

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

In Re:

**ALLIED HOLDINGS, INC., *et al.*,

Debtors.**

Chapter 11

**Case Nos. 05-12515 through 05-12526
and 05-12528 through 05-12537**

Judge Mullins

**DEBTORS' MOTION TO EXTEND INTERIM RELIEF
UNDER 11 U. S. C. § 1113(e)**

Allied Holdings, Inc. and its affiliated debtors and debtors-in-possession¹ (collectively, "Allied" or the "Debtors") respectfully submit this motion (the "Extension Motion"), pursuant to 11 U.S.C. § 1113(e) for interim relief from certain provisions of the collective bargaining agreement between certain of the Debtors and the Teamsters National Automobile Transporters Industry Negotiating Committee ("TNATINC") and Local Unions 5, 20, 25, 41, 63, 79, 89, 115, 120, 135, 222, 251, 299, 312, 326, 327, 332, 355, 364, 385, 390, 391, 414, 449, 490, 492, 509, 512, 528, 542, 560, 568, 579, 592, 604, 612, 614, 631, 651, 710, 745, 822, 848, 891, 917, 957, 961 and 984, all affiliated with the International Brotherhood of Teamsters ("IBT") (TNATINC, IBT, and the local unions being collectively referred to herein as the "Teamsters"). In this Extension Motion, Allied seeks to extend the interim relief sought in Debtors' Emergency Motion for Interim Relief From Collective Bargaining Agreement Pursuant to Section 1113(e) (the "Initial Interim Relief Motion"), filed April 13, 2006 and granted through June 30, 2006

¹ Allied Automotive Group, Inc., Allied Systems, Ltd. (L.P.), Allied Systems (Canada) Company, QAT, Inc., RMX LLC, Transport Support LLC, F.J. Boutell Driveaway LLC, Allied Freight Broker LLC, GACS Incorporated, Commercial Carriers, Inc., Axis Group, Inc., Axis Netherlands, LLC, Axis Areta, LLC, Logistic Technology, LLC, Logistic Systems, LLC, CT Services, Inc., Cordin Transport LLC, Terminal Services LLC, Axis Canada Company, Ace Operations, LLC, and AH Industries Inc.

pursuant to an oral ruling on May 1, 2006, memorialized by an Order entered May 2, 2006. In support of the Extension Motion, Allied respectfully shows the Court as follows:

Summary

1. Allied seeks to extend the interim relief granted on May 1, 2006 instead of presently seeking to reject its collective bargaining agreement and impose deeper wage or benefit cuts upon its Teamster represented employees in the United States. Allied's plan in connection with its Initial Interim Relief Motion was to seek interim relief for the two- month period of May and June 2006 in order to be able to achieve labor savings needed to stay in business during that period and particularly to be able to survive in July when Allied forecast negative availability (which would have forced Allied to go out of business.) Allied's plan for surviving in July also required that, effective July 1, 2006, Allied would either (1) achieve a consensual modification of the collective bargaining agreement or (2) reject the collective bargaining agreement and impose compensation terms along the lines of Allied's Section 1113 proposal. Bargaining to achieve a consensual modification of the collective bargaining agreement has thus far been unsuccessful.

2. There has been, however, a significant development since the hearing on the Initial Interim Relief Motion. Yucaipa (defined below), a private equity firm, has acquired about \$100 million in face amount of Allied's \$150 million in pre-petition, unsecured notes. Yucaipa has contacted Allied and asked Allied to consider continuing its negotiations with the Teamsters without seeking to reject its collective bargaining agreement at this time. Yucaipa and Allied have begun preliminary discussions concerning a plan of reorganization; as part of those discussions, Allied has concluded that it will refrain from filing a motion to reject the collective bargaining agreement at the present time and will instead seek an extension of the interim relief

and continue bargaining with the Teamsters. Allied expects to continue its discussions with Yucaipa and work towards a restructure that will facilitate Allied's successful emergence from chapter 11.

