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

In re:	)	Chapter 11
	)	
OTB HOLDING LLC,[1]	)	Case No. 25-52415 (SMS)
	)	
Debtor.	)	Jointly Administered
	)	
	)	

STIPULATION AND CONSENT ORDER REGARDING DISPOSITION OF COLLATERAL BACKING OBLIGATIONS TO THE TRAVELERS INDEMNITY COMPANY, RESOLVING TRAVELERS' CLAIMS, AND CONFIRMING DISPOSITION OF SELF-INSURED CLAIM FILES

This stipulation and consent order (the "Stipulation") is entered into by and among the OTB Holding Liquidating Trust (the "Liquidating Trust"), as successor-in-interest to OTB Holding LLC and its affiliated debtors (collectively, the "Debtors") and The Travelers Indemnity Company and those certain of its property casualty insurance and claim service affiliates that issued one or more policies or claim service contracts to one or more of the Debtors (collectively, "Travelers")," and, collectively with the Liquidating Trust and Travelers the "Parties" and each a "Party").[2]

RECITALS

WHEREAS, on March 4, 2025 (the "Petition Date"), each of the Debtors filed a voluntary petition under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the

[1] The last four digits of the Debtor's federal tax identification number are 3213. A complete list of each of the former Debtors whose claims are being administered in this chapter 11 case may be obtained on the website of this Debtor's claims and noticing agent at https://www.veritaglobal.net/ontheborder. The mailing address for the Liquidating Trust established pursuant to the Plan and Confirmation Order (each as defined herein) is c/o META Advisors LLC, 7 Giralda Farms, Suite 340, Madison, New Jersey 07940, Attn: James S. Carr, Kristin S. Elliott and Dana P. Kane, with a copy to: Eversheds Sutherland (US) LLP 999 Peachtree Street NE Atlanta, Georgia 30309, Attn: Todd C. Meyers, Email: toddmeyers@eversheds-sutherland.com, and Nathaniel T. DeLoatch, Email: natedeloatch@eversheds-sutherland.com.

[2] Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the Plan (as defined herein).

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United States Bankruptcy Court for the District of Georgia, Atlanta Division (the "Bankruptcy Court"); and

WHEREAS, during the Chapter 11 Cases, the Debtors continued to operate their businesses and manage their properties as debtors and debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code; and

WHEREAS, prior to the Petition Date, Travelers issued certain policies (the "Travelers Policies") providing workers compensation and general liability insurance to one or more of the Debtors in various states; and

WHEREAS, Travelers issued the Travelers Policies in conjunction with a series of additional agreements governing the relationship between Travelers and the Debtors as described therein (collectively, the "Program Agreements" and, together with the Travelers Policies, the "Travelers Program"); and

WHEREAS, the Travelers Program was in effect from June 30, 2010 through June 30, 2024; and

WHEREAS, the Travelers Policies are loss-sensitive, meaning that in addition to premium, the Debtors are obligated to pay certain self-insured retentions and loss and other charge reimbursement obligations that reflect, in part, the actual losses and expenses under the Travelers Policies, subject to contractual limitations (the "Deductible Obligations"). The billing and reimbursement process and the Deductible Obligations continue after the expiration date of the Travelers Policies because loss activity continues to accrue; and

WHEREAS, the Debtors also are parties to certain claims service agreements with Constitution State Services and/or its predecessor and related entities (collectively, the "Claim Service Agreements") by which Constitution State Services and/or its predecessor and related

entities administer certain self-insured obligations of the Debtors (collectively, the "Self-Insured Claims"); and

WHEREAS, as a consequence of the foregoing, Travelers holds certain unliquidated claims against the Debtors related to the Debtors' financial obligations under, among other things, the Travelers Program, evidenced by Travelers' filed proofs of claim, claim numbers 478 and 481, which were filed prior to the bar date of May 29, 2025 set in these Chapter 11 Cases (the "Travelers Claims"); and

WHEREAS, pursuant to the Travelers Program, among other things, the Deductible Obligations and the obligations of the Claim Service Agreements (collectively, the "Obligations") are backed by the following: (1) the Letter of Credit No. S535725N issued by MUFG Bank, Ltd. in the amount of $600,000.00 (the "Letter of Credit"), and (2) the loss fund deposits in the total amount of $74,500.00 (the "Cash Collateral" and, together with the Letter of Credit, the "Collateral"); and

