

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11
:
ELETSON HOLDINGS INC., et al., : Case No. 23-10322 (JPM)
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Debtors.¹ : (Jointly Administered)
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**ORDER (I) APPROVING DISCLOSURE STATEMENTS, (II) APPROVING
SOLICITATION AND NOTICE PROCEDURES WITH RESPECT TO
CONFIRMATION OF COMPETING PLANS, (III) APPROVING FORMS OF VARIOUS
BALLOTS AND NOTICES IN CONNECTION THEREWITH, (IV) APPROVING
SCHEDULING OF CERTAIN KEY DATES IN CONNECTION WITH
CONFIRMATION, AND (V) GRANTING RELATED RELIEF**

Upon consideration of the (a) *Motion For Entry of an Order (I) Approving Certain Key Dates Relating to Confirmation of the Petitioning Creditors' Plan, Including Scheduling a Hearing to Consider Approval of Petitioning Creditors' Plan; (II) Approving the Form and Manner of the Confirmation Hearing Notice; (III) Approving Petitioning Creditors' Disclosure Statement and Notice thereof; (IV) Approving (A) Procedures for Solicitation, (B) Forms of Ballots, (C) Procedures for Tabulation of Votes, and (D) Procedures for Objections; and (V) Establishing Notice and Objection Procedures for the Confirmation of the Plan* [Docket No. 574] (the "PC Disclosure Statement Motion"); (b) *Motion of Debtors and Debtors in Possession for an Order: (I) Approving Their Disclosure Statement; (II) Establishing Procedures for Solicitation and Tabulation of Votes to Accept and Reject Their Plan of Reorganization; (III) Establishing the Confirmation Hearing and Related Deadlines and (IV) Granting Related Relief* [Docket. No. 372]

¹ The Debtors in these cases are: Eletson Holdings Inc., Eletson Finance (US) LLC, and Agathonissos Finance LLC. The address of the Debtors' corporate headquarters is 118 Kolokotroni Street, GR 185 35 Piraeus, Greece. The Debtors' mailing address is c/o Eletson Maritime, Inc., 1 Landmark Square, Suite 424, Stamford, Connecticut 06901.



(the “Debtors’ Disclosure Statement Motion”); and (c) *Petitioning Creditors’ Motion for Entry of an Order Approving the Disclosure Statement In Support of the Petitioning Creditors’ Chapter 11 Overbid Plan for Eletson Holdings Inc and Its Affiliated Debtors* [Docket No. 764] (the “PC Alternative Disclosure Statement Motion” and collectively, with the PC Disclosure Statement Motion and the Debtors’ Disclosure Statement Motion, the “Motions”) for entry of orders approving the respective Motions; and the Petitioning Creditors² having filed the *Petitioning Creditors’ Amended Joint Chapter 11 Plan of Reorganization of Eletson Holdings Inc. and its Affiliated Debtors* [Docket No. 846] (as it may be further amended, modified, and/or supplemented from time to time, the “PC Plan”) and the related *Amended Disclosure Statement in Support of the Petitioning Creditors’ Amended Joint Chapter 11 Plan of Reorganization of Eletson Holdings Inc. and its Affiliated Debtors* [Docket No. 847] (as it may be further amended, modified, and/or supplemented from time to time, the “PC Disclosure Statement”); and the Debtors having filed the *Second Amended Joint Plan of Reorganization of Debtors Under Chapter 11 of the United States Bankruptcy Code*, dated July 5, 2024 [Docket No. 839] (as it may be further amended, modified, and/or supplemented from time to time, the “Debtors’ Plan”) and the related *First Amended Disclosure Statement in Support of Second Amended Joint Plan of Reorganization of Debtors Under Chapter 11 of the United States Bankruptcy Code*, dated July 5, 2024 [Docket No. 840] (as it may be further amended, modified, and/or supplemented from time to time, the “Debtors’ Disclosure Statement”) and Petitioning Creditors having filed the *Petitioning Creditors’*

