

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
MARELLI AUTOMOTIVE LIGHTING USA LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 25-11034 (CTG)
Debtors.	)	(Jointly Administered)
	)	Hearing Date: June 5, 2026 at 10:00 a.m. (ET)
	)	Obj Deadline: May 22, 2026 at 4:00 p.m. (ET)

**MOTION OF DEBTORS FOR  
ENTRY OF AN ORDER (I) AMENDING THE KEY  
EMPLOYEE INCENTIVE PLAN ORDER AND (II) GRANTING RELATED RELIEF**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) state as follows in support of this motion (the “Motion”):<sup>2</sup>

**Preliminary Statement**

1. In January of this year, the Court approved the Debtors’ 2026 Key Employee Incentive Plan, which provides incentive-based cash compensation for the Debtors’ senior executives. Since then, the Debtors and their management team have continued to focus on finalizing their customer negotiations and business plan to facilitate emergence from these chapter 11 cases.

<sup>1</sup> A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/Marelli>. The location of Marelli Automotive Lighting USA LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 26555 Northwestern Highway, Southfield, Michigan 48033.

<sup>2</sup> A detailed description of the Debtors and their business, including the circumstances giving rise to the Debtors’ chapter 11 cases, is set forth in the *Declaration of David Slump, Chief Executive Officer of Marelli Automotive Lighting USA, LLC, in Support of First Day Motions*, [Docket No. 20] (the “Slump Declaration”) and the *Declaration of Tony Simion, Managing Director of Alvarez & Marsal North America, LLC, in Support of First Day Motions* [Docket No. 19] (the “Simion First Day Declaration”, and together with the Slump Declaration, the “First Day Declarations”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the First Day Declarations or in the *Motion of Debtors for Entry of an Order (I) Authorizing and Approving the Debtors’ Key Employee Incentive Plan, (II) Authorizing and Approving the Debtors’ Key Employee Retention Plan, and (III) Granting Related Relief* [Docket No. 1376] (the “Initial KEIP Motion”), which is incorporated by reference herein.



2. Additionally, in early April, the Debtors announced several important management changes intended to facilitate the conclusion of those discussions and the Debtors' emergence. In particular, the Debtors announced Frederick A. "Fritz" Henderson as their new Interim Chief Executive Officer, Roberto Fioroni as their new Chief Financial Officer, and Helen Redfern as their new Chief Human Resources Officer.

3. By this Motion, and as more fully set forth herein, the Debtors request that the Court amend the order approving the 2026 Key Employee Incentive Program to add the incoming Chief Financial Officer and Chief Human Resources Officer to the program.

### **Relief Requested**

4. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"): (a) amending the KEIP Order (as defined below) to add the Incoming CFO (as defined below) and Incoming CHRO (as defined below) to the Approved KEIP (as defined below) and (b) granting related relief. In support of this Motion, the Debtors submit the *Declaration of Allison Hoeinghaus in Support of the Motion of Debtors for Entry of an Order (I) To Amend the Key Employee Incentive Plan Order and (II) Granting Related Relief* (the "Hoeinghaus Declaration"), attached hereto as **Exhibit B**.

### **Jurisdiction and Venue**

5. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2), and the Debtors confirm their consent, pursuant to rule 9013-1(f) of the Local Rules of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), to the entry of a final order by the Court in connection with this Motion to the extent that

it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

6. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

7. The statutory basis for the relief requested herein is sections 105(a) of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) and Local Rule 9013-1.

### **Background**

#### **I. The Debtors’ Management Changes**

8. On January 27, 2026, the United States Bankruptcy Court for the District of Delaware (the “Court”) entered the *Order (I) Authorizing and Approving the Debtors’ Key Employee Incentive Plan, (II) Authorizing and Approving the Debtors’ Key Employee Retention Plan, and (III) Granting Related Relief* [Docket No. 1541] (the “KEIP Order”).

9. Since the entry of the KEIP Order earlier this year, the Debtors have continued to develop and formulate the 2026 Operating Plan, advance, prepare for, and attend negotiations around the globe with customers and other key stakeholders on the go-forward arrangements of the Company, and maintain related workstreams, all while continuing to oversee and operate the business.

10. As these discussions have progressed, and as announced in their April 13, 2026 press release,<sup>3</sup> the Debtors have decided to make certain management changes. Specifically, the Debtors appointed:

- Frederick A. “Fritz” Henderson as Interim Chief Executive Officer (the “Interim CEO”), effective as of April 13, 2026;
- Roberto Fioroni as Chief Financial Officer (the “Incoming CFO”), effective as of May 1, 2026; and

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<sup>3</sup> See Press Release, Marelli Holdings Co., Ltd., Marelli Announces Leadership Appointments (Apr. 13, 2026) (on file with author).

- Helen Redfern as Chief Human Resources Officer (the “Incoming CHRO”), effective as of May 1, 2026.

11. The former President and Chief Executive Officer has retained his role as a member of the Debtors’ Board of Directors and has transitioned to the role of Executive Director (the “Executive Director”), effective April 13, 2026. The current Chief Financial Officer will transition to senior financial consultant (the “Senior Financial Consultant”, and together with the Executive Director, the “Existing Executives”), effective as of May 1, 2026.