3. The Fourth Amendment to Allied's DIP loan facility requires as a condition that Allied obtain a commitment letter for at least \$20 million in additional DIP loan availability. On June 6, 2006, Morgan Stanley Senior Funding, Inc. ("Morgan Stanley"), which serves as one of the agents, under Allied's debtor-in-possession financing, and Yucaipa provided a joint draft commitment for making a Term C DIP Loan ("Term Loan C") in the amount of \$30 million available to Allied. The draft commitment provides that Allied must obtain extended interim relief in order to make use of the Term Loan C.

4. The interim relief granted on May 1, 2006 provides for a wage reduction of 10% but did not provide for any reduction in the substantial contributions that Allied makes to multi-employer pension plans and health and welfare plans ("H W & P Contributions"). The Extended Interim Relief Motion likewise does not seek to reduce the level of these contributions. Instead, the motion seeks to extend the interim relief and to prevent an increase to Allied's current contributions to these plans from going into effect on August 1, 2006. By contrast, Allied's Section 1113 proposal seeks less of a wage reduction but a more significant reduction in H W & P Contributions.

Relief Requested

5. Allied requests that this Court enter an order (1) extending for a period of three months, from July 1, 2006 through September 30, 2006, the interim relief granted by this Court on May 1, 2006 and (2) reserving jurisdiction to grant further such relief. The interim relief

order (“Initial Interim Relief Order”) provided for interim relief of (1) a 10% wage reduction effective from May 1, 2006 through June 30, 2006 (the “Initial Interim Relief Period”) of the wages of U.S. Teamster employees, as calculated at the wage rates effective on April 30, 2006 and (2) a deferral of the effective date of increases in compensation scheduled to go into effect during the Initial Relief Period. These increases in compensation were a 2% wage increase and a cost-of-living increase, both scheduled to go into effect on June 1, 2006. Thus, the interim relief (“Extended Interim Relief”) sought for the period July 1, 2006 through September 30, 2006 (the “Extended Interim Relief Period”) is an extension of the wage reduction of 10% and a foregoing, during the Extended Interim Relief Period, of the increases in compensation scheduled to go into effect under the collective bargaining agreement from May 1, 2006 through September 30, 2006. The increases to be foregone are the wage increase and the cost-of-living increase scheduled to go into effect on June 1, 2006, as well as an increase in H W & P Contributions scheduled to go into effect on August 1, 2006. The scheduled wage increase is for an additional sixty cents an hour, up to a maximum of \$24 per week, with the weekly amount in some locations to be for the entire \$24 no matter how few hours are worked that week and with the weekly amount in other locations to be based on the hours worked that week (up to forty). The H W & P Contributions are paid to multi-employer plans, which determine the benefit level to be afforded all beneficiaries.

Jurisdiction

6. This Court has jurisdiction to consider this Extension Motion pursuant to 28 U.S.C. §§ 157 and 1334.

7. Consideration of this Extension Motion is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of this proceeding is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for this Extension Motion is 11 U.S.C. § 1113(e).

Background

8. Allied is the largest transporter of new and used vehicles in North America. Its business operations fall into two main categories. The largest category of business operations is providing “short-haul” delivery services for new vehicles over a distance averaging less than two hundred miles. These short-haul vehicle delivery services fall within the business operations of Allied Automotive Group, Inc. and its direct and indirect subsidiaries, which use specialized tractor-trailer units known as “rigs” to transport the vehicles. The other category of business operations is providing various support services with respect to vehicle transportation and distribution. These support services fall within the business operations of Axis Group, Inc. and its direct and indirect subsidiaries. In general terms, the Debtors’ need for bankruptcy relief was the result of a continuing pattern of decreasing revenues, primarily caused by a decrease in new vehicle production at its largest customers, higher costs for essential insurance and increasing expenses related to their aging fleet and essential fleet maintenance and the consequent difficulty of servicing debt and maintaining adequate liquidity.

