FREQUENTLY ASKED QUESTIONS

About Chapter 11

1. What is Chapter 11?
Chapter 11 refers to the chapter in United States Bankruptcy Code containing provisions for court-supervised reorganizations of businesses. An organization that files for protection under Chapter 11 is allowed to continue to operate and maintain business that is "in the ordinary course business." The Chapter 11 process is a tool which provides the company with more time and protection from its creditors while it develops a plan to reorganize its debt and operations. Chapter 11 is used by fundamentally sound companies to protect enterprise value as they reorganize their debt. It is a process through which DLH Master Landing Holding, LLC (DLH) and its parent company Allen Capital Partners (ACP) can maximize the value of assets, while addressing other market and industry issues.

2. What happens during Chapter 11?
The bankruptcy court issues a "stay" or order that prevents creditors from collecting money and debts owed by the filing organization for goods and services provided prior to the filing of the Chapter 11 case. It allows the organization to delay loan payments, as well as payments owed to vendors for merchandise received before the filing. A major benefit of Chapter 11 it is that it permits daily operations to continue. The filing enables the company to continue to operate its business effectively with minimal disruption and loss of productivity.

- Employees continue to receive their regular wages and benefits.
- Company facilities stay open for business.
- Property management continues.
- Goods and services purchased by the company after the filing date are paid for in the ordinary course of business.

While operations continue, the organization's management and its creditors negotiate a plan to reorganize or reduce the debt and thereby better align the company's future capital structure with business conditions. The plan is called a Plan of Reorganization, which is different than a business plan. The Plan of Reorganization is filed with the court, and the creditors vote to approve the plan. After the plan is accepted by the creditors and the court, it is said to be "confirmed." Once all of the necessary conditions are met, the plan will become "effective." At that point, the organization emerges from Chapter 11 as a reorganized entity and continues to do business with less debt.

3. What is "reorganization"?
Reorganization is the process under which a company's balance sheet and/or operations are reorganized so interest payments and overall expenses are reduced in comparison with the company's revenues. Following Chapter 11, a "reorganized" company is no longer under the protection of the bankruptcy court.

4. What does “going into” and “coming out of” Chapter 11 mean?
“Going into” means documents have been filed with the court to request court protection under the United States Bankruptcy Code. Following the filing of the papers, the company is operating “in” or “under” Chapter 11 and is able to take advantage of certain provisions in the law. When the Plan of Reorganization is completed and approved by creditors, it is “confirmed” by the court and the company “comes out” or “emerges” from Chapter 11 as a reorganized entity.

About Dallas Logistics Hub Filing

5. Which entities filed?
DLH Master Land Holding LLC (DLH), successor by merger to 71 entities owning or developing Dallas Logistics Hub assets, and its parent Allen Capital Partners, LLC (ACP) filed voluntary Chapter 11 petitions in the Dallas U.S. Bankruptcy Court as the most orderly and timely way to restructure our obligations. ACP acquired three other wholly owned entities by merger. The Allen Group (TAG) and its other developments in Kansas and California were not involved.

6. How does the filing affect Dallas Logistics Hub?
The filing allows us to continue operating as normal while we refine our business plan to strengthen our financial position. Chapter 11 is used by fundamentally sound companies to protect enterprise value as they reorganize their debt. This filing is the next logical step in an ongoing process to align our business with current market conditions.

7. Is Dallas Logistics Hub going out of business?
The Dallas Logistics Hub is open for business and will continue to do business as usual during the filing. This is ***not*** a closing or liquidation of the business. Chapter 11 of the United States Bankruptcy Code allows a company to reorganize its financial obligations so it can continue to operate normally. It is a process through which the company can strengthen its balance sheet, create a more efficient expense structure and position its businesses to compete more effectively. We plan to emerge as a stronger, more competitive company.

8. Why did DLH file for Chapter 11 protection?
We are living in unprecedented financial times. The U.S. real estate market and capital markets have made it difficult for DLH to continue without restructuring its financial obligations. The current market conditions make it necessary to file Chapter 11 to address our debt structure. Chapter 11 provides the legal framework that allows us to keep the business running normally while we restructure our financial obligations so we may meet them in full for the long-term future of the Dallas Logistics Hub.