

KIRKLAND & ELLIS LLP
KIRKLAND & ELLIS INTERNATIONAL LLP
Anup Sathy, P.C. (admitted *pro hac vice*)
333 West Wolf Point Plaza
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200
anup.sathy@kirkland.com

-and-

Matthew C. Fagen, P.C. (admitted *pro hac vice*)
Francis Petrie (admitted *pro hac vice*)
Evan Swager (admitted *pro hac vice*)
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
matthew.fagen@kirkland.com
francis.petrie@kirkland.com
evan.swager@kirkland.com

*Co-Counsel to the Debtors and
Debtors in Possession*

COLE SCHOTZ P.C.
Michael D. Sirota, Esq.
Warren A. Usatine, Esq.
Felice R. Yudkin, Esq.
Jacob S. Frumkin, Esq.
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
Telephone: (201) 489-3000
msirota@coleschotz.com
wusatine@coleschotz.com
fyudkin@coleschotz.com
jfrumkin@coleschotz.com

*Co-Counsel to the Debtors and
Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

THRASIO HOLDINGS, INC., et al.,

Reorganized Debtors.¹

Chapter 11

Case No. 24-11840 (CMG)

(Jointly Administered)

**JOINT APPLICATION OF THE DEBTORS AND
UNICARGO LTD. IN LIEU OF A MOTION IN SUPPORT OF
ENTRY OF A JOINT STIPULATION AND AGREED ORDER FOR
ALLOWANCE AND PAYMENT OF CERTAIN CLAIMS, TERMINATION
OF WAREHOUSING AGREEMENT, AND TIMELY REMOVAL OF GOODS**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

¹ The last four digits of Debtor Thrasio Holdings, Inc.'s tax identification number are 8327. A complete list of the Debtors in these chapter 11 cases and each such Debtor's tax identification number may be obtained on the website of the Debtors' claims and noticing agent at <https://www.kccllc.net/Thrasio>. The Debtors' service address for purposes of these chapter 11 cases is 85 West Street, 3rd Floor, Walpole, MA, 02081.



The above-captioned debtors and debtors in possession (collectively, the “Debtors”) and Unicargo Ltd. (“Unicargo”) submit this application in lieu of motion (the “Application”), pursuant to Local Rule 9021-1(b) of the Local Rules of the United States Bankruptcy Court for the District of New Jersey (the “Local Rules”), seeking approval and entry of the proposed *Joint Stipulation and Agreed Order for Adequate Protection* (the “Proposed Agreed Order”),² a copy of which is attached hereto as **Exhibit A**, and respectfully state as follows:

1. On February 28, 2024 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). A detailed description of the Debtors, their businesses, and the facts and circumstances supporting the Debtors’ Chapter 11 Cases are set forth in greater detail in the *Declaration of Josh Burke, Chief Financial Officer of Thrasio Holdings, Inc., in Support of First Day Motions* [Docket No. 38], incorporated by reference herein.

2. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On March 1, 2024, the Court entered an order [Docket No. 64] authorizing the joint administration and procedural consolidation of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). On March 12, 2024, the United States Trustee for the District of New Jersey (the “U.S. Trustee”) appointed an official committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Committee”) [Docket No. 163]. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Proposed Agreed Order.

3. This Application is submitted pursuant to Local Rule 9021-1(b) in lieu of a motion in support of the Debtors' request that the Court enter the Proposed Agreed Order as presented.

4. Unicargo is an Israeli limited liability company which provides global logistics services including, but not limited to, global warehousing, freight forwarding, supply chain management, purchase order management, e-commerce logistics.

5. By Warehouse Agreement (the "Warehouse Agreement"), dated July 1, 2022, by and between Thrasio, LLC ("Thrasio"), one of the above-captioned Debtors, and Unicargo, Unicargo agreed to provide warehousing, storage, receipt, handling, delivery, pick and pack, and shipment services (collectively, the "Services") for the goods delivered to it by Thrasio and/or its agents at seven (7) warehouses, six of which are located in the State of California while the seventh is located in the State of New Jersey. In exchange for such Services, Thrasio agreed to pay Unicargo pursuant to the schedule of "Fees" annexed to the Warehouse Agreement as Exhibit "C". Pursuant to the Warehouse Agreement, Unicargo was to submit invoices to Thrasio for the storage and other charges on a monthly basis with all undisputed charges due and payable net thirty (30) days from Thrasio's receipt of each such invoice. The Warehouse Agreement was to remain in effect for a minimum of twelve (12) months, which could be extended by Thrasio for an additional year by notifying Unicargo in writing at least ninety days in advance.

6. On or about May 11, 2023, Thrasio and Unicargo entered into an Addendum to Warehouse Agreement, which, *inter alia*, extended the term of the Warehouse Agreement through June 30, 2024 (the "Termination Date"), reduced the storage minimum for Warehouse LA10, and amicably resolved certain then-pending disputes.