9. Allied’s annual revenues are about \$900 million annually. About 87% of these revenues are from the “Big Five” automobile manufacturers in North America. These are General Motors Corporation, Ford Motor Company, DaimlerChrysler, Honda, and Toyota. Allied employs about 5,700 people in the United States and Canada. About 3,500 of the U.S. employees are Teamsters and about 775 of the U.S. employees are not unionized. A substantial portion of Allied’s annual revenues is devoted to paying employee compensation.

10. Allied's business fortunes are tied to those of the "Big Five" automobile manufacturers. As a consequence of the well-publicized troubles of some of these manufacturers and other factors, several major direct suppliers of goods and services to these manufacturers have commenced chapter 11 cases in 2005 and 2006. Also, Performance Transportation Services, Inc., another supplier of services to certain of these manufacturers and Allied's largest competitor, with annual revenues of about \$300 million, commenced a chapter 11 case earlier this year.

11. On July 31, 2005 (the "Petition Date"), each of the Debtors filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). In their chapter 11 cases (collectively "the Chapter 11 Case"), the Debtors are authorized to operate their businesses as debtors-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code.

12. Allied's major goals in the Chapter 11 Case have included obtaining (1) adequate post-petition financing ("DIP Financing"), (2) improved customer pricing and extensions of the terms of their contracts, (3) transformation changes in the CBA so as to lower the total cost of compensation and to eliminate work rules that cause Allied to operate inefficiently, and (4) reduction of debt service, including debt service for an issue of unsecured notes (the "Pre-Petition Notes") in the principal amount of \$150 million bearing interest at the rate of 8-5/8% and due in 2007.

13. On commencement of the Chapter 11 Case, Allied obtained DIP Financing from a consortium of lenders ("DIP Lenders"). The DIP Financing was asset-based and included, among other things, a revolving loan facility (the "Revolving Loan") and two terms loans, with

the borrowing under the Revolving Loan to be largely a function of the value of certain assets and the amount of certain reserves, and with the borrowing under the entire DIP Financing not to exceed \$230 million in any event. In addition to its fluctuating borrowings under the revolving loan, Allied borrowed \$20 million under Term Loan A and \$80 million under Term Loan B. Under the terms of the DIP Financing, in the event of default and liquidation, payment of the Term Loan B is subordinated to payment of the Revolving Loan and the Term Loan A. One of the DIP Lenders, Morgan Stanley is now both the Term Loan A Agent and the Term Loan B Agent.

14. In connection with the DIP Financing, Allied provided projections of its expected results of operations during the eighteen-month term of the loan and agreed to financial covenants as to the minimum level of earnings before interest, taxes, depreciation, and amortization (known by the acronym “EBITDA”) that Allied would maintain on a rolling twelve month basis. If the post-petition projections were met, Allied would not violate its financial covenants. If the projections were substantially off, Allied would violate its loan covenants.

15. During the first five months or so after the filing of the Chapter 11 Petition, Allied undertook to negotiate with its key customers in order to increase the compensation that they would pay for transportation services or to maintain the profitable business, or both. Those negotiations were generally successful.

16. In the first months of 2006, Allied completed its analysis of what it must obtain in concessions from the Teamsters in order to survive and reorganize. On March 8, 2006, Allied submitted its proposal (“1113 Proposal”) to the Teamsters, pursuant to 11 U.S.C. § 1113(b).

17. Also, in the first months of 2006, it became clear that Allied was not meeting the projections that it had provided under the DIP Financing. The reason for the missed projections included reduced production by certain automobile manufacturers, higher than anticipated insurance costs, and higher than anticipated costs of repairing and maintaining its aging fleet of tractors and trailers. The failure to meet the projections was substantial enough that Allied breached its financial covenants under its DIP Financing. Also, under its revised projections, the amount that Allied could borrow under the DIP Financing, even if it was not terminated by virtue of the default, was not enough to allow it to remain in operation through the month of July 2006.