² The “Petitioning Creditors” are Pach Shemen LLC, VR Global Partners, L.P., Alpine Partners (BVI), L.P., Gene B. Goldstein (“Goldstein”) and Gene B. Goldstein, In His Capacity as Trustee of the Gene B. Goldstein and Francine T. Goldstein Family Trust (“Goldstein Trust”, and together with Goldstein, “Mr. Goldstein”), Mark Millet, In His Capacity as Trustee of the Mark E. Millet Living Trust, Mark Millet, In His Capacity as Trustee of the Millet 2016 Irrevocable Trust, Robert Latter, Tracy Lee Gustafson, Jason Chamness, and Ron Pike. While Togut, Segal & Segal LLP represents Mr. Goldstein as a “Petitioning Creditor,” Mr. Goldstein is not a “Plan Proponent” for purposes of the PC Plan and the PC Alternative Plan (as defined below).

Alternative Chapter 11 Plan for Eletson Holdings Inc. and its Affiliated Debtors dated July 8, 2024 [Docket No. 848] (as it may be further amended, modified, and/or supplemented from time to time, the “PC Alternative Plan” and, together with the PC Plan and the Debtors’ Plan, the “Competing Plans”) and the related *Disclosure Statement in Support of Petitioning Creditors’ Alternative Chapter 11 Plan for Eletson Holdings Inc. and its Affiliated Debtors* dated July 8, 2024 [Docket No. 849] (as it may be further amended, modified, and/or supplemented from time to time, the “PC Alternative Disclosure Statement” and, together with the PC Disclosure Statement and the Debtors’ Disclosure Statement, the “Disclosure Statements”); and the Court having jurisdiction to enter an order (this “Order”) approving the Motions and relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order; and the Court having determined that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having reviewed the Motions, the Disclosure Statements, the Competing Plans, and the papers in support thereof, in opposition thereto and having heard the statements in support of the relief requested therein at a hearing before the Court on May 15, 2024, May 31, 2024, June 7, 2024 and June 18, 2024 (the “Hearings”); and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing;

IT IS HEREBY FOUND AND DETERMINED THAT:

A. The Disclosure Statements contain adequate information within the meaning of section 1125 of the Bankruptcy Code.

B. The distribution procedures and contents of the Solicitation Packages (as defined below), including the notice of the hearing to consider confirmation of the Competing Plans (the “Confirmation Hearing”) substantially in the form attached to the proposed order filed with the *Notice of Filing of Proposed Joint Solicitation Order Approving Competing Disclosure Statements* [Docket No. 852] (the “Joint Notice”) as **Exhibit 1** (the “Confirmation Hearing Notice”), comply with Bankruptcy Rules 2002 and 3017 and Local Rule 3017-1 and constitute good and sufficient notice to all interested parties of the relevant dates, deadlines and procedures relating to confirmation of the Competing Plans.

C. The proposed schedule and procedures relating to confirmation of the Competing Plans set forth herein (the “Competing Plan Confirmation Schedule”), provide interested parties with sufficient time to review and consider all solicitation materials, including the Disclosure Statements and Competing Plans (including all exhibits thereto), and other information and materials relating to confirmation of the Competing Plans, provides Holders of Claims and Interests with sufficient time to make an informed judgment to accept or reject the Competing Plans and provides all parties-in-interest in these Chapter 11 Cases with sufficient time to object to confirmation of the Competing Plans.

D. The ballots, substantially in the forms attached to the Joint Notice as **Exhibits 6-16**, (the “Ballots”) are consistent with Official Form No. B314, address the particular needs of these Chapter 11 Cases, and provide adequate information and instructions for each person or entity entitled to vote to accept or reject the Competing Plans.

**NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND
DECREED THAT**

1. The Motions are granted as set forth herein. All objections, responses, statements or comments, if any, in opposition to approval of the Disclosure Statements and the relief requested in the Motions that have not otherwise been resolved or withdrawn prior to, or on the record of the Hearings, are overruled in their entirety. All parties' rights are reserved with respect to any arguments regarding confirmation of the Competing Plans.