7. On March 21, 2024, Unicargo filed Claim No. 11 asserting a general unsecured claim against Thrasio as of the Petition Date in the sum of \$481,148.00 (the "General Unsecured

Claim”) with respect to unpaid warehouse fees in China which was not holding any of Debtors goods on the Petition Date and other miscellaneous charges. The Debtors’ records currently show \$480,000.00, €925.00, and £3,299.72 outstanding for these fees. The Debtors have paid the €925.00 and £3,299.72 portions of the General Unsecured Claim. The outstanding portion of the General Unsecured Claim is disputed by the Debtors and will be addressed through the cure and claims reconciliation processes. The Debtors reserve their rights to file an objection to, or otherwise dispute, the outstanding portion of the General Unsecured Claim in part or in whole.

8. On March 21, 2024, Unicargo filed Claim No. 12 asserting a secured claim against Thrasio as of the Petition Date in the sum of \$857,843.93 with respect to unpaid warehouse fees and related charges which gave rise to warehouseman’s liens under applicable state law. The Debtors’ records currently show \$932,418.65 outstanding for these fees (the “Secured Claim”). No portion of the Secured Claim has been paid. The Debtors consent to the allowance of the Secured Claim in full. The Secured Claim will be paid in its entirety in conjunction with assumption of the Warehouse Agreement upon the earlier of: (i) the date upon which the Debtors’ emerge from these Chapter 11 Cases, which the Debtors presently anticipate being on or about June 9, 2024, or (ii) the thirtieth (30th) day following the entry of an order confirming the Debtors’ Plan. For the avoidance of doubt, the Warehouse Agreement is currently being assumed under the Debtors’ Plan.

9. As of June 25, 2024, Unicargo and Debtors stipulate that Thrasio has incurred liabilities to Unicargo in the ordinary course of its business in the sum of \$493,338.15 since the Petition Date which has yet to be paid (the “Administrative Claim”), which includes \$120,000.00 in administrative expenses arising from a monthly storage charge for March 2024 per an invoice dated March 1, 2024 (Inv. No. 168220). In the interest of resolving the parties’ dispute amicably

and in exchange for the consideration and obligations Thrasio is providing Unicargo pursuant hereto, Unicargo shall waive and release Debtors from liability for the foregoing invoice. Additionally, the Parties anticipate additional sums being incurred in connection with warehouse fees and related services, including out bounding Debtors' goods, going forward that will be entitled to administrative expense status and increase the amount of the Administrative Claim. The outstanding Administrative Claim, after deducting the amount previously due under Inv. No. 168220, totals \$373,338.159 (the "Undisputed Administrative Claim") as of June 25, 2024. The Undisputed Administrative Claim shall be allowed in its entirety. The Debtors shall pay the Undisputed Administrative Claim within five (5) business days of this Stipulation having been executed by both the Debtors and Unicargo. All future administrative expense claims that shall arise in favor of Unicargo shall be paid by Debtors in the ordinary course of business, pursuant to the parties' ordinary trade terms, which require payment thirty (30) days from the issuance of any invoice that is not subject to a bona fide dispute. Any dispute by Debtors to any future administrative expense claim (including any Holdover Claim, as defined in the Stipulation and Order), whether in whole or in part, shall be raised no later than ten (10) days from the issuance of the invoice for such administrative expense claim otherwise any and all objections to any such invoice shall be forever waived by the Debtors. In the event such objections have not been amicably resolved by and between the Parties, either Debtors or Unicargo shall be entitled to request a determination from the Bankruptcy Court with no further notice or demand necessary (other than such notice that may be required by the applicable Bankruptcy Rules and/or local rules).

10. The Parties understand that their Stipulation is the result of time-consuming negotiations and that the delay in finalizing this Stipulation is the fault of neither party. Consequently, Debtors and Unicargo agree to mutually release each other and waive any and all

claims as against the other that existed or may have existed as of the date this Stipulation is executed by both Parties, with the exception of the claims expressly referenced herein which include the General Unsecured Claim, the Secured Claim, and the Undisputed Administrative Claim. Further, upon execution of this Stipulation, the Debtors and Unicargo agree to mutually release each other and waive any and all claims as against the other arising out of delay in reaching this Stipulation, or delays prior hereto; *provided*, that the Parties preserve all rights to seek remedies under this Stipulation if either Party does not perform under the Warehouse Agreement and the Warehouse Exit Terms.