18. Allied was granted short-term forbearances by its DIP Lenders while Allied and these lenders negotiated a means by which Allied could obtain the financing needed to continue operations. Allied began to look for ways to increase its liquidity as well as to negotiate with its DIP lenders for a waiver of the default and greater availability. It was very clear that the DIP Lenders did not plan to be the sole source of additional liquidity.

19. Allied identified a number of “self-help” remedies that Allied planned to undertake to increase liquidity. Allied also determined to file an emergency motion for interim relief under 11 U.S.C. § 1113(e).

20. On April 13, 2006, Allied filed its Initial Interim Relief Motion, seeking a two-month reduction of 10% in the amount of wages due under its collective bargaining agreement with the U.S. Teamsters and a foregoing, during the Initial Interim Relief Period, of a 2% wage increase and a cost-of-living adjustment, both scheduled to go into effect June 1, 2006 under that agreement. This interim relief was calculated to save Allied \$4 million over the two-month

period. This was to be combined with savings of \$1 million from non-union employee compensation for a total of \$5 million over the Initial Interim Relief.

21. On April 18, 2006, Allied and its DIP Lenders entered a Consent and Fourth Amendment to Credit Agreement and Loan (the "Fourth Amendment"). It provided for the DIP Lenders to agree to make available to Allied a "protective over-advance" of \$5 million, which Allied could borrow immediately but which needed to be repaid a month later, by May 18, 2006. However, this maturity date could be extended for a month, until June 18, 2006 if Allied met certain conditions putting it on the road to obtaining an additional DIP loan ("Term Loan C") of at least \$20 million, which would be subordinated, in the event of default and liquidation, to payment of the Term B Loan (which, as noted above, is subordinated in right of payment to the Term A Loan and Revolving Loan). These conditions are (1) Allied's obtaining interim relief, as sought in the Initial Interim Relief Motion, (2) Allied's obtaining a commitment letter for Term Loan C in the amount of at least \$20 million, and (3) Allied's making substantial progress in implementing the "self-help" liquidity plan, designed to increase liquidity by up to \$5 million.

22. A hearing was held on the Initial Interim Relief Motion on April 26 and 27, 2006. On May 1, 2006, the Court announced its oral ruling granting the interim relief, and on May 2, 2006, the Court entered its Order to memorialize that ruling.

23. The interim relief sought by Debtors was for a two-month period, from May 1, 2006 through June 30, 2006. Debtors' plan with respect to its 1113(b) Proposal was to have in place by the end of June 2006 either (1) a consensual modification of the collective bargaining agreement or (2) new terms of employment along the lines of its 1113 Proposal, after rejection of the collective bargaining agreement. If, after good faith bargaining, the Teamsters and Allied

could not reach agreement in May as to needed modifications, Allied planned to file a motion to reject, as of June 30, 2006, the collective bargaining agreement and if successful in the motion to reject, to put in effect as of July 1, 2006 the new terms of employment.

24. The bargaining between Teamsters and Allied with respect to the 1113(b) Proposal has been unfruitful thus far. Bargaining is continuing.

25. However, shortly after the Court granted the Initial Interim Relief Motion, Allied became aware of the purchase of about two-thirds of the outstanding Pre-Petition Notes by Yucaipa American Alliance Fund I LP and Yucaipa American Alliance (Parallel) Fund I, LP (collectively "Yucaipa"), which are affiliates of The Yucaipa Companies, LLC ("The Yucaipa Companies"). The Pre-Petition Notes purchased by Yucaipa have a principal amount due of about \$100 million.

26. Yucaipa has engaged Allied in preliminary discussions concerning a potential plan of reorganization. As part of those discussions, Yucaipa and asked Allied to consider continuing its negotiations with the Teamsters without seeking to reject its collective bargaining agreement at this time.

27. On June 6, 2006, Morgan Stanley and Yucaipa provided to Allied a joint draft commitment, setting forth the terms under which they would make available a Term Loan C as contemplated by the Fourth Amendment in the amount of \$30 million.

