

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

VELOCITY HOLDING COMPANY, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 17-12442 (KJC)

(Jointly Administered)

Related to Docket No. 281 and 392

**ORDER APPROVING
DEBTORS' MOTION FOR ENTRY OF
AN ORDER (I) APPROVING THE ADEQUACY
OF THE DISCLOSURE STATEMENT, (II) APPROVING THE
SOLICITATION AND NOTICE PROCEDURES WITH RESPECT
TO CONFIRMATION OF THE DEBTORS' PROPOSED JOINT PLAN OF
REORGANIZATION, (III) APPROVING THE FORMS OF BALLOTS AND
NOTICES IN CONNECTION THEREWITH, (IV) SCHEDULING CERTAIN
DATES WITH RESPECT THERETO, AND (V) GRANTING RELATED RELIEF**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order"), approving (a) the adequacy of the *Disclosure Statement for the Joint Chapter 11 Plan of Reorganization of Velocity Holding Company, Inc. and its Affiliated Debtors* (as may be amended, supplemented or modified from time to time, the "Disclosure Statement"); (b) the Solicitation and Voting Procedures; (c) the Voting Record Date, Solicitation Deadline, and Voting Deadline; (d) the manner and form of the Solicitation Packages and the materials contained therein; (e) the Plan Supplement Notice; (f) the Non-Voting Status Notices; (g) the form of notices to counterparties

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Velocity Holding Company, Inc. (1790); Velocity Pooling Vehicle, LLC (4630); Ed Tucker Distributor, Inc. (9197); Ralco Holdings, Inc. (0707); Rally Holdings, LLC (0707); Tucker Rocky Corporation (5967); Tucker-Rocky Georgia, LLC (8121); Motorsport Aftermarket Group, Inc. (0080); DFR Acquisition Corp. (4542); J&P Cycles, LLC (2512); Kuryakyn Holdings, LLC (2341); MAG Creative Group, LLC (4754); MAGNET Force, LLC (2635); Motorcycle Superstore, Inc. (1046); Motorcycle USA LLC (8994); Mustang Motorcycle Products, LLC (3660); Performance Machine, LLC (3924); Renthal America, Inc. (3827); and V&H Performance, LLC (2802). The location of the Debtors' service address is 651 Canyon Drive, Suite 100, Coppell, Texas 75019.

² Capitalized terms used but not defined herein have the meanings given to them in the Motion.

to Executory Contracts and Unexpired Leases that will be assumed or rejected pursuant to the Plan; (h) the Voting and Tabulation Procedures; (i) the Plan Objection Deadline, Confirmation Hearing Date, and Confirmation Hearing Notice; and (j) dates and deadlines related thereto, all as more fully described in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY FOUND THAT:

A. The notice of the Motion and the Disclosure Statement Hearing was served as proposed in the Motion, and such notice constitutes good and sufficient notice to all interested parties and no other or further notice need be provided.

B. The Disclosure Statement contains "adequate information" within the meaning of section 1125 of the Bankruptcy Code.

C. The form of the Class 3 Ballot attached hereto as **Schedule 4** is sufficiently consistent with Official Form No. 14 and adequately addresses the particular needs of the Chapter 11 Cases and is appropriate for Class 3 to accept or reject the Plan.

D. The contents and proposed distribution of the Solicitation Packages complies with Bankruptcy Rule 3017(d).

E. The Ballot need not be provided to the Non-Voting Classes, because the Plan provides that such classes of claims and interests are either rendered unimpaired under, and therefore, deemed to have accepted the Plan (without voting) or are not receiving any distribution under, and therefore, deemed to have rejected the Plan (without voting).

F. The Voting Deadline, **March 21, 2018 at 4:00 p.m. (prevailing Eastern Time)** unless extended by the Debtors, prior to which the Debtors may solicit acceptances to the Plan is a reasonable and adequate period of time for holders of Class 3 Claims to make an informed decision to accept or reject the Plan.

G. The Solicitation and Voting Procedures attached hereto as **Schedule 3** provide for a fair and equitable voting process and are consistent with section 1126 of the Bankruptcy Code.