2. The Disclosure Statements are approved pursuant to section 1125(b) of the Bankruptcy Code and Bankruptcy Rule 3017(b).

3. The Debtors are authorized to retain Kurtzman Carson Consultants, LLC dba Verita Global ("Verita") as the voting agent (the "Voting Agent") for the Competing Plans. The Debtors retention of Verita as Voting Agent under the terms and conditions of the agreement dated July 8, 2024, by and among Verita and the Debtors (the "Services Agreement") attached to the Joint Notice as Exhibit 3, is hereby approved. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of Verita incurred pursuant to the Services Agreement under 28 U.S.C. §156(c) shall be an administrative expense of the Debtors' estates and paid in the ordinary course under the terms of the Service Agreement without further order of or application to the Court. Those fees and expenses of Verita incurred pursuant to the Services Agreement under 11 U.S.C. §327 shall be paid in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any other applicable orders of the Court. The Voting Agent is authorized to assist in (a) distributing the Solicitation Packages, (b) soliciting votes on the Competing Plans, (c) receiving, tabulating, and reporting on Ballots, and (d) responding to inquiries relating to the solicitation and voting process, including all matters related thereto. The Voting Agent shall cooperate with each of the Debtors and the Petitioning Creditors (the "Plan Parties") with respect to the solicitation of the Competing Plans. The Debtors and their counsel

shall include counsel for the Petitioning Creditors and counsel to the Official Committee of Unsecured Creditors (the “Committee”) on all communications and correspondence with Verita.

I. Competing Plan Confirmation Schedule and Confirmation Hearing

4. The following schedule in connection with confirmation of the Competing Plans is hereby approved.

Event	Proposed Deadline
Voting Record Date	July 9, 2024
Solicitation Commencement Deadline	Five Business Days from the Entry of this Order
Plan Supplement Filing Date	August 2, 2024
Voting Deadline	August 9, 2024 at 4:00 p.m. (prevailing Eastern Time)
Voting Declaration Deadline	August 13, 2024 at 4:00 p.m. (prevailing Eastern Time)
Confirmation Status Conference	Week of August 19 (subject to Court’s availability)
Deadline for Objections to Plan Confirmation	August 27, 2024 at 4:00 p.m. (prevailing Eastern Time)
Reply Deadline	September 5, 2024 at 4:00 p.m. (prevailing Eastern Time)
Confirmation Hearing	Week of September 9 (subject to Court’s availability)

5. The Confirmation Hearing may be adjourned or continued from time to time by the Court or the Plan Parties without further notice other than an announcement in open court or as indicated in any notice or hearing agenda that is filed with the Court; *provided* that neither the Petitioning Creditors nor the Debtors shall adjourn the Confirmation Hearing with respect to each of their Competing Plans without the consent of the other party or further order of the Court.

6. The Confirmation Hearing Notice, substantially in the form attached to the Joint Notice as **Exhibit 1**, is hereby approved.

II. Solicitation Procedures and Solicitation Package

7. The solicitation procedures (the “Solicitation Procedures”), substantially in the form attached to the Joint Notice as **Exhibit 2** and incorporated by reference herein, are approved.

8. As promptly as practicable following entry of this Order, and in any event no later than the Solicitation Commencement Deadline, the Voting Agent is authorized, but not directed to distribute solicitation packages (the “Solicitation Packages”) to all entities entitled to vote (the “Voting Classes”) to accept or reject any of the Competing Plans, by regular mail and electronic mail (where available).

9. The Solicitation Packages shall contain the following:

- (a) The Joint Cover Letter (as defined below);
- (b) the Committee Letter (as defined below);
- (c) the Confirmation Hearing Notice;
- (d) a copy of this Order;
- (e) the Disclosure Statements with the Competing Plans annexed thereto, which shall be provided in electronic format on a USB flash drive via USB flash drive;
- (f) a Ballot to cast a vote on the Competing Plans; and
- (g) such other solicitation materials as the Court may direct (such as materials related to the rights offering as applicable).