12. Given these changes to the Debtors’ management team, the Debtors file this Motion to amend the key employee incentive plan approved in the KEIP Order (the “Approved KEIP”) to add the Incoming CFO and Incoming CHRO to the program (the “Amended KEIP”). These two incoming executives will participate in the Approved KEIP on the existing terms and conditions of the program, including the existing Performance Metrics. The Interim CEO will be paid a monthly fee as an independent contractor and will not participate in the Approved KEIP.

13. The Senior Financial Consultant’s eligibility to participate in the Approved KEIP will run through July 31, 2026, such that it concludes five months earlier than previously contemplated. The Executive Director’s eligibility to participate in the Approved KEIP will run through September 30, 2026, such that it concludes three months earlier than previously contemplated. Accordingly, notwithstanding the addition of the two new executives, the modifications requested by this Motion will, in the aggregate, result in a net reduction in the cost of the Approved KEIP of between approximately \$250,000 (assuming cut-in payouts) and \$2,288,000 (assuming stretch payouts).

## **II. Summary of Applicable Compensation and Employment Arrangements**

14. The following is a summary of the compensation and employment arrangements of the Debtors’ applicable executives:

- Interim CEO.** The Interim CEO will receive a monthly fee of [REDACTED] per month and will not be a KEIP Participant at this time. The Interim CEO serves on the boards of directors of Marriott International, Inc., Adient plc, US Farathane Corporation, RESRG Automotive, is an operating partner of Atlas Holdings LLC, and is a principal of the Hawksbill Group. Prior to the Interim CEO's engagement and appointment by the Debtors, certain members of the Ad Hoc Group of Senior Lenders engaged the Hawksbill Group to provide consulting services in connection with these chapter 11 cases. In connection with the services provided to the Ad Hoc Group of Senior Lenders, the Hawksbill Group earns [REDACTED] per month and a fee of [REDACTED] after the consummation of either a chapter 11 plan of reorganization or liquidation, both paid by the Ad Hoc Group of Senior Lenders. These fees are separate and apart from the monthly fee being received by the Interim CEO. Furthermore, in connection with his engagement and appointment by the Debtors, the Interim CEO is subject to an "information wall" whereby he will not share or receive any information with any other Hawksbill Group members and will not earn any fees or other compensation from the Hawksbill Group in connection with these chapter 11 cases during the duration of his term as Interim CEO.
- Incoming CFO.** The Incoming CFO will earn a base salary of [REDACTED] per annum<sup>4</sup> and is one of the two new proposed participants in the Amended KEIP. The proposed award amounts for the Incoming CFO are as follows: Cut-In Award – [REDACTED], Target Award – [REDACTED], Stretch Award – [REDACTED]. The Incoming CFO's employment is subject to customary terms, including participation in standard employee benefits offered by the Debtors.
- Incoming CHRO.** The Incoming CHRO will earn a base salary of [REDACTED] per annum<sup>5</sup> and is one of the two new proposed participants in the Amended KEIP. The proposed award amounts for the Incoming CHRO are as follows: Cut-In Award – [REDACTED], Target Award – [REDACTED], Stretch Award – [REDACTED]. The Incoming CHRO's employment is subject to customary terms, including participation in standard employee benefits offered by the Debtors.
- Executive Director.** The Executive Director shall, subject to certain conditions, be employed through December 31, 2026, receive his base salary of [REDACTED] per annum through April 10, 2027, and be eligible to participate in the Debtors' health insurance programs through December 31, 2029. In the event that the Debtors' emergence from chapter 11 has not yet occurred by December 31, 2026, such participation shall be at the expense of the Executive Director beginning on January 1, 2027. Additionally, the Executive Director's participation in the KEIP remains unchanged, other than the duration is modified to run through September 30, 2026. The Executive Director has agreed to customary non-competition and non-

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<sup>4</sup> The employment agreement provides for the base salary amount of [REDACTED] and reflects the currency exchange rate as of April 30, 2026. The amounts to be converted to USD at exchange rate at or around time of filing.

<sup>5</sup> The employment agreement provides for the base salary amount of [REDACTED] and reflects the currency exchange rate as of April 30, 2026.

solicitation covenants and the Debtors' customary employment terms and conditions.

- ***Senior Financial Consultant.*** The Senior Financial Consultant shall, subject to certain conditions, receive her base salary of [REDACTED] per annum through December 31, 2026, which is when the consulting term is set to expire. Additionally, the Senior Financial Consultant's participation in the KEIP remains unchanged, other than the duration is modified to run through July 31, 2026. The Senior Financial Consultant has agreed to customary non-competition and non-solicitation covenants and the Debtors' customary employment terms and conditions.

### **III. The Roles of the Incoming CFO and Incoming CHRO**

15. The Incoming CFO and Incoming CHRO will be responsible for executing on the Debtors' strategic direction, including guiding a smooth transition of the changing executive roles, ensuring achievement of the Debtors' overall goals, and performing important business functions that are critical to the Debtors' day-to-day operations.

