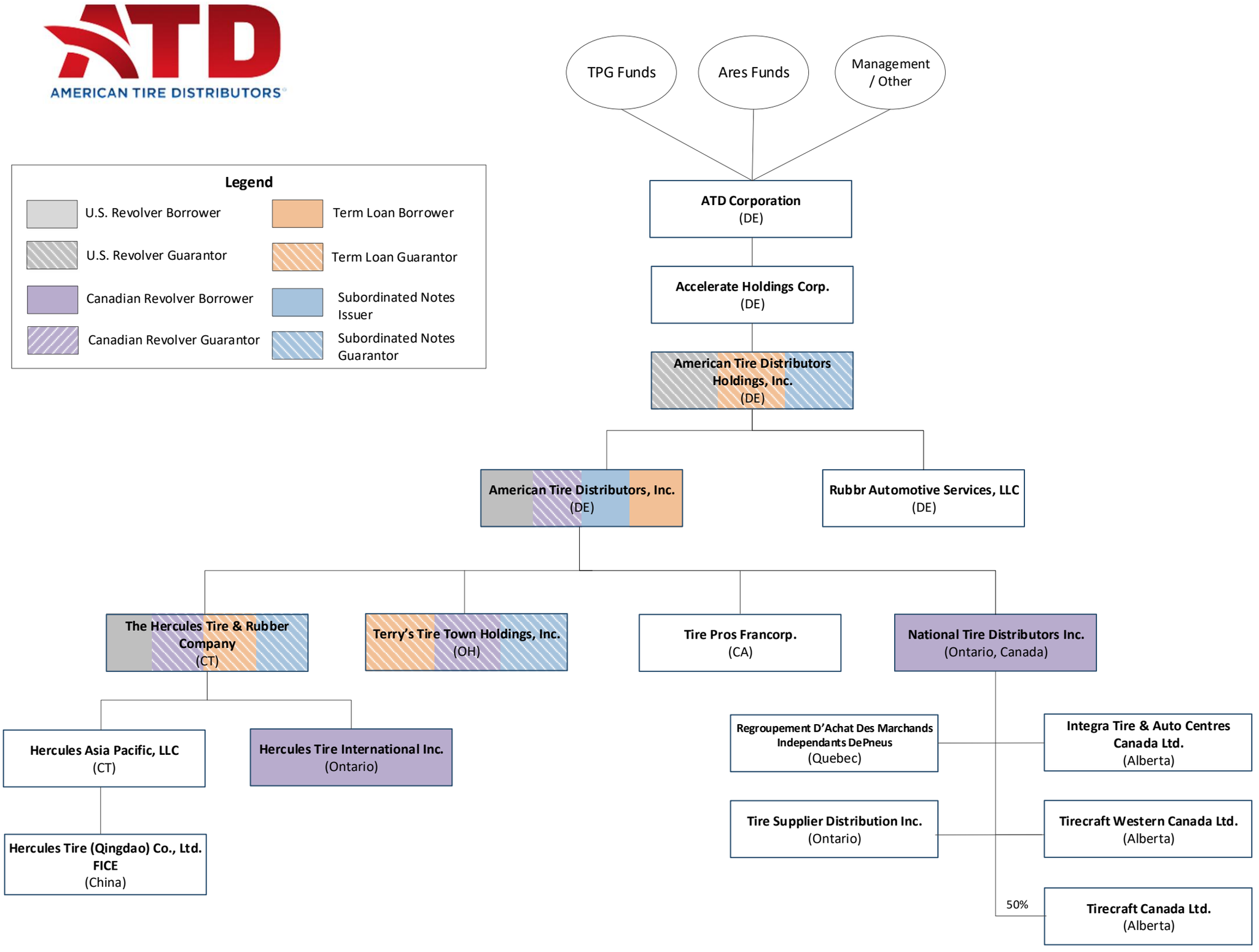
The ‘‘PROJECTED PRO FORMA CONSOLIDATED STATEMENTS OF CASH FLOWS’’ presents the projected cash flows of ATD for the period commencing September 29, 2018 through fiscal year end December 2018, and for the fiscal years ending December 2019, 2020, 2021, 2022 and 2023, after giving effect to the Restructuring Transactions to occur on the Assumed Emergence Date.