11. As of April 1, 2024, the Debtors have incurred additional liabilities to Unicargo in the ordinary course of business with respect to the services provided by Unicargo on the Debtors' behalf through RXO in the total sum of \$489,527.64, plus €8,190.00 and £13,974.72 (collectively, the "RXO Claims"). The Debtors are intended beneficiaries of Unicargo's business relationship with RXO. The Debtors continue to pay RXO directly for their contractual obligations and expect that RXO will continue to pay Unicargo in accordance with normal terms.

12. By motion (the "Vendor Claims Motion"), filed on February 28, 2024, the Debtors sought interim and final orders authorizing the Debtors to pay, in their sole discretion and in the ordinary course of business, certain pre-petition claims of (i) holders of liens (*i.e.*, shippers, warehousemen, fulfillment centers, logistics providers, distribution vendors and other lien claimants), (ii) foreign vendors, (iii) vendors who could assert claims under Section 503(b)(3) of the Bankruptcy Code, and (iv) critical vendors (the "Trade Creditors"). By Interim Order (the "Interim Vendors Order"), entered on March 1, 2024, the Vendor Claims Motion was granted on an interim basis and Debtors were authorized to pay Trade Creditors on their pre-petition claims

in the aggregate not to exceed \$10,630,000, of which \$5,340,000.00 was authorized to be paid to lien creditors.

13. On March 26, 2024, Debtors filed an application in lieu of motion seeking the entry of a Joint Stipulation and Agreed Order authorizing Debtors to pay additional lien claims under the Interim Vendors Order. Later that day, the Court entered the Joint Stipulation and Agreed Order authorizing Debtors to pay an additional \$1,000,000.00 to creditors holding pre-petition lien claims bringing the total authorized payment toward pre-petition lien claims to \$6,340,000.00 in the aggregate without prejudice to Debtors' right to seek further increases pursuant to the authority granted in the Interim Vendors Order.

14. On April 4, 2024, the Court entered the *Final Order (I) Authorizing the Debtors to Pay Certain Prepetition Claims of (A) Lien Claimants, (B) Foreign Vendors, (C) 503(b)(9) Claimants, and (D) Critical Vendors and (II) Confirming Administrative Expense Priority of Outstanding Orders* (the "Final Vendors Order").

15. By letter, dated March 29, 2024, the Debtors, by its authorized representative, notified Unicargo pursuant to Section 14.4 of the Warehouse Agreement that such agreement would not be renewed and would therefore terminate on its own terms on the Termination Date. The Parties agreed that, with the support of Unicargo, Thrasio shall exit the Warehouse Agreement locations by June 30, 2024. Pursuant to the letter, the Debtors also advised Unicargo that any services Unicargo had been indirectly providing to the Debtors would terminate, including, but not limited to, storage and other warehouse services at the London Mega Terminal, Thurrock Park Way RM18 7HD Tilbury ESS RM18 7HD United Kingdom will also terminate as of the original Termination Date.

16. In order to facilitate the exit of Thrasio from LA10 the parties agree to certain terms (the “Warehouse Exit Terms”) as follows:

- a. Upon entry into this Agreement, and for the duration of time that Thrasio stores goods in LA10, Thrasio shall be entitled to provide five (5) trucks per business day for Unicargo and the operator of the LA10 warehouse (the “Warehouse Operator”) to load onto said trucks on any business day; *provided* that Thrasio shall provide 3 business days’ notice in advance of any such loading day. Each truck shall be deemed to be loaded in compliance with this Stipulation if no less than twenty-five (25) pallets are loaded to such truck assuming such pallets are standard 40x48 pallets. In the event that Thrasio requests Warehouse Operator load any truck with larger sized pallets such that it is impossible to fit at least twenty-five (25) pallets into any truck, each such truck shall be deemed to be loaded in compliance with this Stipulation. In the event that Thrasio requests less than the twenty-five (25) pallet minimum for a validly noticed truck (each, an “LTL Request”), then such LTL Request will be included as one (1) of the five (5) daily trucks provided by Thrasio with no penalty against Unicargo *provided* that Unicargo fully complies with such LTL Request.
- b. The Warehouse Operator shall not refuse the entry of the Debtors’ trucks up to five (5) trucks per business day, nor refuse to load them, for any reason, unless the Warehouse Operator is unable to perform by reason of a Force Majeure Event, which shall be defined as: (a) acts of God; (b) flood, fire, earthquake, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or action; (e) embargoes or blockades in effect on or after the date of this Agreement; and (f) strikes, labor stoppages or slowdowns or other industrial disturbances and other similar events beyond the reasonable control of the non-performing party (the “Impacted Party”). The Impacted Party shall give notice within two (2) days of the Force Majeure Event to the other Party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party’s failure or delay remains uncured for a period of fifteen (15) days following written notice given by it under this Section 16(b), the other Party may thereafter terminate this Agreement upon fifteen (15) days’ written notice. The Parties understand that, from time to time, the Warehouse Operator may need to perform ordinary course activities which may have a non-material effect on the Warehouse Exit Terms. The Parties stipulate and agree that the Bankruptcy Court shall have jurisdiction to fashion remedies in the event that such activities result in a material effect on the Warehouse Exit Terms, and the Parties’ rights

(including the right to assert any applicable defenses) regarding such remedies are expressly preserved.