28. The joint Morgan Stanley/Yucaipa draft commitment also contains provisions with respect to 11 U.S.C. § 1113. One provision is Allied's covenant that Allied will provide the lenders with notice and an opportunity to consult with Allied prior to filing of any motion to

reject Allied's collective bargaining agreement. The commitment also provides that a condition of the Term Loan C funding is that interim relief under 11 U.S.C. § 1113(e) be extended beyond June 30, 2006.

29. As of the filing of this Motion, Allied is still in negotiation with Morgan Stanley/Yucaipa about the terms and conditions of their proposed Term Loan C. It is contemplated by Allied that a Term C Loan will be presented to the Court for approval prior to the hearing on this Extension Motion.

30. Allied would have unacceptably low availability throughout July and would have negative availability (which would force Allied to go out of business) in August and September if Allied does not have the ability to borrow under the DIP Financing as enhanced by a sufficient Term Loan C.

31. The Extended Interim Relief and DIP Financing enhanced by a Term Loan C such as that proposed by Morgan Stanley/Yucaipa (which is conditioned upon an extension of the interim relief previously granted by this Court) will provide Allied with sufficient availability to operate through the Extended Interim Relief Period.

32. In light of the foregoing, Allied has concluded that it will refrain from filing a motion to reject the collective bargaining agreement at this time, and will instead seek an extension of the interim relief and continuing bargaining with the Teamsters.

The Applicable Legal Standard

33. Generally, Bankruptcy Code Section 1113 governs a debtor's ability to modify or reject its collective bargaining agreement while its bankruptcy case is pending. Bankruptcy Code Section 1113(e) provides that:

If during a period when the collective bargaining agreement continues in effect, and if essential to the continuation of the debtor's business, or in order to avoid irreparable damage to the estate, the court, after notice and a hearing, may authorize the trustee to implement interim changes in the terms, conditions, wages, benefits or work rules provided by a collective bargaining agreement. Any hearing under this paragraph shall be scheduled in accordance with the needs of the trustee. The implementation of such interim changes shall not render the application for rejection moot.

11 U.S.C. §1113(e).

34. Section 1113(e) provides that while a CBA "continues in effect," after notice and a hearing, a court may authorize the implementation of interim changes to the terms, conditions, wages, benefits, or work rules provided by a CBA if such changes are "essential to the continuation of the Debtors' business, or in order to avoid irreparable damage to the estate." Thus, in considering whether to grant a section 1113(e) motion, a court must determine if the proposed changes either (A) will "avoid irreparable damage to the estate," or (B) are "essential to the continuation of the Debtors' business." *See, e.g., Beckley Coal Mining Co. v. United Mine Workers*, 98 B.R. 690, 694 (D. Del. 1988) (stating that § 1113(e) seeks "to preserve the business, if possible, for the benefit of all"). Because the standard is disjunctive, a debtor need only show that one of the two criteria is met.

35. In this case, Allied meets both standards set forth in Section 1113(e). Allied faces insufficient liquidity to survive the Extended Interim Relief Period from July 1, 2006 through September 30, 2006 without obtaining a Term Loan C.

36. The only possible lending sources known to Allied for Term Loan C are Morgan Stanley and Yucaipa, both of which require Extended Interim Relief as a condition to Allied's ability to borrow thereunder.

37. Thus, without the Extended Interim Relief, the Debtors will suffer irreparable harm to their ongoing business, resulting in the potential liquidation of the Debtors. Similarly, the Extended Interim Relief is essential to the continuation of the Debtors' business because without this relief the Debtors will not have the cash available to fund operations, including satisfying their payroll obligations.

38. The consequences of liquidation would include the loss of jobs for both bargaining and non-bargaining employees and essentially no recovery for unsecured creditors.