WHEREAS, in addition to the Cash Collateral, Travelers holds available credits in the approximate amount of $93,350.00 on account of the Travelers Program (the "Available Credits"); and

WHEREAS, Debtor advises that 1970 Group arranged for the issuance of the Letter of Credit, on behalf of the Debtors, to serve as partial collateral for the Travelers Program; and

WHEREAS, Debtor advises that as a consequence of the foregoing, and other unrelated arrangements, 1970 Group holds certain unliquidated claims against the Debtors related to the Debtors' financial obligations under, among other things, the Letter of Credit, evidenced by 1970 Group's filed proofs of claim,[3] claim number 548 with an unsecured claim in the amount of One

[3] Although 1970 Group filed several claims under various of the Debtors' cases, the only claim that remains is Claim No. 548 in the case of OTB Holding LLC (Case No. 25-52415).

Million Thirty-Four Thousand Two Hundred Fifty Dollars and 00/100 ($1,034,250.00) and a secured claim in the amount of Fifty Five Thousand, Seven Hundred Fifty Dollars and 00/100 ($55,750.00), which was filed prior to the bar date of May 29, 2025 set in these Chapter 11 Cases (the "1970 Group Claim"); and

WHEREAS, Travelers has not drawn on the Letter of Credit; and

WHEREAS, on August 5, 2025, the Debtors filed the *Debtors' Second Omnibus Objection to Secured and Priority Claims Listed on Exhibit A-1, Exhibit A-2 and Exhibit A-3* [Docket No. 541] (the "Claim Objection") objecting to, among others, the Travelers Claims; and

WHEREAS, on September 11, 2025, the Bankruptcy Court entered its order granting the Claim Objection, except for, among others, the Travelers Claims; and

WHEREAS, a hearing on the Claim Objection regarding the Travelers Claims remains pending with a hearing date, if needed, to be scheduled in the future; and

WHEREAS, on September 8, 2025, the Bankruptcy Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming the Debtors' Amended Joint Chapter 11 Plan as of July 21, 2025* [Docket No. 607] (the "Confirmation Order"), which confirmed the Debtors' *Amended Joint Chapter 11 Plan as of July 21, 2025* [Docket No. 522] (as amended, supplemented, or modified, the "Plan"); and

WHEREAS, on September 16, 2025 (the "Effective Date"), the Plan became effective according to its terms [Docket No. 620]; and

WHEREAS, the Plan provides for, among other things, the creation and establishment of the Liquidating Trust and the appointment of META Advisors LLC as the Liquidating Trustee (the "Liquidating Trustee") of the Liquidating Trust; and

WHEREAS, the Confirmation Order provides that the Liquidating Trust shall receive the Liquidating Trust Assets automatically upon the Effective Date (*see* Confirmation Order ¶ 14); and

WHEREAS, the Liquidating Trust Assets include, among other things, the Debtors' rights and interests in the Travelers Program and all agreements related thereto; and

WHEREAS, the Confirmation Order approved the Liquidating Trust Agreement, which governs the administration of the Liquidating Trust and the powers and duties of the Liquidating Trustee; and

WHEREAS, pursuant to the Plan, Confirmation Order, and Liquidating Trust Agreement, the Liquidating Trustee has exclusive authority to, among other things, object to, compromise, settle, or otherwise resolve all Claims asserted against the Debtors; and

WHEREAS, the Parties engaged in negotiations concerning, among other things, the treatment of the Travelers Claims, the disposition of the Self-Insured Claims, and the Letter of Credit; and

NOW, THEREFORE, in consideration of the foregoing, the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties enter into this Stipulation and agree to be bound by its terms.

SETTLEMENT

1. **Recitals.** The recitals set forth above are incorporated herein by reference.

2. **Stipulation Effective Date.** This Stipulation shall become effective upon the date (the "Stipulation Effective Date"): (i) that it is "So Ordered" by the Bankruptcy Court and such Order becomes final, without any appeal or modification thereof, and (ii) that all applicable appeal

periods have expired and no appeals or other challenges are pending, subject only to the terms set forth herein.