H. The notices substantially in the forms attached hereto as **Schedules 5** through **11** and the procedures set forth below for providing such notice to all voting and non-voting creditors, equity security holders, and parties in interest of the time, date, and place of the hearing to consider confirmation of the Plan and the contents of the Solicitation Packages comply with Bankruptcy Rules 2002 and 3017 and constitute sufficient notice to all interested parties.

I. In addition to including the Confirmation Hearing Notice in the Solicitation Packages, the Debtors will cause the Confirmation Hearing Notice (in a format modified for

publication) to be published once in the national edition of the *New York Times*, *Wall Street Journal*, or *USA Today* on or before February 21, 2018. Publication of such notice will provide sufficient notice to persons who do not otherwise receive the Confirmation Hearing Notice by mail.

J. The Disclosure Statement Hearing Notice and the service thereof, as described in the Motion, complies with the requirements of Bankruptcy Rule 2002(b) and 3017 and shall constitute sufficient notice of the Disclosure Statement Hearing.

HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.

A. Approval of the Disclosure Statement.

2. The Disclosure Statement, attached hereto as **Schedule 2**, is hereby approved as providing holders of Claims entitled to vote on the Plan with adequate information to make an informed decision as to whether to vote to accept or reject the Plan in accordance with section 1125(a)(1) of the Bankruptcy Code.

3. All objections, responses, statements and comments, if any, in opposition to the Disclosure Statement, other than those withdrawn with prejudice in their entirety prior to, or on the record at, the Disclosure Statement Hearing shall be, and hereby are, overruled in their entirety for the reasons stated on the record and, notwithstanding the foregoing, no objection shall be considered an objection to confirmation unless such objection is interposed in accordance with the procedure for objecting to confirmation of the Plan as set forth herein.

4. The Disclosure Statement Hearing Notice attached hereto as **Schedule 1** is approved.

5. The Disclosure Statement (including all applicable exhibits thereto) provides holders of Claims, holders of Interests, and other parties in interest with sufficient notice of the

injunction, exculpation, and release provisions contained in Article X of the Plan, in satisfaction of the requirements of Bankruptcy Rule 3016(c).

B. Approval of the Solicitation and Voting Procedures.

6. The Debtors are authorized to solicit, receive, and tabulate votes to accept the Plan in accordance with the Solicitation and Voting Procedures attached hereto as **Schedule 3**, which are hereby approved in their entirety.

C. Approval of the Solicitation and Voting Procedures.

A. Approval of Key Dates and Deadlines with Respect to the Plan and Disclosure Statement.

7. The following dates are hereby established (subject to modification as necessary) with respect to the solicitation of votes to accept, and voting on, the Plan as well as filing objections to the Plan and confirming the Plan (all times prevailing Eastern Time):

Voting Record Date	February 14, 2018
Solicitation Deadline	February 21, 2018
Publication Deadline	February 21, 2018
Voting Deadline	March 21, 2018 at 4:00 p.m. (Eastern Time)
Plan Objection Deadline	March 21, 2018 at 4:00 p.m. (Eastern Time)
Deadline to File Confirmation Brief	March 26, 2018 at 12:00 p.m. (Eastern Time)
Deadline to File Confirmation Order	March 26, 2018 at 12:00 p.m. (Eastern Time)
Plan Objection Response Deadline	March 26, 2018 at 12:00 p.m. (Eastern Time)
Deadline to File Voting Report	March 26, 2018 at 12:00 p.m. (Eastern Time)
Confirmation Hearing Date	March 28, 2018 at 11:00 a.m. (Eastern Time)

II. Approval of the Form of, and Distribution of, Solicitation Packages to Parties Entitled to Vote on the Plan

8. In addition to the Disclosure Statement and exhibits thereto, including the Plan and this Order (without exhibits, except the Solicitation Procedures), the Solicitation Packages to be transmitted on or before the Solicitation Deadline to those holders of Claims in the Voting Class entitled to vote on the Plan as of the Voting Record Date, shall include the following, the

form of each of which is hereby approved:

- a. an appropriate form of Ballot attached hereto as Schedule 3;³
- b. the Cover Letter attached hereto as Schedule 7; and
- c. the Confirmation Hearing Notice attached hereto as Schedule 8.