16. Additionally, the Incoming CFO and Incoming CHRO will be responsible for all other traditional CFO and CHRO responsibilities, including, as applicable, engaging with various stakeholders, overseeing the finance and human resources functions, assisting the Debtors' advisors in providing stakeholder diligence, satisfying the Debtors' chapter 11 reporting obligations, and facilitating the Debtors' restructuring transaction through a chapter 11 plan.

17. If approved, the proposed amendments will ensure that the Incoming CFO and Incoming CHRO are incentivized and compensated fairly for their efforts.

#### **Basis for Relief**

18. The Court entered the KEIP Order on January 27, 2026. In entering the KEIP Order, the Court found that the Approved KEIP was a proper exercise of the Debtors' sound business judgment under Section 363(b) of the Bankruptcy Code. Furthermore, the Court found that the awards to executives under the Approved KEIP were justified by the facts and circumstances of the case, thereby satisfying Section 503(c)(3) of the Bankruptcy Code, and that

Sections 503(c)(1) and (2) of the Bankruptcy Code were inapplicable to the Approved KEIP because the Approved KEIP was an incentive-based plan. By way of this motion, the Debtors seek to amend that KEIP Order only to add the Incoming CFO and Incoming CHRO to the Approved KEIP. The Debtors otherwise incorporate by reference the Initial KEIP Motion, the KEIP Order, and related bases of relief and findings and rulings by this Court.

19. Section 105(a) of the Bankruptcy Code, which codifies the inherent equitable powers of the Court, empowers the Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Pursuant to Section 105(a), the bankruptcy courts have broad equitable powers. *In re LTL Mgmt., LLC*, 638 B.R. 291, 323 (Bankr. D.N.J. 2022) (“Congress . . . granted the bankruptcy court broad equitable powers under § 105(a.)”); see *Momentum Mfg. Corp. v. Employee Creditors Comm. (In re Momentum Mfg. Corp.)*, 25 F.3d 1132, 1136 (2d Cir. 1994) (“It is well settled that bankruptcy courts are courts of equity, empowered to invoke equitable principles to achieve fairness and justice in the reorganization process.”).

20. Accordingly, bankruptcy courts have the power, under section 105(a) of the Bankruptcy Code, to amend their own orders when the interests of justice requires. *In re G-I Holdings, Inc.*, 472 B.R. 263, 279 (Bankr. D.N.J. 2012) (“At the outset, the Court acknowledges it has independent, discretionary authority to review, amend, correct, or clarify its own Opinion and other orders under its inherent equitable power.”).

21. Cause exists to amend the KEIP Order because facts and circumstances have changed since January 27, 2026. The Debtors have since appointed the Incoming CFO and Incoming CHRO. The addition of the Incoming CFO and Incoming CHRO to the Approved KEIP is necessary and appropriate to properly compensate and incentivize them for the same reasons it

was necessary and appropriate for the existing KEIP Participants. As reflected in the Hoeinghaus Declaration, the awards to be granted to the Incoming CFO and Incoming CHRO are reasonable relative to comparable companies. In addition, the overall size of the program, after giving effect to the changes, likewise remains reasonable relative to comparable companies. Indeed, as noted above, the changes result in a net reduction in the cost of the Approved KEIP of between \$250,000 (assuming cut-in payouts) and \$2,288,000 (assuming stretch payouts) in the aggregate. Further, the design features and Performance Metrics of the Approved KEIP, which have already been found by the Court to be reasonable, also apply to the Amended KEIP.

22. The Incoming CFO and Incoming CHRO—along with their industry expertise, institutional knowledge, and expected hard work—are critical to ensuring that the Debtors maximize stakeholder value during these chapter 11 cases. Importantly, the Incoming CFO and Incoming CHRO possess the skills, knowledge, and experience critical to the Debtors’ ability to operate in the ordinary course during the chapter 11 cases and generate value for the Company.

23. Since the Approved KEIP only contemplates the compensation of those executives included in the Initial KEIP Motion, the Debtors submit that ample cause exists to approve the proposed amendments to the Approved KEIP to ensure that the Incoming CFO and Incoming CHRO are incentivized to perform to the best of their abilities and their compensation is aligned with the existing KEIP Participants under the Approved KEIP to help drive the Debtors to reach a value-maximizing outcome in these cases.

24. For the foregoing reasons, the Debtors respectfully request that the Court enter the Proposed Order.

**Reservation of Rights**

25. Nothing contained in this Motion or any order granting the relief requested in this Motion, and no action taken by the Debtors pursuant to the relief requested or granted (including

any payment made in accordance with any such order), is intended as or shall be construed or deemed to be: (a) an admission as to the amount, validity, or priority of, or basis for, any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's rights to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in this Motion or any order granting the relief requested by this Motion; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; or (g) a waiver or limitation of any claims, causes of action, or other rights of the Debtors or any other party in interest against any person or entity under the Bankruptcy Code or any other applicable law.