3. **Bankruptcy Court Approval.** Following the execution of this Stipulation by all Parties, the Liquidating Trustee will promptly seek approval of this Stipulation by the Bankruptcy Court. During the period between the execution of this Stipulation by the Parties and the Stipulation Effective Date, this Stipulation shall constitute a binding agreement, and the Parties shall do nothing contrary to the terms set forth herein.

4. **Collateral Disposition.**

a. Within fifteen (15) business days after the occurrence of the Stipulation Effective Date, Travelers shall effectuate a draw on the Letter of Credit in accordance with and subject to the terms of the Letter of Credit and/or non-bankruptcy law in the aggregate amount of $407,150.00 (the "LOC Proceeds");

b. Travelers shall retain: (i) the $74,500.00 of Cash Collateral in its entirety (the "Retained Cash"); and (ii) the Available Credits in the amount of $93,350.00 (collectively with the Retained Cash and the LOC Proceeds, totaling $575,000.00, the "Retained Collateral");

c. Within five (5) business days after Travelers receives the Retained Collateral, Travelers shall fully and finally release the Letter of Credit to the issuing bank with instructions that the issuing bank may cancel and release the Letter of Credit;

d. Within three (3) business days after Travelers receives confirmation from the issuing bank that it has fully and finally released the Letter of Credit to the issuing bank, it shall notify the Liquidating Trust, which shall provide 1970 Group with such confirmation that the Letter of Credit has been fully and finally released; and

5. **Termination of Claim Service Agreements.** The Liquidating Trustee affirms that

i. the Claim Service Agreements are rejected and terminated. The Liquidating Trustee will cooperate with Travelers in the transfer of all open self-insured claim files to the Liquidating Trustee and, in connection therewith, will provide instructions to Travelers for delivery of all open self-insured claim files to the Liquidating Trustee and the following address:

Eversheds Sutherland (US) LLP
Attn: Nathan DeLoatch

600 Peachtree Street, NE, Suite 5200
Atlanta GA 30308

6. **No Further Monetary Obligations.** Upon disposition of the Collateral in accordance with this Stipulation: (i) the Debtors, its Estates, or the Liquidating Trust shall have no further monetary obligations to Travelers, including without limitation any Deductible Obligations and Self-Insured Claims; (ii) Travelers shall have no further monetary obligations to the Liquidating Trust, *provided that* nothing herein shall relieve Travelers and/or the Estate and its Liquidating Trustee of their respective obligations set out in paragraph 12 hereof; and (iii) Travelers shall look solely to the Retained Collateral for payment of any obligations under the Travelers Program.

7. **Release By Travelers.** In consideration of the promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, upon the date that Travelers releases and cancels the Letter of Credit in accordance with paragraph 4(c) of this Stipulation and subject to the provisions of this Stipulation, specifically including, but not limited to Paragraphs 11 and 12, Travelers, for itself and its affiliates, predecessors, successors, and assigns, hereby fully and unconditionally releases, acquits, and forever discharges the Debtors, the Liquidating Trust, and their respective affiliates, predecessors, successors, and assigns (collectively, the "Trustee Released Parties"), of and from any and all claims, counterclaims, rights, demands, obligations, actions, causes of action, costs, damages, losses, liabilities, and attorneys' fees, of any kind or nature, whether at law or in equity, whether based on contract, tort, statute, regulation, or any other legal or equitable theory, whether asserted or unasserted, known or unknown, fixed or contingent, liquidated or unliquidated, matured or unmatured, foreseen or unforeseen, suspected or unsuspected, which Travelers ever had, now has, or hereafter may have against any of the Trustee Released Parties from the beginning of time

through and including the Stipulation Effective Date **solely** arising out of or related to the Travelers Program, the Travelers Policies, the Program Agreements, the Claim Service Agreements, the Collateral, the Retained Collateral, the Self-Insured Claims, the Travelers Claims and/or the Deductible Obligations (collectively, the "Travelers Released Claims"); *provided however that* the release set forth in this paragraph shall not apply to the obligations expressly set forth in this Stipulation. For the avoidance of doubt, upon the Stipulation Effective Date, Travelers shall retain the Retained Collateral and may use, apply or otherwise dispose of the Retained Collateral in its sole and absolute discretion in the discharge and performance of its obligations under the Travelers Program.