Projected Pro Forma Consolidated Statements of Cash Flows
(UNAUDITED)
(DOLLARS IN MILLIONS)

Period End Date	Partial Year Oct-Dec 2018	Dec-2019	Dec-2020	Dec-2021	Dec-2022	Dec-2023
($ in millions)						
Cash Flow from Operations						
Net Income(Loss)	**$ (133)**	**$ (111)**	**$ (45)**	**$ (26)**	**$ (12)**	**$ 7**
Depreciation & Amortization	40	168	168	161	159	158
Amortization of Deferred Financing Fees	2	-	-	-	-	-
Receivables	44	(66)	(31)	(10)	(12)	(12)
Inventories	142	33	(98)	(28)	(32)	(30)
Accounts Payable & Accrued Liabilities	9	108	63	(2)	(3)	(2)
Other (Operating)	(2)	(6)	(1)	(1)	(0)	(0)
Net Cash Flow from Operating Activities	**$ 104**	**$ 125**	**$ 57**	**$ 94**	**$ 100**	**$ 120**
Cash Flow from Investments						
Purchase of Property and Equipment	(19)	(60)	(65)	(65)	(65)	(65)
Net Cash Flow from Investing Activities	**$ (19)**	**$ (60)**	**$ (65)**	**$ (65)**	**$ (65)**	**$ (65)**
Cash Flow from Financing Activities						
Net Borrowings on Revolving Credit Agreement	(331)	5	17	(8)	13	(13)
Proceeds from DIP Loan	250	-	-	-	-	-
Repayment of Long-Term Debt	(4)	(70)	(9)	(9)	(25)	(17)
Net Cash Flow from Financing Activities	**$ (84)**	**$ (65)**	**$ 8**	**$ (16)**	**$ (12)**	**$ (30)**
Net Increase (Decrease) in Cash	**$ 0**	**$ 0**	**$ 0**	**$ 14**	**$ 23**	**$ 26**
Starting Cash Balance	35	35	35	35	49	72
Net Increase (Decrease) in Cash	0	0	0	14	23	26
Ending Cash Balance	**$ 35**	**$ 35**	**$ 35**	**$ 49**	**$ 72**	**$ 97**

EXHIBIT H

Corporate Organizational Chart


AMERICAN TIRE DISTRIBUTORS
TPG Funds
Ares Funds
Management / Other
Legend
U.S. Revolver Borrower
U.S. Revolver Guarantor
Canadian Revolver Borrower
Canadian Revolver Guarantor
Term Loan Borrower
Term Loan Guarantor
Subordinated Notes Issuer
Subordinated Notes Guarantor
ATD Corporation (DE)
Accelerate Holdings Corp. (DE)
American Tire Distributors Holdings, Inc. (DE)
American Tire Distributors, Inc. (DE)
Rubbr Automotive Services, LLC (DE)
The Hercules Tire & Rubber Company (CT)
Terry's Tire Town Holdings, Inc. (OH)
Tire Pros Francorp. (CA)
National Tire Distributors Inc. (Ontario, Canada)
Hercules Asia Pacific, LLC (CT)
Hercules Tire International Inc. (Ontario)
Hercules Tire (Qingdao) Co., Ltd. FICE (China)
Regroupement D'Achat Des Marchands Independants De Pneus (Quebec)
Tire Supplier Distribution Inc. (Ontario)
Integra Tire & Auto Centres Canada Ltd. (Alberta)
Tirecraft Western Canada Ltd. (Alberta)
50%
Tirecraft Canada Ltd. (Alberta)