- c. For any and every pallet under 2,360 pallets per month not loaded onto a validly noticed truck (each, an “Unshipped Pallet”), the Debtors shall not be required to pay any amounts the Debtors would otherwise have to pay for storage of any Unshipped Pallets for the month immediately following the month in which the validly noticed truck was supposed to have been loaded with the Unshipped Pallets. By way of example, if Warehouse Operator loaded only 2,160 pallets in July, Debtors would not be required to pay storage for the 200 Unshipped Pallets for the month of August only.
- d. Notwithstanding anything contained herein, if the Debtors’ inventory is not fully removed from LA10 by November 1, 2024, then, upon either Party disputing any charges incurred by said Party (each, an “Objection”) for the period after October 31, 2024, the Parties agree that the disputing Party (the “Objecting Party”) shall provide written notice of the nature and extent of the Objection. The non-Objecting Party shall have five (5) business days to respond to the Objection (the “Reply”) and, if no resolution can be agreed upon by the Parties ten (10) days after the non-Objecting Party submits its Reply, then either Party may file its Objection with the Bankruptcy Court, which shall be vested with jurisdiction to fashion an appropriate remedy.

17. The Parties wish to avoid the costs and expenses associated with motion practice, litigation, and/or an objection to the Debtors’ proposed Chapter 11 plan or any amended plan, in accordance with the terms set forth below.

18. The Parties have mutually agreed to the terms of the attached Proposed Agreed Order.

19. The parties have engaged in extensive, good-faith, and arms-length negotiations to resolve the Objection.

20. The Debtors submit that the Proposed Agreed Order is fair and equitable and in the best interest of the Debtors and their estates.

21. No prior request for the relief sought in this Application has been made to this Court or any other court.

[Remainder of Page Intentionally Left Blank]

WHEREFORE, the Debtors and Unicargo request that the Court enter the Proposed Agreed Order, in substantially the form submitted herewith, granting the relief requested herein and such other relief as is just and proper under the circumstances.

Dated: June 26, 2024

/s/ J. Logan Rappaport

BRONSTER LLP

J. Logan Rappaport, Esq. (*pro hac vice*)
Andrew Kazin, Esq.
156 West 56th Street, Suite 703
New York, NY 10019
Telephone: (212) 558-9300
Email: lrappaport@bronsterllp.com

Counsel to Unicargo, Ltd.

/s/ Michael D. Sirota

COLE SCHOTZ P.C.

Michael D. Sirota, Esq.
Warren A. Usatine, Esq.
Felice R. Yudkin, Esq.
Jacob S. Frumkin, Esq.
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
Telephone: (201) 489-3000
Email: msirota@coleschotz.com
wusatine@coleschotz.com
fyudkin@coleschotz.com
jfrumkin@coleschotz.com

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

Anup Sathy, P.C. (*admitted pro hac vice*)
333 West Wolf Point Plaza
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200
anup.sathy@kirkland.com

-and-

Matthew C. Fagen, P.C. (*admitted pro hac vice*)
Francis Petrie (*admitted pro hac vice*)
Evan Swager (*admitted pro hac vice*)
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
matthew.fagen@kirkland.com
francis.petrie@kirkland.com
evan.swager@kirkland.com

*Co-Counsel to the Debtors and
Debtors in Possession*

Exhibit A

Proposed Agreed Order

Caption in Compliance with D.N.J. LBR 9004-1(b)

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY	
In re:	Chapter 11
THRASIO HOLDINGS, INC., <i>et al.</i> ,	Case No. 24-11840 (CMG)
Reorganized Debtors. ¹	(Jointly Administered)

**JOINT STIPULATION AND AGREED ORDER FOR
ADEQUATE PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.**

The relief set forth on the following pages, numbered three (3) through eleven (11), is **ORDERED.**

¹ The last four digits of Debtor Thrasio Holdings, Inc.'s tax identification number are 8327. A complete list of the Debtors in these chapter 11 cases and each such Debtor's tax identification number may be obtained on the website of the Debtors' claims and noticing agent at <https://www.kccllc.net/Thrasio>. The Debtors' service address for purposes of these chapter 11 cases is 85 West Street, 3rd Floor, Walpole, MA, 02081.