8. **Release By the Liquidating Trust.** In consideration of the promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, upon the date that Travelers releases and cancels the Letter of Credit in accordance with paragraph 4(c) of this Stipulation and subject to the provisions of this Stipulation, specifically including, but not limited to Paragraphs 11 and 12, the Liquidating Trust, for itself and its affiliates, predecessors, successors, and assigns, hereby fully releases, acquits, and forever discharges Travelers, and its respective affiliates, predecessors, successors, and assigns (collectively, the "Travelers Released Parties"), of and from any and all claims, counterclaims, rights, demands, obligations, actions, causes of action, costs, damages, losses, liabilities, and attorneys' fees, of any kind or nature, whether at law or in equity, whether based on contract, tort, statute, regulation, or any other legal or equitable theory, whether asserted or unasserted, known or unknown, fixed or contingent, liquidated or unliquidated, matured or unmatured, foreseen or unforeseen, suspected or unsuspected, which the Liquidating Trust ever had, now has, or hereafter may have against any of the Travelers Released Parties from the beginning of time through and including the Stipulation Effective Date **solely** arising out of or related to the Travelers Program,

the Travelers Policies, the Program Agreements, the Claim Service Agreements, the Collateral, the Retained Collateral, the Self-Insured Claims, the Travelers Claims and/or the Deductible Obligations (collectively, the "Liquidating Trust Released Claims"); *provided however that* the release set forth in this paragraph shall not apply to the obligations expressly set forth in this Stipulation. For the avoidance of doubt, the Liquidating Trust Released Claims shall include, without limitation, any and all causes of action arising under Chapter 5 of the Bankruptcy Code.

9. **Satisfaction of Travelers Claim.** Travelers hereby confirms that, upon its receipt of the Retained Collateral and in exchange for the mutual releases set forth above, Travelers' proofs of claim numbers 478 and 481 that have been filed against the Debtors and their Estates shall be deemed finally and fully satisfied, and, consequently, shall be deemed satisfied in the Chapter 11 Cases and the Chapter 11 Cases' claims register in their entirety, without the need for further objection or action by the Liquidating Trust.

10. **Compromise of Claims.** The Parties acknowledge that this Stipulation is a compromise of disputed claims related to the Collateral, the Travelers Claims, the Self-Insured Claims, and the Travelers Program**,** and that neither Party admits, and each expressly denies, any liability on its part.

11. **Continuing Obligations.** Notwithstanding anything herein including the releases contained in Paragraphs 7 and 8:

a. Travelers shall continue to handle, administer, adjust, settle, and/or pay (collectively, "Claim Administration") covered claims under the Travelers Policies (each, an "Insured Claim"), and the automatic stay and any Plan injunction, to the extent applicable, shall be deemed lifted as to Travelers without further court order to permit Travelers to perform Claim Administration;

b. This Stipulation does not release the Liquidating Trust and/or the Estate under the Travelers Policies and/or the law from duties to cooperate with Travelers in the investigation of claims and Claim Administration. Such

cooperation shall include, without limitation, the continued delivery to Travelers, upon request, of reasonably available information that is in the Liquidating Trust's possession, custody, or control, regarding the claims, and the authorization of third parties in possession of such information to deliver it to Travelers. For the avoidance of doubt, the above does not impose any monetary obligation upon the Liquidating Trust, including, but not limited to, any monetary obligation related to any self-insured obligation; and

c. Nothing in this Stipulation will be deemed:

i. to modify the coverage provided by the Travelers Policies or in any way to affect or to impair Travelers' rights or obligations under the Travelers Policies, including rights, defenses, and obligations concerning claims and coverage, which will be determined thereunder;

ii. to create or permit a direct right of action by any holder of any claim against Travelers, the Debtors, the Estates, or the Liquidating Trust;

iii. to preclude or limit, in any way, the rights of Travelers to contest and/or to litigate with any holder of any claim, the existence, primacy, and/or scope of available coverage under any alleged applicable Travelers Policy; or

iv. to relieve any holder of any claim from any obligation to file a proof of claim in the Debtors' bankruptcy cases.

