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MEMORANDUM

Privileged and Confidential — Attorney-Client Communication

TO: Sarah M. Caldwell, General Counsel, **Greenfield Capital Partners, Inc.**

FROM: Jonathan R. Harrington, Esq. & Maya L. Okonkwo, Esq., **Harrington & Associates LLP**

DATE: July 9, 2026 (File No. **GCP-2026-0047**)

RE: Fiduciary Duties and Duty-of-Care Obligations of Directors in Connection with **the Proposed Acquisition of Northgate Logistics Group, Inc.**

I. QUESTION PRESENTED

Whether the directors of Greenfield Capital Partners, Inc. (**"Greenfield"** or the **"Company"**) may, consistent with their fiduciary duties under Delaware law, approve the proposed all-cash acquisition of Northgate Logistics Group, Inc. (**"Northgate"**) at a per-share price of $47.50, representing a 28% premium over the sixty-day volume-weighted average trading price, without obtaining a formal fairness opinion from an independent financial advisor.

II. SHORT ANSWER

Probably not, without significant risk. While Delaware law does not impose a per se requirement that directors obtain a fairness opinion, the business judgment rule's protection will be substantially weakened if the board proceeds without one given the size of the transaction ($2.3 billion), the existence of a conflict involving two inside directors, and the compressed timeline of the negotiations. We recommend the Board retain an independent financial advisor immediately and that the conflicted directors be formally recused before any resolution is passed.

III. STATEMENT OF FACTS

Greenfield Capital Partners, Inc. is a Delaware corporation whose shares trade on the Meridex under the ticker symbol GCP. On or about June 3, 2026, Greenfield's Chief Executive Officer, Robert J. Vance, received an unsolicited acquisition proposal from Northgate Logistics Group, Inc., a privately held Delaware corporation headquartered in Chicago, Illinois.

The proposed transaction structure is an all-cash merger at $47.50 per Northgate share, implying an aggregate enterprise value of approximately $2.3 billion. Northgate's board has conditionally approved the proposal subject to satisfactory completion of due diligence and execution of a definitive agreement by August 15, 2026.

The relevant background facts are as follows:

1. **Board composition.** Greenfield's Board of Directors (the **"Board"**) comprises nine members: six independent directors and three inside directors, including CEO Vance and CFO Patricia R. Song, each of whom holds unvested equity awards that would accelerate upon consummation of the merger.
2. **Conflicts of interest.** Director Vance holds 1.2 million unvested Restricted Stock Units valued at approximately $32.4 million at the proposed per-share price; Director Song holds 480,000 unvested RSUs valued at approximately $12.9 million. Both stand to receive material personal benefits not shared ratably by Greenfield stockholders.
3. **Negotiations.** Negotiations were conducted exclusively by CEO Vance and CFO Song over a twenty-two-day period without formal Board oversight. No strategic alternatives process was conducted, and no other potential acquirors were contacted.
4. **Absence of financial advisor.** No investment bank or financial advisor was retained prior to the June 3 proposal. Management has indicated it does not intend to engage one before the Board vote, citing the compressed timeline.
5. **Market data.** Northgate's sixty-day VWAP as of June 2, 2026, was $37.11. Comparable transactions in the logistics sector over the preceding twenty-four months yielded median premia of 31% (range: 18%–47%).

IV. ANALYSIS

0.1. Applicable Legal Standard

Conclusion. Delaware courts apply the *business judgment rule* as the default standard of review for board decisions, including merger approvals. *Aronson v. Lewis*, 473 A.2d 805, 812 (Del. 1984). However, where a majority of the approving directors are interested or lack independence, or where the transaction was not the product of arm's-length bargaining, the more exacting *entire fairness* standard applies. *Weinberger v. UOP, Inc.*, 457 A.2d 701, 710–11 (Del. 1983).

Rule. Under the entire fairness standard, the Board must demonstrate both (1) *fair dealing*—encompassing the timing, initiation, structure, and approval of the transaction—and (2) *fair price*—reflecting the economic and financial considerations of the transaction. *Id.* at 711. The burden of proof rests with the defendant-directors once an interested transaction is shown. *Kahn v. Lynch Commc'n Sys., Inc.*, 638 A.2d 1110, 1117 (Del. 1994).

Application. Two of the nine directors—CEO Vance and CFO Song—have a material financial interest in the transaction not shared by common stockholders. Under *Rales v. Blasband*, 634 A.2d 927, 936 (Del. 1993), a director is "interested" when she will receive a personal financial benefit from a transaction that is not equally shared by the stockholders. Because these two directors led the negotiations and will present the recommendation to the Board, there is a substantial likelihood that a court would apply entire fairness review unless the Board takes curative measures.