**Waiver of Bankruptcy Rule 6004(a) and 6004(h)**

26. To implement the foregoing successfully, the Debtors seek a waiver of the notice requirements under Bankruptcy Rule 6004(a) and the fourteen-day stay of an order authorizing the use, sale, or lease of property under Bankruptcy Rule 6004(h).

**Notice**

27. The Debtors will provide notice of this Motion to: (a) the U.S. Trustee; (b) the holders of the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) Paul Hastings LLP and Morris James LLP, as co-counsel to the Committee; (d) the office of the attorney general for each of the states in which the Debtors operate; (e) United States Attorney's Office for the District of Delaware; (f) the Internal Revenue Service; (g) the United States Securities and Exchange Commission; (h) the United States Department of Justice; (i) Mayer Brown LLP, as

counsel to the DIP Agent; (j) Davis Polk & Wardwell LLP, as counsel to Mizuho Bank, Ltd., in all capacities other than as Prepetition Agent; (k) Young Conaway Stargatt & Taylor, LLP, as counsel to Mizuho Bank, Ltd., in its capacity as Prepetition Agent; (l) Akin Gump Strauss Hauer & Feld LLP and Cole Schotz P.C., as counsel to the Ad Hoc Group of Senior Lenders; (m) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as counsel to the Sponsors; and (n) any party that has requested notice pursuant to Bankruptcy Rule 2002 (the “Notice Parties”). The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

**No Prior Request**

28. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Debtors request entry of the Order, substantially in the form attached hereto as **Exhibit A**, (a) granting the relief requested herein and (b) granting such other relief as the Court deems appropriate under the circumstances.

Dated: May 8, 2026  
Wilmington, Delaware

*/s/ Laura Davis Jones*

**PACHULSKI STANG ZIEHL & JONES LLP**

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

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and Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	)	
	)	Chapter 11
	)	
MARELLI AUTOMOTIVE LIGHTING USA LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 25-11034 (CTG)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	Hearing Date: June 5, 2026 at 10:00 a.m. (ET)
	)	Obj Deadline: May 22, 2026 at 4:00 p.m. (ET)

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**NOTICE OF MOTION OF DEBTORS FOR  
ENTRY OF AN ORDER (I) AMENDING THE KEY EMPLOYEE  
INCENTIVE PLAN ORDER AND (II) GRANTING RELATED RELIEF**

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**PLEASE TAKE NOTICE** that, on December 19, 2025 the above-captioned debtors and debtors in possession (collectively, the “Debtors” and together with their non-debtor affiliates, the “Company”) filed the *Motion of Debtors for Entry of an Order (I) Authorizing and Approving the Debtors’ Key Employee Incentive Plan, (II) Authorizing and Approving the Debtors’ Key Employee Retention Plan, and (III) Granting Related Relief* with the United States Bankruptcy Court for the District of Delaware (the “Court”).

**PLEASE TAKE FURTHER NOTICE** that, on January 27, 2026 the Debtors filed the *Certification of Counsel Regarding Order (I) Authorizing and Approving the Debtors’ Key Employee Incentive Plan, (II) Authorizing and Approving the Debtors’ Key Employee Retention Plan, and (III) Granting Related Relief* [Docket No. 1538].

**PLEASE TAKE FURTHER NOTICE** that, on January 27, 2026 the Court entered the *Order (I) Authorizing and Approving the Debtors’ Key Employee Incentive Plan, (II) Authorizing*

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<sup>1</sup> A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/Marelli>. The location of Marelli Automotive Lighting USA LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 26555 Northwestern Highway, Southfield, Michigan 48033.

*and Approving the Debtors' Key Employee Retention Plan, and (III) Granting Related Relief* [Docket No. 1541].

**PLEASE TAKE FURTHER NOTICE** that, on May 8, 2026, the Debtors filed the *Motion of Debtors for Entry of an Order (I) Amending the Key Employee Incentive Plan Order and (II) Granting Related Relief* (the "Motion") with the Court.

**PLEASE TAKE FURTHER NOTICE** that any responses to the Motion must be in writing and filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Third Floor, Wilmington, Delaware 19801, and served upon the undersigned, so as to be received on or **before 4:00 p.m. (prevailing Eastern Time) on May 22, 2026**.

**PLEASE TAKE FURTHER NOTICE** that at the same time, you must also serve a copy of the response or objection upon: (a) the Debtors, Marelli Automotive Lighting USA LLC, 26555 Northwestern Highway, Southfield, Michigan 48033, Attn.: Marisa Iasenza ([marisa.iasenza@marelli.com](mailto:marisa.iasenza@marelli.com)); (b) counsel to the Debtors, Kirkland & Ellis LLP, 333 West Wolf Point Plaza, Chicago, Illinois 60654, Attn.: Spencer A. Winters, P.C. ([spencer.winters@kirkland.com](mailto:spencer.winters@kirkland.com)), and Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Nicholas M. Adzima ([nicholas.adzima@kirkland.com](mailto:nicholas.adzima@kirkland.com)) and Evan Swager ([evan.swager@kirkland.com](mailto:evan.swager@kirkland.com)); (c) co-counsel to the Debtors, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, Delaware 19899 (Courier 19801), Attn.: Laura Davis Jones ([ljones@pszjlaw.com](mailto:ljones@pszjlaw.com)), Timothy P. Cairns ([tcairns@pszjlaw.com](mailto:tcairns@pszjlaw.com)), and Edward A. Corma ([ecorma@pszjlaw.com](mailto:ecorma@pszjlaw.com)); (d) the U.S. Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn.: Jane Leamy ([Jane.M.Leamy@usdoj.gov](mailto:Jane.M.Leamy@usdoj.gov)) and Timothy J. Fox, Jr. ([timothy.fox@usdoj.gov](mailto:timothy.fox@usdoj.gov)); (e) counsel to the DIP Agent, Mayer Brown LLP, 1221 Avenue of the Americas, New York, New York 10020-1001,