<p>Caption in Compliance with D.N.J. LBR 9004-1(b)</p>	
<p>KIRKLAND & ELLIS LLP KIRKLAND & ELLIS INTERNATIONAL LLP Anup Sathy, P.C. (admitted <i>pro hac vice</i>) 333 West Wolf Point Plaza Chicago, Illinois 60654 Telephone: (312) 862-2000 Facsimile: (312) 862-2200 anup.sathy@kirkland.com</p> <p>-and-</p> <p>Matthew C. Fagen, P.C. (admitted <i>pro hac vice</i>) Francis Petrie (admitted <i>pro hac vice</i>) Evan Swager (admitted <i>pro hac vice</i>) 601 Lexington Avenue New York, New York 10022 Telephone: (212) 446-4800 Facsimile: (212) 446-4900 matthew.fagen@kirkland.com francis.petrie@kirkland.com evan.swager@kirkland.com</p> <p>COLE SCHOTZ P.C. Michael D. Sirota, Esq. Warren A. Usatine, Esq. Felice R. Yudkin, Esq. Jacob S. Frumkin, Esq. Court Plaza North, 25 Main Street Hackensack, New Jersey 07601 Telephone: (201) 489-3000 msirota@coleschotz.com wusatine@coleschotz.com fyudkin@coleschotz.com jfrumkin@coleschotz.com</p> <p><i>Co-Counsel to the Debtors and Debtors in Possession</i></p>	<p>BRONSTER LLP J. Logan Rappaport, Esq. (<i>pro hac vice</i>) Andrew Kazin, Esq. 156 West 56th Street, Suite 703 New York, NY 10019 (212) 558-9300 lrappaport@bronsterllp.com</p> <p><i>Counsel to Unicargo, Ltd.</i></p>

(Page | 3)

Debtors: THRASIO HOLDINGS, INC., *et al.*

Case No. 24-11840 (CMG)

Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

This stipulation and agreed order (this “Stipulation”) is made this 26th day of June 2024 by each of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) and Unicargo Ltd. (“Unicargo”), as signatory hereto (and together with the Debtors, the “Parties”). The Parties hereby stipulate as follows:

RECITALS

WHEREAS, on July 1, 2022, Debtor Thrasio, LLC (“Thrasio”) and Unicargo entered into a certain warehousing agreement, as amended on or about May 11, 2023 (collectively, with all amendments thereto and as amended, modified, and supplemented from time to time, the “Warehouse Agreement”) for Unicargo to provide warehousing, storage, receipt, handling, delivery, pick and pack, and shipment services (collectively, the “Services”) for the goods delivered to it by Thrasio and/or its agents at seven (7) warehouses;

WHEREAS, on February 28, 2024 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of New Jersey (the “Court”);

WHEREAS, the Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On March 1, 2024, the Court entered an order [Docket No. 64] authorizing the joint administration and procedural consolidation of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b). On March 12, 2024, the United States Trustee for the District of New Jersey appointed an official committee of unsecured creditors pursuant to section 1102 of the Bankruptcy Code (the “Committee”) [Docket No. 163]. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases;

(Page | 4)

Debtors: THRASIO HOLDINGS, INC., *et al.*
Case No. 24-11840 (CMG)
Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE
PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

WHEREAS, the Parties agree that, with the support of Unicargo, Thrasio shall exit the Warehouse Agreement locations by the Termination Date;

WHEREAS, on March 21, 2024, Unicargo filed Claim No. 11 asserting a general unsecured claim against Thrasio as of the Petition Date in the sum of \$481,148.00 (the “General Unsecured Claim”) with respect to unpaid warehouse fees in China which was not holding any of Debtors goods on the Petition Date and other miscellaneous charges. The Debtors’ records currently show \$480,000.00, €925.00, and £3,299.72 outstanding for these fees. The Debtors have paid the €925.00 and £3,299.72 portions of the General Unsecured Claim. The outstanding portion of the General Unsecured Claim is disputed by the Debtors and will be addressed through the cure and claims reconciliation processes. The Debtors reserve their rights to file an objection to, or otherwise dispute, the outstanding portion of the General Unsecured Claim in part or in whole;

WHEREAS, on March 21, 2024, Unicargo filed Claim No. 12 asserting a secured claim against Thrasio as of the Petition Date in the sum of \$857,843.93 with respect to unpaid warehouse fees and related charges which gave rise to warehouseman’s liens under applicable state law. The Debtors’ records currently show \$932,418.65 outstanding for these fees (the “Secured Claim”). No portion of the Secured Claim has been paid. The Debtors consent to the allowance of the Secured Claim in full. The Secured Claim will be paid in its entirety in conjunction with assumption of the Warehouse Agreement upon the earlier of: (i) the date upon which the Debtors’ emerge from these Chapter 11 Cases, which the Debtors presently anticipate being on or about June 9, 2024, or (ii) the thirtieth (30th) day following the entry of an order confirming the Debtors’ Plan. For the avoidance of doubt, the Warehouse Agreement is currently being assumed under the Debtors’ Plan;