10. The cover letter from the Plan Parties to holders of Claims entitled to vote on the Competing Plans describing the contents of the Solicitation Packages, substantially in the form attached to the Joint Notice as **Exhibit 4** (the “Joint Cover Letter”), is hereby approved.

11. The letter from the Committee to holders of Claims entitled to vote on the Competing Plans, substantially in the form attached to the Joint Notice as **Exhibit 5** (the “Committee Letter”), is hereby approved. The Committee and its members and advisors are entitled to the protections afforded by section 1125(e) of the Bankruptcy Code with respect to the Committee Letter, and the Plan Parties shall include the Committee Letter in the Solicitation Packages to holders of Claims entitled to vote on the Competing Plans.

12. The Ballots, substantially in the forms attached to the Joint Notice as **Exhibit 6 through Exhibit 16**, are hereby approved.

13. As promptly as practicable following entry of this Order, and in any event no later than the Solicitation Commencement Deadline, the Voting Agent shall mail the Confirmation Hearing Notice to Holders of Claims and Interests not entitled to vote on either of the Competing Plans (the “Non-Voting Classes”). The Voting Agent shall not re-distribute any Confirmation Hearing Notice that is returned as undeliverable without a forwarding address.

14. The Voting Agent is not required to distribute copies of the Competing Plans to any Holder of Claims and Interests in the Non-Voting Classes. Holders of Claims and Interests in the Non-Voting Classes may request copies of the Competing Plans by contacting the Voting Agent (a) in writing at Eletson Holdings Inc., *et al.*, Ballot Processing Center c/o KCC dba Verita, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245, (b) via Email at: Eletsoninfo@kccllc.com, or (c) by telephone at 888-647-1737 (Domestic) or 310-751-2624 (International).

15. With respect to Solicitation Packages to be distributed to owners of a beneficial interest (“Beneficial Owners”) in the 9.625% First Preferred Ship Mortgage Notes Due 2022, issued by Eletson Holdings and Eletson Finance pursuant to that certain Indenture, dated

December 19, 2013 (the “Old Notes”) and the First Preferred Ship Mortgage Notes Due 2022, issued by the Debtors pursuant to that certain Indenture, dated July 2, 2018 (the “2022 Notes” together with the Old Notes, the “Notes”), the Voting Agent shall distribute or cause to be distributed Solicitation Packages to (a) the record holders of such Notes as of the Voting Record Date, and (b) each broker, commercial bank, transfer agent, trust company, dealer, or other intermediary or nominee, or their mailing agent (each a “Nominee”) identified by the Voting Agent as an entity through which Beneficial Owners indirectly hold positions in the Notes as of the Voting Record Date. The Voting Agent shall send Solicitation Packages to the Nominees in paper format and/or via electronic transmission in accordance with the customary requirements of each Nominee and the Plan Parties (including the Voting Agent) and each Nominee shall cooperate with each other to accomplish distribution of the Solicitation Packages to the respective Beneficial Owners. If it is a Nominee’s customary and accepted practice to forward the solicitation package to (and collect votes from) Beneficial Holders by voter information form (“VIF”), e-mail, telephone or other customary means of communication, the Nominee may employ that method of communication in lieu of sending the paper Beneficial Ballot and/or Solicitation Package.

III. Voting and General Tabulation Procedures

16. The Voting and Tabulation Procedures (the “Tabulation Procedures”) described in section C of the Solicitation Procedures (a) comply with section 1126(c) of the Bankruptcy Code and Bankruptcy Rule 3018(a) and (b) are approved.

