



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

THE HONOURABLE MADAM)

TUESDAY THE 15th DAY OF

JUSTICE PEPHALL)

MAY, 2007

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

ORDER

THIS MOTION made by the Applicants for an order recognizing the Rig Financing Final Order was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING (i) Notice of Motion, and (ii) the Affidavit of Thomas H. King sworn May 9, 2007 and the exhibits thereto (the "**King Affidavit**"), and (iii) the Affidavit of John Whyte sworn May 14, 2007 and the exhibits thereto (the "**Whyte Affidavit**"), 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.

Recognition of the Rig Financing Final Order

2. **THIS COURT ORDERS** that the Final Order of the United States Bankruptcy Court issued on April 23, 2007 authorizing the Applicants to, among other things, obtain new secured post-petition financing to acquire certain rigs and related equipment (the “**Rig Financing Final Order**”) be and it is hereby recognized in its entirety and shall have effect throughout Canada as if it was an order of this Court made in proceedings under the CCAA having identical effect to that provided for in such order.
3. **THIS COURT FURTHER ORDERS** that the Rig Financing Final Order, is binding upon all persons with any interest in the within proceedings.

DIP LIENS

4. **THIS COURT ORDERS** that the liens, security interests, mortgages and charges granted to the Secured Parties (as defined in the Rig Financing Final Order) by the U.S. Court as security for the payment and performance of all of the DIP Obligations (as defined in the Rig Financing Final Order) are hereby recognized, constituted and confirmed as fixed, specific and continuing liens, security interests, mortgages and charges (collectively, the “**DIP Liens**”) in, on and against all of the Collateral (as defined in the Rig Financing Final Order).
5. **THIS COURT ORDERS** that each of the Applicants are hereby authorized and empowered to incur the obligations under and in accordance with the terms of the DIP Documents (as defined in the Rig Financing Final Order).
6. **THIS COURT ORDERS** that the Lender (as defined in the Rig Financing Final Order) shall not be required to file, register, record or perfect the DIP Liens in any Canadian jurisdiction.
7. **THIS COURT ORDERS** that the DIP Liens shall have priority in Canada over all present and future fixed or floating liens, charges, mortgages, hypothecs, security interests, pledges or other encumbrances attaching to the Collateral, subject and subordinate only to the encumbrances provided for in the Rig

Financing Final Order and subject to encumbrances arising by operation of law without any grant of a security interest by such Applicant and that are given priority over prior fixed charges by Canadian statute law in the event of a bankruptcy of such Applicant.


8. **THIS COURT ORDERS** that the obligations of the Applicants pursuant to the DIP Documents (as defined in the Rig Financing Final Order) and all documents delivered pursuant thereto constitute legal, valid and binding obligations of the Applicants enforceable against them in accordance with the terms thereof, and the payments made and security granted by the Applicants pursuant to such documents do not constitute fraudulent preferences, fraudulent conveyances, oppressive conduct, settlements or other challengeable, voidable or reviewable transactions under any applicable law in Canada.
9. **THIS COURT ORDERS** that the DIP Liens shall be deemed to be valid and effective notwithstanding any negative covenants, prohibitions or other similar provisions with respect to incurring debt or the creation of liens or securities contained in any existing agreement between the Applicants and any lender and that notwithstanding any provision to the contrary in such agreements,
- (a) the executions, delivery, perfection or registration of the DIP Liens shall not create or be deemed to constitute a breach by the Applicants of any agreement to which any of the Applicants is a party, and
 - (b) the Lender (as defined in the Rig Financing Final Order) shall have no liability to any person whatsoever as a result of any breach of any agreement caused by or resulting from the Applicants entering into the DIP Documents (as defined in the Rig Financing Final Order) or other document delivered pursuant thereto.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

MAY 15 2007

PER/PAR:

MS



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.

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Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE
(PROCEEDING COMMENCED AT TORONTO)

ORDER
(May 15, 2007)

GOWLING LAFLEUR HENDERSON LLP
Barristers & Solicitors
1600 – 1 First Canadian Place
100 King Street West
Toronto, Ontario
M5X 1G5

Heath P.L. Whiteley
(L.S.U.C. No. 38528P)

Tel: (416) 862-4400
Fax: (416) 862-7661

Solicitors for the Applicants