Attn.: Jason Elder ([jason.elder@mayerbrown.com](mailto:jason.elder@mayerbrown.com)); (f) counsel to Mizuho Bank, Ltd., in all capacities other than as Prepetition Agent, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, New York 10017, Attn.: Timothy Graulich ([timothy.graulich@davispolk.com](mailto:timothy.graulich@davispolk.com)) and Richard J. Steinberg ([richard.steinberg@davispolk.com](mailto:richard.steinberg@davispolk.com)); (g) counsel to Mizuho Bank, Ltd., in its capacity as Prepetition Agent, Young Conaway Stargate & Taylor, LLP, 1000 North King Street, Wilmington, Delaware 19801, Attn.: Robert S. Brady ([rbrady@ycst.com](mailto:rbrady@ycst.com)) and Andrew L. Magaziner ([amagaziner@ycst.com](mailto:amagaziner@ycst.com)); (h) counsel to the Ad Hoc Group of Senior Lenders, (i) Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attn: Ira S. Dizengoff ([idizengoff@akingump.com](mailto:idizengoff@akingump.com)) and Anna Kordas ([akordas@akingump.com](mailto:akordas@akingump.com)), (ii) Akin Gump Strauss Hauer & Feld LLP, 2001 K Street NW, Washington, D.C. 20006, Attn.: Scott Alberino ([salberino@akingump.com](mailto:salberino@akingump.com)), Kate Doorley ([kdoorley@akingump.com](mailto:kdoorley@akingump.com)), and Alexander F. Antypas ([aantypas@akingump.com](mailto:aantypas@akingump.com)); and (iii) Cole Schotz P.C., 500 Delaware Avenue, Suite 600, Wilmington, DE 19801, Attn: Justin R. Alberto ([jalberto@coleschotz.com](mailto:jalberto@coleschotz.com)) and Stacy L. Newman ([snewman@coleschotz.com](mailto:snewman@coleschotz.com)); (i) counsel to the Sponsors, Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019-6064, Attn.: Brian S. Hermann ([bhermann@paulweiss.com](mailto:bhermann@paulweiss.com)) and Jacob Adlerstein ([jadlerstein@paulweiss.com](mailto:jadlerstein@paulweiss.com)); and (j) co-counsel to the Committee, (i) Paul Hastings LLP, 200 Park Avenue, New York, New York 10166. Attn.: Kristopher M. Hansen ([krishansen@paulhastings.com](mailto:krishansen@paulhastings.com)), Jonathan D. Canfield ([joncanfield@paulhastings.com](mailto:joncanfield@paulhastings.com)), Gabriel E. Sasson ([gabesasson@paulhastings.com](mailto:gabesasson@paulhastings.com)), and Marcella Leonard ([marcellaleonard@paulhastings.com](mailto:marcellaleonard@paulhastings.com)), and (ii) Morris James LLP, 500 Delaware Avenue, Suite 1500, Wilmington, Delaware 19801. Attn.: Eric J. Monzo ([emonzo@morrisjames.com](mailto:emonzo@morrisjames.com)), Jason S. Levin ([jlevin@morrisjames.com](mailto:jlevin@morrisjames.com)), and Siena B. Cerra ([scerra@morrisjames.com](mailto:scerra@morrisjames.com)).

**PLEASE TAKE FURTHER NOTICE THAT, IF AN OBJECTION IS PROPERLY FILED AND SERVED IN ACCORDANCE WITH THE ABOVE PROCEDURES, A HEARING WILL BE HELD ON JUNE 5, 2026 AT 10:00 A.M. (PREVAILING EASTERN TIME) BEFORE THE HONORABLE CRAIG T. GOLDBLATT, UNITED STATES BANKRUPTCY JUDGE FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, COURTROOM #7, THIRD FLOOR, WILMINGTON, DELAWARE 19801. ONLY OBJECTIONS MADE IN WRITING AND TIMELY FILED WILL BE CONSIDERED BY THE BANKRUPTCY COURT AT SUCH HEARING.**

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF DEMANDED BY THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

*[Remainder of page intentionally left blank]*

Dated: May 8, 2026  
Wilmington, Delaware

*/s/ Laura Davis Jones*

**PACHULSKI STANG ZIEHL & JONES LLP**

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-and-

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

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

**Exhibit A**

**Proposed Order**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Chapter 11
MARELLI AUTOMOTIVE LIGHTING USA LLC,	)	Case No. 25-11034 (CTG)
<i>et al.</i> , <sup>1</sup>	)	
Debtors.	)	(Jointly Administered)
	)	
	)	<b>Re: Docket No. [●]</b>