39. Numerous courts have authorized the extension of Section 1113(e) relief prior to the rejection of a collective bargaining agreement when the relief, as found in this case, will avoid irreparable damage to the estate or is essential to the continuation of a debtor's business or both. *See, e.g., In re Landmark Hotel and Casino, Inc.*, 78 B.R. 575, 576, 582 (BAP 9th Cir. 1987) (affirming bankruptcy court decision granting interim relief and noting that the bankruptcy court granted interim relief for six months and extended the interim relief for an additional four months prior to rejection of the collective bargaining agreement); *In re Almacs, Inc.*, 169 B.R. 279, 280 (Bankr. D.R.I. 1994) (granting four extensions of interim relief over the course of approximately one year); *In re Blue Diamond Coal Co.*, 131 B.R. 633, 638-39 (Bankr. E.D. Tenn. 1991) (noting that the court had previously granted interim relief for an initial term of three months and had extended it for a fourth month); *In re National Forge Co.*, 289 B.R. 803,

804-05 (Bankr. W.D. Pa. 2003) (noting that the debtor obtained interim relief over the course of six months prior to the rejection of the collective bargaining agreement).

Notice

40. Notice of this Motion has been provided to those entities on the Master Service List (as such term is defined in the Order Establishing Notice Procedures entered on August 2, 2005 in these jointly administered cases) and upon the Teamsters, Active Transportation Company, Active USA, Inc., Auto Resources Group of KTP, Auto Resources Group of LA, Auto Resources Group of Maryland, Auto Resources Group of Pennsylvania, Auto Resources Group of Wilmington, Automobile Transport Company of California, Cassens Transport Company, Competitive Auto Ramp Services, Inc., DMT Trucking, Inc., E. and L. Transport Co., LLC, Hadley Auto Transport, Jack Cooper Transport, Inc., Leaseway Auto Carriers, Jim Osner, Pacific Motor Trucking Company, SKW, Inc., and Transportation Releasing LLC by U.S. Mail.² In light of the nature of relief requested, the Debtors submit that no further notice is necessary.

Conclusion

WHEREFORE Allied moves for an order granting Extended Interim Relief as described herein, from July 1, 2006 through September 30, 2006 and that the Court reserve jurisdiction to consider further interim relief.

/s/ Ezra H. Cohen
Ezra H. Cohen (GA State Bar No. 173800)
Jeffrey W. Kelley (GA State Bar No. 412296)
Harris B. Winsberg (GA State Bar No. 770892)

[CONTINUED ON NEXT PAGE]

² The Debtors serve the NATLD employer-members herein listed without prejudice to the Debtors' argument that the employer signatories to the NMATA are not entitled to notice of this Motion.

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

In Re:

ALLIED HOLDINGS, INC., *et al.*,

Debtors.

Chapter 11

**Case Nos. 05-12515 through 05-12526
and 05-12528 through 05-12537**

Judge Mullins

**ORDER GRANTING DEBTORS' MOTION TO EXTEND
INTERIM RELIEF UNDER 11 U.S.C. § 1113(E)**

This matter is before the Court on the motion of Allied Holdings, Inc.¹ as debtors and debtors-in-possession (collectively, the "Debtors") for an order granting interim relief related to a collective bargaining agreement ("CBA") pursuant to Section 1113(e) of the Bankruptcy Code (the "Motion").

The Court has considered the Motion and the matters reflected in the record of the hearing held on the Motion. It appears that the Court has jurisdiction over this proceeding; that this is a core proceeding; that notice of this Motion has been provided to those entities on the Master Service List (as such term is defined in the Order Establishing Notice Procedures entered on August 2, 2005 in these jointly administered cases) and to the United States Teamsters, Active Transportation Company, Active USA, Inc., Auto Resources Group of KTP, Auto Resources Group of LA, Auto Resources

¹ In addition to Allied Holdings, Inc., the following entities are debtors in these related cases: Allied Automotive Group, Inc., Allied Systems, Ltd. (L.P.), Allied Systems (Canada) Company, QAT, Inc., RMX LLC, Transport Support LLC, F.J. Boutell Driveaway LLC, Allied Freight Broker LLC, GACS Incorporated, Commercial Carriers, Inc., Axis Group, Inc., Axis Netherlands, LLC, Axis Areta, LLC, Logistic Technology, LLC, Logistic Systems, LLC, CT Services, Inc., Cordin Transport LLC, Terminal Services LLC, Axis Canada Company, Ace Operations, LLC, and AH Industries Inc.