Conclusion. Absent curative measures, the business judgment rule's presumption is unavailable. Entire fairness review will likely govern, materially increasing litigation exposure.

0.2. The Absence of a Fairness Opinion

Conclusion. While Delaware law does not categorically require a fairness opinion, the absence of one in a self-interested, compressed-timeline transaction of this size is a significant governance deficiency that courts and plaintiffs' counsel will scrutinize.

Rule. In *In re Dollar Thrifty Shareholder Litigation*, 14 A.3d 573, 598 (Del. Ch. 2010), the court noted that a board need not obtain a fairness opinion as a matter of law but that its absence, combined with other process deficiencies, undermines the board's ability to demonstrate fair dealing. Section 141(e) of the Delaware General Corporation Law permits directors to rely in good faith on information furnished by financial advisors, but this safe harbour presupposes the engagement of such an advisor.

Application. Here, four compounding factors heighten risk: (i) the $2.3 billion transaction magnitude; (ii) director conflicts; (iii) absence of any market check or auction; and (iv) the accelerated timeline precluding customary due diligence. In *Lyondell Chemical Co. v. Ryan*, 970 A.2d 235, 243–44 (Del. 2009), the court held that Revlon duties required boards to act reasonably, not merely in good faith. Failing to retain financial advisors when conflicts exist has been cited as evidence of unreasonable process.

Conclusion. We conclude that proceeding without a fairness opinion carries unacceptable risk of a successful entire fairness challenge and potential personal liability for directors.

0.3. Revlon Duties and the Absence of a Market Check

Conclusion. Because Greenfield stockholders will receive cash and surrender their equity interest, *Revlon* duties are triggered and require the Board to seek the best price reasonably available.

Rule. *Revlon, Inc. v. MacAndrews & Forbes Holdings, Inc.*, 506 A.2d 173, 184 (Del. 1986), holds that when a company enters Revlon-mode (i.e., a sale of the entire company for cash), the board's role shifts from preserving the long-run entity to maximising short-term stockholder value. While a formal auction is not mandatory, *Barkan v. Amsted Indus., Inc.*, 567 A.2d 1279, 1286–87 (Del. 1989), the board must at least have reliable evidence that the price offered is the best available.

Application. No market check—formal or informal—was conducted. The 28% premium, while within the range of comparables, does not by itself satisfy *Revlon* if the process was flawed. In *In re Toys "R" Us, Inc. Shareholder Litigation*, 877 A.2d 975, 1000 (Del. Ch. 2005), the court emphasised that a weak process can make even a premium price suspect.

Conclusion. The Board should authorise a discrete post-signing "go-shop" period or, preferably, conduct a targeted pre-signing outreach to two or three strategic buyers to establish a market-check record.

V. RECOMMENDATIONS

Based on the foregoing analysis, we recommend that Greenfield's Board take the following steps before approving the proposed transaction:

1. **Constitute a Special Committee.** Immediately form a Special Committee composed solely of the six independent directors and grant it exclusive authority to negotiate and approve (or reject) the transaction. Directors Vance and Song should be formally recused from all deliberations and votes.
2. **Retain an Independent Financial Advisor.** Engage a qualified investment bank to render a written fairness opinion as of the date of the Board's approval. We recommend selecting from at least three institutions through a competitive process managed by the Special Committee.
3. **Conduct a Limited Market Check.** Direct the financial advisor to contact between three and five potential strategic or financial acquirors on a confidential basis to establish a market-check record and, if possible, to generate a competing bid.
4. **Extend the Negotiation Timeline.** Request a thirty-day extension from Northgate to permit proper due diligence, satisfactory legal and financial review, and execution of definitive transaction documents including customary representations, warranties, and indemnities.
5. **Obtain Stockholder Approval.** While not legally mandated for a merger under Section 251 of the DGCL if the Company's certificate of incorporation so permits, a stockholder vote would invoke the enhanced business judgment protections recognised in *Corwin v. KKR Financial Holdings LLC*, 125 A.3d 304, 312 (Del. 2015), and substantially reduce litigation risk.
6. **Document Board Deliberations.** Ensure that minutes of all Special Committee meetings are detailed, contemporaneous, and reflect robust deliberation, including consideration of strategic alternatives and dissenting views.

VI. CONCLUSION

For the reasons set forth herein, we advise that the Board should **not** proceed to a vote on the proposed Northgate acquisition under the current process architecture. The combination of director conflicts, the absence of a fairness opinion, and the compressed, single-party negotiation creates material exposure to an entire fairness challenge and potential personal liability for individual directors. Implementation of the six recommendations above will substantially mitigate those risks and place the Board in a defensible position.

We are available to present this memorandum and answer questions at the Board's convenience. Please do not hesitate to contact the undersigned.

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