**ORDER (I) AMENDING THE KEY EMPLOYEE  
INCENTIVE PLAN ORDER AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”) amending the KEIP Order; and (b) granting related relief, all as more fully set forth in the Motion; the Initial KEIP Motion; the Cumberland Declaration; the Hoeinghaus Declaration; and upon the First Day Declarations; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that this Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and this Court having found that the Debtors’ notice of the Motion and opportunity for a hearing on the Motion were

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<sup>1</sup> A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/Marelli>. The location of Marelli Automotive Lighting USA LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 26555 Northwestern Highway, Southfield, Michigan 48033.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

appropriate and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is authorized and approved in its entirety.
2. The KEIP Order is hereby amended to add the Incoming CFO and Incoming CHRO as participants in the Approved KEIP on the terms set forth in the Motion.
3. Nothing contained in the Motion or this Order, and no action taken pursuant to the relief requested or granted (including any payment made in accordance with this Order), is intended as or shall be construed or deemed to be: (a) an admission as to the amount, validity, or priority of, or basis for, any claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) a waiver of the Debtors' or any other party in interest's right to dispute any claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication, admission, or finding that any particular claim is an administrative expense claim, other priority claim, or otherwise of a type specified or defined in the Motion or this Order; (e) a request or authorization to assume, adopt, or reject any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates; or (g) a waiver or limitation of any claims, causes of action, or other rights of the Debtors or any other party in interest against any person or entity under the Bankruptcy Code or any other applicable law.

4. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion, and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

5. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

6. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

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

**Exhibit B**

**Hoeninghaus Declaration**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Chapter 11
MARELLI AUTOMOTIVE LIGHTING USA LLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 25-11034 (CTG)
Debtors.	)	(Jointly Administered)
	)	
	)	

**DECLARATION OF  
ALLISON HOEINGHAUS IN SUPPORT OF THE MOTION OF  
DEBTORS FOR ENTRY OF AN ORDER (I) AMENDING THE KEY  
EMPLOYEE INCENTIVE PLAN ORDER AND (II) GRANTING RELATED RELIEF**

I, Allison Hoeinghaus, hereby declare under penalty of perjury pursuant to 28 U.S.C. § 1746:

1. I am a Managing Director at Alvarez & Marsal (“A&M”), the financial advisor to the above-captioned debtors and debtors in possession (the “Debtors”). I serve as a restructuring compensation advisor to the Debtors, and my team and I have worked closely with the Debtors on their restructuring initiatives. As a result of my work with the Debtors, I am familiar with the pre- and postpetition structure of the Debtors’ compensation plans, including the Debtors’ Approved KEIP and proposed Amended KEIP as set forth in the *Motion of Debtors for Entry of an Order (I) Amending the Key Employee Incentive Plan Order and (II) Granting Related Relief* (the “Motion”) and the *Declaration of Brian Cumberland in Support of the Motion of Debtors for Entry of an Order (I) Authorizing and Approving the Debtors’ Key Employee Incentive Plan, (II) Authorizing and Approving the Debtors’ Key Employee Retention Plan, and (III) Granting Related Relief* (the

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<sup>1</sup> A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/Marelli>. The location of Marelli Automotive Lighting USA LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 26555 Northwestern Highway, Southfield, Michigan 48033.

“Cumberland Declaration”), attached to the Initial KEIP Motion as Exhibit B, both of which are incorporated by reference herein.<sup>2</sup>

2. I submit this declaration (the “Declaration”) in support of the Motion. Except as otherwise indicated, all facts set forth in this Declaration are based upon (a) my personal knowledge of the Debtors’ operations and finances, (b) information learned from my review of relevant documents, (c) information supplied to me by members of the Debtors’ management and their advisors, or (d) my views based on my experience, knowledge, and information concerning the Debtors’ operations, financial affairs, and restructuring initiatives. I am not being compensated specifically for this testimony, other than through payments proposed to be received by A&M as professionals retained by the Debtors. The compensation A&M receives for my work is not contingent on the outcome of the Motion. I am above 18 years of age; I am competent to testify, and, if called as a witness, I could and would testify competently to the facts set forth in this Declaration on that basis.

### **Background and Qualifications**

3. I received both my bachelor’s degree in Accounting and my Master of Professional Accounting from the University of Texas at Austin, McCombs School of Business. I am a Certified Public Accountant licensed in the state of Texas and a Certified Executive Compensation Professional through the WorldatWork organization.

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<sup>2</sup> A detailed description of the Debtors and their business, including the circumstances giving rise to the Debtors’ chapter 11 cases, is set forth in the *Declaration of David Slump, Chief Executive Officer of Marelli Automotive Lighting USA, LLC, in Support of First Day Motions*, [Docket No. 20] (the “Slump Declaration”) and the *Declaration of Tony Simion, Managing Director of Alvarez & Marsal North America, LLC, in Support of First Day Motions* [Docket No. 19] (the “Simion Declaration”, and together with the Slump Declaration, the “First Day Declarations”). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the First Day Declarations or the Motion, as applicable.