(Page | 5)

Debtors: THRASIO HOLDINGS, INC., *et al.*
Case No. 24-11840 (CMG)
Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE
PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

WHEREAS, as of June 25, 2024, Unicargo and Debtors stipulate that Thrasio has incurred liabilities to Unicargo in the ordinary course of its business in the sum of \$493,338.15 since the Petition Date that has not yet been paid (the “Administrative Claim”), which includes \$120,000.00 in administrative expenses arising from a monthly storage charge for March 2024 per an invoice dated March 1, 2024 (Inv. No. 168220). In the interest of resolving the parties’ dispute amicably and in exchange for the consideration and obligations Thrasio is providing Unicargo pursuant hereto, Unicargo shall waive and release Debtors from liability for the foregoing invoice. Additionally, the Parties anticipate additional sums being incurred in connection with warehouse fees and related services, including out bounding Debtors’ goods, going forward that will be entitled to administrative expense status and increase the amount of the Administrative Claim. The outstanding Administrative Claim, after deducting the amount previously due under Inv. No. 168220, totals \$373,338.15 (the “Undisputed Administrative Claim”) as of June 25, 2024. The Undisputed Administrative Claim shall be allowed in its entirety. The Debtors shall pay the Undisputed Administrative Claim, the sum of \$343,338.15, within five (5) business days of this Stipulation having been executed by both the Debtors and Unicargo. Any and all future administrative expense claims that shall arise in favor of Unicargo, shall be paid by Debtors in the ordinary course of business, pursuant to the parties’ ordinary trade terms, which require payment thirty (30) days from the issuance of any invoice that is not subject to a bona fide dispute. Any dispute by Debtors to any future administrative expense claim (including any Holdover Claim, as defined in the Stipulation and Order), whether in whole or in part, shall be raised no later than ten (10) days from the issuance of the invoice for such administrative expense claim otherwise any and all objections to any such invoice shall be forever waived by the Debtors. In the event such

(Page | 6)

Debtors: THRASIO HOLDINGS, INC., *et al.*

Case No. 24-11840 (CMG)

Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE
PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

objections have not been amicably resolved by and between the Parties, either Debtors or Unicargo shall be entitled to request a determination from the Bankruptcy Court with no further notice or demand necessary (other than such notice that may be required by the applicable Bankruptcy Rules and/or local rules);

WHEREAS, the parties have engaged in extensive, good-faith, and arms-length negotiations regarding adequate protection of the Warehouse Lien and the other agreements set forth herein, and the Debtors submit that this Joint Stipulation and Agreed Order are fair and in the best interests of the Debtors and their estates.

NOW, IT IS THEREFORE STIPULATED AND AGREED, AND UPON APPROVAL BY THE COURT OF THIS STIPULATION, IT IS SO ORDERED EFFECTIVE AS OF THE EFFECTIVE DATE HEREOF AS FOLLOWS:

1. The above recitals are incorporated by reference into this Agreed Order with the same force and effect as if fully set forth hereinafter.

2. Debtors shall ensure the removal of any and all of their goods from all of Unicargo's warehouses in the United States, the United Kingdom, and China on or before the Termination Date. Unicargo agrees to assist the Debtors with removal, including but not limited to the processing of Amazon orders, donation sales orders, liquidation sales orders, and consolidation orders for movement to other warehouse locations. In the event Debtors fail to remove all of their goods from Unicargo's facilities prior to July 1, 2024, Debtors shall be liable, jointly and severally, for monthly use and occupancy charges with respect to each facility for which Debtors have failed to remove all of their goods, as well as for any and all other related charges (the "Holdover Claims") as follows: \$33 per pallet per month for the LA10 facility; £30 per pallet per month with the minimum pallet count to remain the same with three months' advance notice of the vacate date

(Page | 7)

Debtors: THRASIO HOLDINGS, INC., *et al.*
Case No. 24-11840 (CMG)
Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

for the UK3 warehouse; \$40.00 per pallet per month and the minimum pallet count will remain the same with three months' advance notice of the vacate date for the CN4 warehouse; *provided* that the Debtors' rights to challenge such Holdover Claims are expressly preserved. The Holdover Claims shall be considered allowed administrative expenses pursuant to Section 503(b) of the Bankruptcy Code unless disputed. Any and all Holdover Claims shall be invoiced by Unicargo to Debtors on a monthly payment with payment in full due and owing on a net thirty-day basis. Any dispute by Debtors to any Holdover Claim, whether in whole or in part, shall be raised within ten (10) business days from the issuance of the invoice for such Holdover Claim. The Court shall retain exclusive jurisdiction to resolve any disputed Holdover Claims.