17. In light of the Competing Plans’ proposed substantive consolidation of the Debtors’ estates solely for purposes of voting, classification, and distribution, the votes shall be tabulated on a consolidated basis; *provided, however*, that the declaration to be submitted by the Voting Agent (the “Voting Declaration”) shall also include an analysis of the voting results on a Debtor-

by-Debtor basis and further, on a Plan-by-Plan basis, in the event it is determined that certain confirmation requirements must be satisfied on a Debtor-by-Debtor basis.³

18. Following the filing of the Voting Declaration on August 13, 2024 at 4:00 p.m., the Court shall hold a status conference with respect to the Competing Plans to determine which of the Competing Plans will proceed to the Confirmation Hearing based on the voting results (the “Confirmation Status Conference”).

19. Any objections to confirmation of a Competing Plan shall:

- (a) be in writing;
- (b) comply with the Bankruptcy Rules, the Local Rules, Chambers’ procedures and orders of this Court;
- (c) state the name and address of the objecting party and the nature and amount of the claim against or interest in the estate or property of the Debtor;
- (d) state with particularity the legal and factual basis for such objection;
- (e) be filed with the Clerk of the Court, together with proof of service thereon; and
- (f) be served by mail, email or hand delivery, so as to be **actually received** no later than 4:00 p.m. (prevailing Eastern Time) on the Objection Deadline (*i.e.*, August 27, 2024) by the following parties (collectively, the “Notice Parties”):
 - (i) counsel to the Petitioning Creditors, Togut, Segal & Segal LLP, One Penn Plaza, Suite 3335, New York, New York 10119, Attn: Kyle J. Ortiz, Esq. (kortiz@teamtogut.com) and Bryan M. Kotliar, Esq. (bkotliar@teamtogut.com);
 - (ii) counsel to the Debtors, Reed Smith LLP, Three Logan Square 1717 Arch Street, Suite 3100, Philadelphia, PA 19103, Attn: Derek J. Baker, Esq. (dbaker@reedsmith.com) and Derek M. Osei-Bonsu, Esq. (dosei-bonsu@reedsmith.com); and

³ All parties’ rights are reserved with respect to substantive consolidation in the event that a Competing Plan is not confirmed and/or does not go effective.

and

Reed Smith LLP, 10 S. Wacker Drive, Suite 4000, Chicago, IL 60606, Attn: Ann E. Pille (apille@reedsmtih.com); and

and

Reed Smith LLP, 599 Lexington Avenue, New York, NY 10022, Attn: Andrew L. Buck (abuck@reedsmith.com); and Louis M. Solomon (lsolomon@reedsmith.com).

- (iii) the U.S. Trustee, Office of the United States Trustee, Alexander Hamilton Custom House, One Bowling Green, New York, NY 10004, Attn.: Daniel Rudewicz, Esq. (Daniel.Rudewicz@usdoj.gov);
- (iv) counsel to the Committee, Dechert LLP, 1095 Avenue of Americas, New York, NY 10036, Attn: Stephen D. Zide, Esq. (stephen.zide@dechert.com) and David Herman, Esq. (david.herman@dechert.com); and
- (v) any other party which has filed a request for notice in these Chapter 11 Cases.

20. Unless an objection to a Competing Plan is timely filed and served pursuant to the above procedures, such objection may not be considered by the Court and will be deemed overruled.

21. Any replies or an omnibus reply filed by the Plan Parties or any other party in interest to any filed objections to confirmation of the Competing Plans shall be filed by the Reply Deadline (*i.e.*, September 5, 2024, at 4:00 p.m. (prevailing Eastern Time)).

IV. Miscellaneous Relief

22. The Plan Parties are authorized to make non-substantive changes to the Solicitation Packages (including the Competing Plans, Disclosure Statements, and Ballots), the Confirmation Hearing Notice, the procedures contained herein, and all Competing Plan or Disclosure Statement-related documents, without further order of the Court, including, without limitation, filling in any missing dates or other missing information, changes to correct typographical and grammatical

errors, and to make conforming changes among the Disclosure Statements, the Competing Plans, any other materials in the Solicitation Package prior to distribution of such materials.

23. The Plan Parties are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

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

Dated: New York, New York
July 10, 2024

/s/ John P. Mastando III
HONORABLE JOHN P. MASTANDO III,
UNITED STATES BANKRUPTCY JUDGE