9. The Solicitation Packages provide the holders of Claims entitled to vote on the Plan with adequate information to make informed decisions with respect to voting on the Plan in accordance with Bankruptcy Rules 2002(b) and 3017(d), the Bankruptcy Code, and the Local Rules.

10. The Debtors shall distribute Solicitation Packages to all holders of Claims entitled to vote on the Plan on or before the Solicitation Deadline. Such service shall satisfy the requirements of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules.

11. The Debtors are authorized, but not directed or required, to distribute the Plan, the Disclosure Statement, and this Order to holders of Claims entitled to vote on the Plan in electronic format (i.e. on a CD-ROM or flash drive). The Ballots as well as the Cover Letter and the Confirmation Hearing Notice will *only* be provided in paper form. On or before the Solicitation Deadline, the Debtors shall provide (a) complete Solicitation Packages to the U.S. Trustee and (b) the Order (in electronic format) and the Confirmation Hearing Notice to all parties on the 2002 List as of the Voting Record Date.

12. Any party that receives materials in electronic format, but would prefer to receive materials in paper format, may contact the Notice and Claims Agent and request paper copies of the corresponding materials previously received in electronic format (to be provided at the

³ The Debtors will make every reasonable effort to ensure that any holder of a Claim who has filed duplicate Claims against the Debtors (whether against the same or multiple Debtors) that are classified under the Plan in the same Voting Class, receives no more than one Solicitation Package (and, therefore, one Ballot) on account of such Claim and with respect to that Class.

Debtors' expense).

13. The Notice and Claims Agent is authorized to assist the Debtors in (a) distributing the Solicitation Package, (b) receiving, tabulating, and reporting on Ballots cast to accept or reject the Plan by holders of Claims against the Debtors, (c) responding to inquiries from holders of Claims and Interests and other parties in interest relating to the Disclosure Statement, the Plan, the Ballots, the Solicitation Packages, and all other related documents and matters related thereto, including the procedures and requirements for voting to accept or reject the Plan and for objecting to the Plan, (d) soliciting votes on the Plan, and (e) if necessary, contacting creditors regarding the Plan.

14. The Notice and Claims Agent is also authorized to accept Ballots via electronic mail via VelocityVote@DonlinRecano.com with "Velocity Vote" on the subject line.⁴

III. Approval of the Confirmation Hearing Notice.

15. The Confirmation Hearing Notice, in the form attached hereto as **Schedule 8**, filed by the Debtors, shall be served upon parties in interest in the Chapter 11 Cases on or before February 21, 2018 and constitutes adequate and sufficient notice of the hearing to consider approval of the Plan, the manner in which a copy of the Plan is able to be obtained, and the time fixed for filing objections thereto, in satisfaction of the requirements of the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. The Debtors shall publish the Confirmation Hearing Notice (in a format modified for publication) one time no later than February 21, 2018, in one of the *USA Today* (national edition), the *New York Times*, or the *Wall Street Journal*.

⁴ For any Ballot cast via electronic mail, the format of the attachment must be found in the common workplace and industry standard format (i.e., industry-standard PDF file) and the received date and time in the Notice and Claims Agent's inbox will be used as the timestamp for receipt.

IV. Approval of Notice of Filing of the Plan Supplement.

16. The Debtors are authorized to send notice of the filing of the Plan Supplement, which will be filed and served no later than seven (7) days prior to the Voting Deadline, substantially in the form attached hereto as **Schedule 9** on the date the Plan Supplement is filed pursuant to the terms of the Plan.