3. In order to facilitate the exit of Thrasio from LA10 the parties agree to certain terms (the "Warehouse Exit Terms") as follows:

- a. Upon entry into this Agreement, and for the duration of time that Thrasio stores goods in LA10, Thrasio shall be entitled to provide five (5) trucks per business day for Unicargo and the operator of the LA10 warehouse (the "Warehouse Operator") to load onto said trucks on any business day; *provided* that Thrasio shall provide 3 business days' notice in advance of any such loading day. Each truck shall be deemed to be loaded in compliance with this Stipulation if no less than twenty-five (25) pallets are loaded to such truck assuming such pallets are standard 40x48 pallets. In the event that Thrasio requests Warehouse Operator load any truck with larger sized pallets such that it is impossible to fit at least twenty-five (25) pallets into any truck, each such truck shall be deemed to be loaded in compliance with this Stipulation. In the event that Thrasio requests less than the twenty-five (25) pallet minimum for a validly noticed truck (each, an "LTL Request"), then such LTL Request will be included as one (1) of the five (5) daily trucks provided by Thrasio with no penalty against Unicargo *provided* that Unicargo fully complies with such LTL Request.
- b. The Warehouse Operator shall not refuse the entry of the Debtors' trucks up to five (5) trucks per business day, nor refuse to load them, for any reason, unless the Warehouse Operator is unable to perform by reason of a Force Majeure Event, which shall be defined as: (a) acts of God; (b) flood,

(Page | 8)

Debtors: THRASIO HOLDINGS, INC., *et al.*

Case No. 24-11840 (CMG)

Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

fire, earthquake, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or action; (e) embargoes or blockades in effect on or after the date of this Agreement; and (f) strikes, labor stoppages or slowdowns or other industrial disturbances and other similar events beyond the reasonable control of the non-performing party (the “Impacted Party”). The Impacted Party shall give notice within two (2) days of the Force Majeure Event to the other Party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party’s failure or delay remains uncured for a period of fifteen (15) days following written notice given by it under this Section 3(b), the other Party may thereafter terminate this Agreement upon fifteen (15) days’ written notice. The Parties understand that, from time to time, the Warehouse Operator may need to perform ordinary course activities which may have a non-material effect on the Warehouse Exit Terms. The Parties stipulate and agree that the Bankruptcy Court shall have jurisdiction to fashion remedies in the event that such activities result in a material effect on the Warehouse Exit Terms, and the Parties’ rights (including the right to assert any applicable defenses) regarding such remedies are expressly preserved.

- c. For any and every pallet under 2,360 pallets per month not loaded onto a validly noticed truck (each, an “Unshipped Pallet”), the Debtors shall not be required to pay any amounts the Debtors would otherwise have to pay for storage of any Unshipped Pallets for the month immediately following the month in which the validly noticed truck was supposed to have been loaded with the Unshipped Pallets. By way of example, if Warehouse Operator loaded only 2,160 pallets in July, Debtors would not be required to pay storage for the 200 Unshipped Pallets for the month of August only.
- d. Notwithstanding anything contained herein, if the Debtors’ inventory is not fully removed from LA10 by November 1, 2024, then, upon either Party disputing any charges incurred by said Party (each, an “Objection”) for the period after October 31, 2024, the Parties agree that the disputing Party (the “Objecting Party”) shall provide written notice of the nature and extent of the Objection. The non-Objecting Party shall have five (5) business days to respond to the Objection (the “Reply”) and, if no resolution can be agreed upon by the Parties ten (10) days after the non-Objecting Party submits its Reply, then either Party may file its Objection with the Bankruptcy Court, which shall be vested with jurisdiction to fashion an appropriate remedy.

(Page | 9)

Debtors: THRASIO HOLDINGS, INC., *et al.*

Case No. 24-11840 (CMG)

Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE
PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

4. In the event that the parties are unable to remove all goods by June 30, 2024, and a dispute regarding this Stipulation or the inability of the Parties to remove all goods by such date arises, such dispute shall be heard by the Court, and the Parties stipulate and agree that the Court shall retain exclusive authority to fashion any remedies if necessary.

5. Any and all undisputed expenses incurred by Unicargo with respect to preparing Debtors' goods for removal and otherwise assisting Debtors with the removal of such goods, as well as all warehouse fees and other charges incurred by Unicargo on Debtors' behalf in the ordinary course of business shall be accorded administrative expense status pursuant to Section 503(b) of the Bankruptcy Code and shall be considered part of Unicargo's Administrative Claim, as defined above.

6. As described herein, the Secured Claim will be paid in its entirety in conjunction with assumption of the Warehouse Agreement upon the earlier of: (i) the date upon which the Debtors' emerge from these Chapter 11 Cases, which the Debtors presently anticipate being on or about June 9, 2024, or (ii) the thirtieth (30th) day following the entry of an order confirming the Debtors' Plan.