Group of Maryland, Auto Resources Group of Pennsylvania, Auto Resources Group of Wilmington, Automobile Transport Company of California, Cassens Transport Company, Competitive Auto Ramp Services, Inc., DMT Trucking, Inc., E. and L. Transport Co., LLC, Hadley Auto Transport, Jack Cooper Transport, Inc., Leaseway Auto Carriers, Jim Osner, Pacific Motor Trucking Company, SKW, Inc., and Transportation Releasing LLC by U.S. Mail; that no further notice is necessary; that the relief sought in the Motion is essential, at the present time, to the continuation of the Debtors' business and to avoid irreparable damage to the Debtors' estates; that the relief requested is in the best interests of the Debtors, their estates and their creditors; and good and sufficient cause exists for such relief.

Accordingly, it is hereby ORDERED as follows:

1. The Motion is GRANTED. All capitalized terms not otherwise defined have the meanings ascribed to them in the Motion.
2. Pursuant to 11 U.S.C. § 1113(e), effective from July 1, 2006 through September 30, 2006, Extended Interim Relief shall be in effect.
3. Nothing in this Order shall constitute post-petition assumption or rejection, pursuant to 11 U.S.C. §§ 365 or 1113, of the CBA, and all of the Debtors' rights with respect to the CBA are preserved, including the Debtors' right to seek to further modify, assume or reject the CBA.
4. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

5. Notwithstanding the possible applicability of Bankruptcy Rules 7062, 9014 or otherwise, this Order shall take effect immediately upon entry.

6. Counsel for the Debtors is directed to cause a copy of this Order to be served upon all parties on the Master Service List (as such term is defined in the Order Establishing Notice Procedures entered on August 2, 2005 in these jointly administered cases) and upon the United States Teamsters, Active Transportation Company, Active USA, Inc., Auto Resources Group of KTP, Auto Resources Group of LA, Auto Resources Group of Maryland, Auto Resources Group of Pennsylvania, Auto Resources Group of Wilmington, Automobile Transport Company of California, Cassens Transport Company, Competitive Auto Ramp Services, Inc., DMT Trucking, Inc., E. and L. Transport Co., LLC, Hadley Auto Transport, Jack Cooper Transport, Inc., Leaseway Auto Carriers, Jim Osner, Pacific Motor Trucking Company, SKW, Inc., and Transportation Releasing LLC by U.S. Mail within three (3) days of entry of this Order and to file a certificate of service with the Clerk of the Court.

SO ORDERED this _____ day of _____ 2006.

C. Ray Mullins
UNITED STATES BANKRUPTCY JUDGE

[SIGNATURES CONTINUED ON NEXT PAGE]

Prepared and presented by:

/s/ Ezra H. Cohen

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05-12515-crm Allied Holdings, Inc.

**U.S. Bankruptcy Court
Northern District of Georgia**

Notice of Electronic Filing

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Case Name: Allied Holdings, Inc.

Case Number: 05-12515-crm

Document Number: 1684

Docket Text:

Motion for - Debtors' Motion to Extend Interim Relief Under 11 U.S.C. Section 1113(e) filed by Ezra H. Cohen on behalf of Allied Holdings, Inc.. (Cohen, Ezra)

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:P:\Bankruptcy\ALLIED\Allied Holdings, Inc\06-08-06 Debtors' Motion to Extend Interim Relief Under 11 U.S.C. Section 1113(e).pdf

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