4. I joined A&M in 2006. My responsibilities at A&M have primarily involved consulting with corporate clients on executive and non-executive compensation. I have worked with over a hundred companies and am frequently retained by these companies to advise on their compensation strategies, programs, and pay levels. I have participated in the development and design of dozens of incentive plans for companies inside and outside of chapter 11. I have assisted debtors and creditors in over forty chapter 11 cases on compensation matters, including key employee incentive and retention plans. I have testified before courts regarding such programs on at least five occasions either through live testimony or a declaration. I am also frequently retained to review proposed key employee incentive or retention programs by various creditors' committees.

5. During the last ten years, I have led or co-led the review and/or design of key employee incentive plans, key employee retention plans, and other similar compensation plans and/or assisted with other compensation matters in a number of chapter 11 cases, including: *In re Surgalign Holdings, Inc.*, No. 23-90731 (CML) (Bankr. S.D. Tex. Aug. 15, 2023), *In re MLCJR LLC*, No. 23-90324 (CML) (Bankr. S.D. Tex. July 10, 2023), *In re Packable Holdings, LLC*, No. 22-10797 (CTG) (Bankr. D. Del. Oct. 11, 2022); *In re Celsius Network LLC*, Case No. 22-10964 (MG) (Bankr. S.D.N.Y. Sept. 16, 2022); *In re LVI Intermediate Holdings, Inc.*, No. 20-11413 (KBO) (Bankr. D. Del. June 23, 2020); *In re Hygea Holdings Corp.*, Case No. 20-10361 (KBO) (Bankr. D. Del. Mar. 19, 2020); *In re Libbey Glass Inc.*, No. 20-11439 (LSS) (Bankr. D. Del. July 12, 2020); *In re Am. Com. Lines Inc.*, No. 20-30982 (MI) (Bankr. S.D. Tex. Apr. 2, 2020); *In re Forever 21, Inc.*, No. 19-12122 (MFW) (Bankr. D. Del. Nov. 4, 2019); *In re Hospital Acquisition LLC*, No. 19-10998 (BLS) (Bankr. D. Del. July 9, 2019); *In re iHeart Media, Inc.*, No. 18-31274 (MI) (Bankr. S.D. Tex. Apr. 12, 2018); *In re Nine West Holdings, Inc.*, No. 18-10947 (SCC) (Bankr. S.D.N.Y. July 2, 2018); *In re Payless Holdings LLC*, No. 17-42267 (KAS) (Bankr. E.D. Mo. Apr. 25, 2017); *In re Toys "R" Us, Inc.*, No. 17-34665 (KLP) (Bankr.

E.D. Va. Oct. 25, 2017); *In re Seventy Seven Energy Inc.*, No. 16-11409 (LSS) (Bankr. D. Del. July 12, 2016); and *In re Old BPSUSH Inc.*, No. 16-12373 (BLS) (Bankr. D. Del. Nov. 29, 2016).

### **A&M's Qualifications**

6. A&M is a leading restructuring consulting firm with extensive experience providing high quality, specialized management, operational, and restructuring advisory services to debtors and distressed companies, including expert analysis of compensation programs. Specifically, A&M's core services include turnaround advisory services, interim and crisis management, revenue enhancement, claims management, creditor and risk management advisory services, and employee and executive compensation services. A&M provides a wide range of debtor advisory services targeted at stabilizing and improving a company's financial position, including (i) developing or validating forecasts, business plans, and related assessments of strategic positions; (ii) monitoring and managing cash, cash flow, and supplier relationships; (iii) assessing and recommending cost reduction strategies; and (iv) designing and negotiating financial restructuring packages. In addition, A&M provides advice on specific aspects of the turnaround process and helps manage complex constituency relations and communications. A&M is known for its ability to work alongside company management and key constituents during chapter 11 restructurings to develop a feasible and executable plan of reorganization.

7. A&M has acted as a compensation consultant, financial advisor, crisis manager, and corporate officer in middle market to large multinational companies in crisis or those in need of performance improvement in specific financial and operational areas across a wide array of industries. The professionals at A&M have assisted and advised debtors, creditors, creditors' committees, bondholders, investors, and others in numerous bankruptcy cases, including in the following bankruptcy cases: *In re Sunnova Energy Int'l, Inc.*, No. 25-90160 (ARP) (Bankr. S.D. Tex. Jun. 7, 2025); *In re Global Clean Energy Holdings, Inc.*, No. 25-90113 (ARP) (Bankr. S.D.