V. Approval of the Form of Notices to Non-Voting Classes.

17. Except to the extent the Debtors determine otherwise, the Debtors are not required to provide Solicitation Packages to holders of Claims or Interests in Non-Voting Classes, as such holders are not entitled to vote on the Plan. Instead, on or before the Solicitation Deadline, the Notice and Claims Agent shall mail (first-class postage prepaid) a Non-Voting Status Notice in lieu of Solicitation Packages, the form of each of which is hereby approved, to those parties, outlined below, who are not entitled to vote on the Plan:

Class	Status	Notice
1, 2, 8	Unimpaired—Conclusively Presumed to Accept	Will receive a notice, substantially in the form attached to the Order as <u>Schedule 5</u> , in lieu of a Solicitation Package.
4, 5, 6, 7	Impaired—Deemed to Reject	Will receive a notice, substantially in the form attached to the Order as <u>Schedule 6</u> , in lieu of a Solicitation Package.

18. The Debtors are not required to provide the holders of Class 8 Other Debtor Interests with a Solicitation Package or any other type of notice in connection with solicitation.

19. The Debtors are not required to mail Solicitation Packages or other solicitation materials, other than Confirmation Hearing Notices, to holders of Claims that have already been paid in full during the Chapter 11 Cases. The Debtors are not required to mail Solicitation Packages or other solicitation materials to any party to whom the Disclosure Statement Hearing

Notice was sent but was subsequently returned as undeliverable.

VI. Approval of Notices to Contract and Lease Counterparties.

20. The Debtors are authorized to mail a notice of assumption or rejection of any Executory Contracts or Unexpired Leases (and any corresponding Cure Claims), in the forms attached hereto as **Schedule 10** and **Schedule 11** to the applicable counterparties to Executory Contracts and Unexpired Leases that will be assumed or rejected pursuant to the Plan (as the case may be), within the time periods specified in the Plan.

VII. Approval of the Procedures for Filing Objections to the Plan.

21. Objections to the Plan may not be considered by the Court if such objections are not timely filed and properly served in accordance with this Order. Specifically, all objections to confirmation of the Plan or requests for modifications to the Plan, if any, ***must***: (a) be in writing; (b) conform to the Bankruptcy Rules and the Local Rules; (c) state, with particularity, the legal and factual basis for the objection and, if practicable, a proposed modification to the Plan (or related materials) that would resolve such objection; and (d) be filed with the Court (contemporaneously with a proof of service) and served upon the notice parties so as to be ***actually received*** on or before March 21, 2018, at 4:00 p.m., prevailing Eastern Time, by each of the notice parties identified in the Confirmation Hearing Notice.

VIII. Miscellaneous.

22. The Debtors, with the consent of the Requisite Consenting Term Lenders, reserve the right to modify the Plan in accordance with Section 12.5 thereof, including the right to withdraw the Plan as to an individual Debtor at any time before the Confirmation Date.

23. Nothing in this Order shall be construed as a waiver of the right of the Debtors or any other party in interest, as applicable, to object to a proof of claim after the Voting Record Date.

24. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

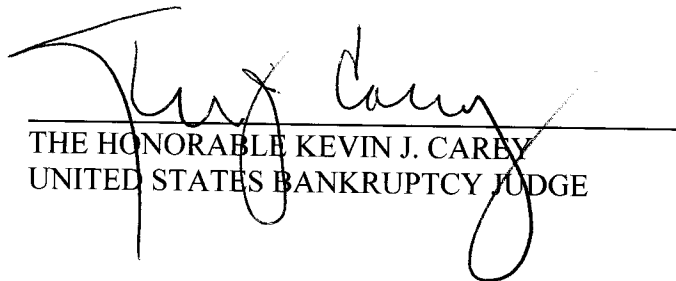
25. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective upon its entry.

26. The Debtors are authorized to make non-substantive changes to the Disclosure Statement, Plan, Ballot, or Confirmation Hearing Notice, and related Solicitation Package documents without further order of the Court, including, without limitation, changes to correct typographical and grammatical errors and to make conforming changes among the Disclosure Statement, Plan, and any materials in the Solicitation Package prior to their distribution.

27. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

28. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: Feb 14, 2018
Wilmington, Delaware



THE HONORABLE KEVIN J. CAREY
UNITED STATES BANKRUPTCY JUDGE