

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF SECTION 18.6 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36

AND IN THE MATTER OF
ALLIED HOLDINGS, INC. AND THOSE SUBSIDIARIES
LISTED ON SCHEDULE "A" HERETO

Applicants

MOTION RECORD
(returnable August 30, 2007)

Date: August 23, 2007

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF SECTION 18.6 OF THE
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Applicants

NOTICE OF MOTION
(returnable August 30, 2007)

The Applicants will make a motion to the Court, on Thursday, August 30, 2007, at 10:00 a.m. or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. Orders, in substantially the forms attached as **Schedule "B"** hereto:
 - (a) abridging the time for, or dispensing with, service or further service of this Notice of Motion on any parties other than those served with the Motion Record herein;
 - (b) declaring that the Information Officer has satisfied and fully performed its obligations, discharging the Information Officer from its duties as Information Officer of the Applicants effective immediately, and staying, extinguishing and forever barring all claims against the Information Officer

in connection with the performance of its duties as Information Officer of the Applicants, save and except for gross negligence or wilful misconduct; and

- (c) granting such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

Background

1. On July 31, 2005, the Applicants filed voluntary petitions pursuant to Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court (the “**U.S. Proceeding**”);
2. On August 1, 2005, the Applicants sought and obtained various first day orders from the U.S. Court (collectively, the “**First Day Orders**”), which provided additional protection to the Applicants and addressed other administrative matters, including the provision of post-petition debtor-in-possession financing (“**DIP Financing**”);

Ancillary Proceedings in Canada

3. By Order dated August 2, 2005 (the “**Initial CCAA Recognition Order**”), this Honourable Court recognized the U.S. Proceeding as “foreign proceedings” as defined by section 18.6 of the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, chapter C-36, as amended (the “**CCAA**”) and granted certain declaratory and other relief in connection with same, including recognition of certain of the First Day Orders (but not others as they were not available at that time);
4. By Order dated August 31, 2005, this Honourable Court recognized: (i) a number of the First Day Orders made by the United States Bankruptcy Court that were not available at the time of the hearing resulting in the Initial CCAA Recognition Order; and (ii) the final order of the United States Bankruptcy Court made August 24, 2005 authorizing the DIP Financing;

5. By Order dated September 30, 2005, this Honourable Court extended the stay of proceedings in the Initial CCAA Recognition Order to October 14, 2005 (the **"First Extension Order"**);
6. By Order dated October 14, 2005, this Honourable Court extended the stay of proceedings in the Initial CCAA Recognition Order to February 28, 2006 (the **"Second Extension Order"**);
7. By Order dated February 14, 2006, this Honourable Court extended the stay of proceedings in the Initial CCAA Recognition Order to June 30, 2006 (the **"Third Extension Order"**);
8. By Order dated June 30, 2006, this Honourable Court extended the stay of proceedings in the Initial CCAA Recognition Order to October 31, 2006 (the **"Fourth Extension Order"**);
9. By Order dated October 26, 2006, this Honourable Court extended the stay of proceedings in the Initial CCAA Recognition Order to March 31, 2007 (the **"Fifth Extension Order"**);
10. By Order dated March 29, 2007, this Honourable Court extended the stay of proceedings in the Initial CCAA Recognition Order to May 31, 2007 (the **"Sixth Extension Order"**);
11. By Order dated May 29, 2007, this Honourable Court extended the stay of proceedings in the Initial CCAA Recognition Order to June 30, 2007 (the **"Seventh Extension Order"**);

Financial Reporting

12. The Debtors have filed Monthly Operating Reports for each of the months ending up to and including May, 2007, respectively;

Status of Plan of Reorganization

13. The Debtors agreed to support and become a co-proponent of a joint plan (the “**Plan**”) with Yucaipa American Alliance Fund I, LP (“**Yucaipa**”) and certain affiliates of the International Brotherhood of Teamsters (collectively, the “**IBT**”);
14. The confirmation hearing in respect of the Plan was held on May 9, 10 and 11, 2007;
15. By Order dated May 18, 2007, the United States Bankruptcy Court confirmed the Plan;
16. The Debtors, now the Reorganized Debtors, emerged from Chapter 11 on May 29, 2007, the effective date of the Plan;
17. The Initial CCAA Recognition Order;
18. The First Extension Order;
19. The Second Extension Order;
20. The Third Extension Order;
21. The Fourth Extension Order;
22. The Fifth Extension Order;
23. The Sixth Extension Order;
24. The Seventh Extension Order;
25. The provisions of the CCAA;
26. Rules 2.03, 3.02 and 37 of the *Rules of Civil Procedure*; and
27. Such other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. The Eighth Report affidavit of the Information Officer dated August 10, 2007 and the appendices thereto; and
2. Such further and other materials as counsel may submit and this Honourable Court may permit.

Date: August 23, 2007

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SCHEDULE "A"

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

AH Industries, Inc.

SCHEDULE "B"

Court File No. 05-CL-6007

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) THURSDAY, THE 30th
JUSTICE ■) DAY OF AUGUST, 2007

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Applicants

ORDER

THIS MOTION made by the Applicants for an order discharging the Information Officer was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING (i) the Notice of Motion, and (ii) the Eighth Report of the Information Officer and the appendices thereto (the "**Eighth Report**"), filed; on hearing the submissions of counsel for the Applicants; and on being satisfied that circumstances exist that make this Order appropriate;

Service

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record in support of this motion be and it is hereby abridged such that this motion is properly returnable today and further that service thereof upon any person other than the persons served with the Motion Record herein be and it is hereby dispensed with.

Discharge of the Information Officer

2. **THIS COURT ORDERS AND DECLARES** that the Information Officer has satisfied and fully performed its obligations, is hereby discharged from its duties as Information Officer of the Applicants effective immediately, and all claims against the Information Officer in connection with the performance of its duties as Information Officer of the Applicants, save and except for gross negligence or wilful misconduct, shall be stayed, extinguished and forever barred and the Information Officer shall have no liability in respect thereof.

SCHEDULE "A"

Allied Automotive Group, Inc.

Allied Systems, Ltd. (L.P.)

Allied Systems (Canada) Company

QAT, Inc.

RMX LLC

Transport Support LLC

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**ONTARIO
SUPERIOR COURT OF JUSTICE**
(PROCEEDING COMMENCED AT TORONTO)

NOTICE OF MOTION

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TAB 2

**EIGHTH REPORT OF THE INFORMATION
OFFICER DATED AUGUST 10, 2007 FILED
SEPARATELY**

**IN THE MATTER OF SECTION 18.6 OF THE COMPANIES' CREDITORS' ARRANGEMENT ACT, R.S.C. 1985, c. C-36
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**ONTARIO
SUPERIOR COURT OF JUSTICE**
(PROCEEDING COMMENCED AT TORONTO)

MOTION RECORD
(returnable August 30, 2007)

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