7. As described herein, the Debtors shall pay the Undisputed Administrative Claim in full of which the sum of \$373,338.15 shall be paid by Debtors within five (5) business days of this Stipulation having been executed by both Debtors and Unicargo. Any and all future administrative expense claims that shall arise in favor of Unicargo, shall be paid by Debtors in the ordinary course of business, pursuant to the parties' ordinary trade terms, which require payment thirty (30) days from the issuance of any invoice that is not subject to a bona fide dispute. Any dispute by Debtors to any future administrative expense claim (including any Holdover Claim, as defined in the

(Page | 10)

Debtors: THRASIO HOLDINGS, INC., *et al.*
Case No. 24-11840 (CMG)
Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE
PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

Stipulation and Order), whether in whole or in part, shall be raised no later than ten (10) days from the issuance of the invoice for such administrative expense claim otherwise any and all objections to any such invoice shall be forever waived by Debtors. In the event such objections have not been amicably resolved by and between the Parties, either Debtors or Unicargo shall be entitled to request a determination from the Bankruptcy Court with no further notice or demand necessary (other than such notice that may be required by the applicable Bankruptcy Rules and/or local rules).

8. The Parties understand that their Stipulation is the result of time consuming negotiation and that the delay in finalizing this Stipulation is the fault of neither party. Consequently, Debtors and Unicargo agree to mutually release each other and waive any and all claims as against the other that existed or may have existed as of the date this Stipulation is executed by both Parties, with the exception of the claims expressly referenced herein which include the General Unsecured Claim, the Secured Claim, and the Undisputed Administrative Claim. Further, upon execution of this Stipulation, the Debtors and Unicargo agree to mutually release each other and waive any and all claims as against the other arising out of delay in reaching this Stipulation, or delays prior hereto; *provided*, that the Parties preserve all rights to seek remedies under this Stipulation if either Party does not perform under the Warehouse Agreement and the Warehouse Exit Terms.

9. The Parties shall cooperate with each other in ensuring compliance with this Stipulation and Order and shall be authorized to execute any and all necessary documents in order to give effect to this Stipulation and Order.

10. The terms of this Stipulation and Order shall be binding upon all of the successors and assigns of the respective Parties, including any trustee or examiner appointed to operate,

(Page | 11)

Debtors: THRASIO HOLDINGS, INC., *et al.*

Case No. 24-11840 (CMG)

Caption of Order: JOINT STIPULATION AND AGREED ORDER FOR ADEQUATE
PROTECTION OF THE WAREHOUSE LIEN OF UNICARGO, LTD.

investigate, or liquidate one or more of the Debtors under Chapter 11 or in a converted Chapter 7 bankruptcy case.

11. Any and all modifications to this Stipulation and Order must be memorialized in a writing signed by both Parties hereto and approved by the Court.

12. Nothing herein shall constitute an admission by Debtors regarding the legality, validity, security, priority, perfection, or extent of the Warehouse Lien nor shall anything herein impair or diminish the Warehouse Lien.

13. The Debtors are authorized to take all actions necessary to effectuate the relief provided for in the Stipulation and this Agreed Order.

14. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of the Stipulation and this Agreed Order.

/s/ J. Logan Rappaport

BRONSTER LLP

J. Logan Rappaport, Esq. (*pro hac vice*)
Andrew Kazin, Esq.
156 West 56th Street, Suite 703
New York, NY 10019
Telephone: (212) 558-9300
Email: lrappaport@bronsterllp.com

Counsel to Unicargo, Ltd.

/s/ Michael D. Sirota

COLE SCHOTZ P.C.

Michael D. Sirota, Esq.
Warren A. Usatine, Esq.
Felice R. Yudkin, Esq.
Jacob S. Frumkin, Esq.
Court Plaza North, 25 Main Street
Hackensack, New Jersey 07601
Telephone: (201) 489-3000
Email: msirota@coleschotz.com
wusatine@coleschotz.com
fyudkin@coleschotz.com
jfrumkin@coleschotz.com

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

Anup Sathy, P.C. (*admitted pro hac vice*)
333 West Wolf Point Plaza
Chicago, Illinois 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200
anup.sathy@kirkland.com

-and-

Matthew C. Fagen, P.C. (*admitted pro hac vice*)
Francis Petrie (*admitted pro hac vice*)
Evan Swager (*admitted pro hac vice*)
601 Lexington Avenue
New York, New York 10022
Telephone: (212) 446-4800
Facsimile: (212) 446-4900
matthew.fagen@kirkland.com
francis.petrie@kirkland.com
evan.swager@kirkland.com

*Co-Counsel to the Debtors and
Debtors in Possession*