12. **Costs and Expenses.** The Parties shall be responsible for and shall bear their own costs, expenses and attorneys' fees incurred in connection with this Stipulation and the negotiations related to and the preparation and performance of this Stipulation, and they shall not seek reimbursement of any such costs, expenses and attorneys' fees from any other Party.

13. **Authority.** Each person signing this Stipulation represents and warrants that they have been duly authorized and have the requisite authority to execute and deliver this Stipulation on behalf of such Party, to bind their respective client or clients to the terms and conditions of this

Stipulation and to act with respect to the rights and claims that are being altered or otherwise affected by this Stipulation.

14. **Non-Reliance.** The Parties represent and acknowledge that, in executing this Stipulation, they do not rely and have not relied upon any representation or statement made by any Party or any of their agents, shareholders, representatives or attorneys, regarding the subject matter, basis or effect of this Stipulation or otherwise, other than as specifically stated in this Stipulation.

15. **Advice of Counsel.** The Parties further declare that, in making this Stipulation, they rely entirely upon their own judgment, beliefs and interest and the advice of their counsel (for whose expense each shall be solely responsible) and that they have had a reasonable period of time to consider this Stipulation.

16. **Construction.** Each Party has reviewed this Stipulation and fully understands and voluntarily accepts all the provisions contained in this Stipulation. This Stipulation was the product of negotiations between the Parties and any rule of construction that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Stipulation.

17. **Entire Agreement.** This Stipulation sets forth the entire agreement between the Parties concerning the subject matter hereof and fully supersedes any and all prior agreements and understandings, written or oral, between the Parties pertaining to the subject matter hereof.

18. **Modification.** No modification of this Stipulation shall be binding or enforceable unless in writing and signed by the Parties.

19. **Successors and Assigns.** This Stipulation shall be binding upon and shall inure to the benefit of the Parties, their respective successors and assigns.

20. **Governing Law and Jurisdiction.** This Stipulation shall be construed and enforced in accordance with the provisions of the Bankruptcy Code and, where not inconsistent,

the laws of the State of Connecticut without regard to the conflicts of laws or principles thereof. The Parties acknowledge that the Bankruptcy Court shall have exclusive jurisdiction to hear and determine any claims or disputes between the Parties with respect to this Stipulation.

21. **Counterparts.** This Stipulation may be executed in one or more counterparts, including by facsimile and/or electronic mail, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

22. **Survival.** Subject to the occurrence of the Stipulation Effective Date, the representations, warranties, covenants and other provisions set forth herein shall survive the execution of this Stipulation and the effectiveness of the releases granted hereunder.

(*Signature pages to follow*)

Dated: October 14, 2026

OTB HOLDING LIQUIDATING TRUST
/s/ *Nathaniel T. DeLoatch*
By: Nathaniel T. DeLoatch

EVERSHEDS SUTHERLAND (US) LLP
Todd C. Meyers (Ga. Bar No. 503756)
Nathaniel T. DeLoatch (Ga. Bar No. 216330)
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Counsel to the Liquidating Trustee of the OTB Holding Liquidating Trust

Dated: October 14, 2026

THE TRAVELERS INDEMNITY COMPANY
/s/ *Arthur A. Ebbs*
By: Arthur A. Ebbs

Womble Bond Dickinson (US) LLP
Arthur A. Ebbs (Ga. Bar No. 416181)
1331 Spring St. NW, Suite 1400
Atlanta, GA 30309
Telephone: (404) 872-7000
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Counsel to The Travelers Indemnity Company

(*Signatures continued on next page*)

Dated: October 14, 2026
Reviewed and Acknowledged By Non-Party
1970 GROUP, INC.

/s/ *Christopher S. Koenig*
By: Christopher S. Koenig

Kirkland & Ellis LLP
Christopher S. Koenig
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Chicago, Illinois 60654
Telephone: (312) 862-2372
Email: chris.koenig@kirkland.com

Counsel to 1970 Group, Inc.

CERTIFICATE OF SERVICE

This is to certify that on this date, I filed the foregoing document through the Court's ECF program, which sends a notice of this document and an accompanying link to this document to all parties who have appeared in this case under the Bankruptcy Court's Electronic Case Filing program.

Dated: October 16, 2026

/s/ *Nathaniel T. DeLoatch*
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