Tex. May 22, 2025); *In re Joann, Inc.*, No. 25-10068 (CTG) (Bank. D. Del. Mar. 4, 2025); *In re Accuride Corp.*, No. 24-12289 (JKS) (Bankr. D. Del. Nov. 1, 2024); *In re Vertex Energy, Inc.*, No. 24-90507 (CML) (Bankr. S.D. Tex. Nov. 19, 2024); *In re Air Methods Corp.*, No. 23-90886 (CMI) (Bankr. S.D. Tex. Dec. 6, 2023); *In re Orbital Infrastructure Grp., Inc.*, No. 23-90763 (CML) (Bankr. S.D. Tex. Oct. 13, 2023); *In re Genesis Care Pty Ltd.*, No. 23-90614 (DRJ) (Bankr. S.D. Tex. Aug. 15, 2023); *In re MLCJR LLC*, No. 23-90324 (CML) (Bankr. S.D. Tex. July 10, 2023); *In re Wesco Aircraft Holdings, Inc.*, No. 23-90611(CMI) (Bankr. S.D. Tex July 27, 2023); *In re Celsius Network LLC*, No. 22-10964 (MG) (Bankr. S.D.N.Y. Sept. 16, 2022); *In re Katerra Inc.*, No. 21-31861 (DRJ) (Bankr. S.D. Tex. Aug. 4, 2021); *In re Gulfport Energy Corp.*, No. 20-35562 (DRJ) (Bankr. S.D. Tex. Jan. 15, 2021); *In re S. Foods Group., LLC*, No. 19-36313 (DRJ) (Bankr. S.D. Tex. Dec. 6, 2019); *In re Wheels Pros, LLC*, No. 24-11939 (Bankr. D. Del. Nov. 6, 2024); *In re SunPower Corp.*, No. 24-11649 (Bankr. D. Del. Sept. 11, 2024); *In re WeWork Inc.*, No. 23-19865 (Bankr. D.N.J. Dec. 5, 2023); *In re PGX Holdings, Inc.* No. 23-10718 (Bankr. D. Del. July 19, 2023); *In re SiO2 Medical Prods., Inc.*, No. 23-10366 (JTD) (Bankr. D. Del. Jun. 5, 2023); *In re SVB Financial Group*, No. 23-10367 (MG) (Bankr. S.D.N.Y. Mar. 17, 2023); *In re Loyalty Ventures Inc.*, No. 23-90111 (CML) (Bankr. S.D. Tex. Mar. 10, 2023); *In re FTX Trading Ltd.*, No. 22-11068 (JAD) (Bankr. D. Del. Nov. 11, 2022); *In re Packable Holdings, LLC f/k/a Entourage Com., LLC*, No. 22-10797 (CTG) (Bankr. D. Del. Oct. 11, 2022); *In re GT Real Estate Holdings, LLC*, No. 22-10505 (KBO) (Bankr. D. Del. Jul. 18, 2022); *In re Valaris PLC* No. 20-34114 (MI) (Bankr. S.D. Tex. Oct. 9, 2020); *In re Quorum Health Corp.*, No. 20-10766 (KBO) (Bankr. D. Del. May 6, 2020).

8. A&M's restructuring compensation practice consists of senior human resources, management consulting, and other professionals who specialize in advising on the design and

implementation of comprehensive compensation programs that help businesses—including in distressed scenarios—attract and retain top talent, reward, and motivate management and employees for their performance, and align the interests of employees with key stakeholders. A&M has a wealth of experience in providing compensation services to businesses involved in both in-court and out-of-court restructurings, sales, and wind down scenarios. Accordingly, I believe that A&M enjoys an excellent reputation for the services it has rendered in large and complex chapter 11 cases on behalf of debtors and creditors throughout the United States. A&M's professionals have significant restructuring and industry experience assisting distressed companies with financial and operational challenges, as well as working with management teams and boards of directors of large companies facing financial challenges similar to those the Debtors have faced.

**A&M's Retention and Involvement with the Debtors**

9. The Debtors engaged A&M in March 2025 to serve as their restructuring advisor. Over the course of its engagement, A&M has evaluated the Debtors' operations and cash requirements to operate their business, including by assisting in the development of the Debtors' near-term cashflow forecasts and liquidity analysis, evaluating strategic alternatives and financing-related workstreams, and advancing contingency planning in the event that a chapter 11 filing became necessary. Related to these efforts, A&M has worked closely with the Debtors' management and other restructuring professionals and has become well acquainted with the Debtors' capital structure, liquidity needs, cash flows, business operations, and general operating details.

10. I have familiarized myself with the Debtors' operations, business, and restructuring challenges. At the start of our engagement, A&M discussed with the Debtors and their advisors the Debtors' operational history, financial performance, restructuring process, and various issues regarding the Debtors' workforce and employee plans. A&M reviewed the structure of the Debtors'

existing base salary and primary incentive plans, paying specific attention to the various incentive plans' performance metrics, participating employees, payout frequency, and target payout level. This review culminated in the creation of the Approved KEIP. Since the entry of the KEIP Order earlier this year, the Debtors have decided that changes in their executive team are necessary at this time. Specifically, the Debtors appointed industry veterans Roberto Fioroni as Chief Financial Officer (the "Incoming CFO"), effective as of May 1, 2026, and Helen Redfern as Chief Human Resources Officer (the "Incoming CHRO"), effective as of May 1, 2026. The current President and Chief Executive Officer retained his role as a member of the Debtors' Board of Directors and transitioned to the role of Executive Director (the "Executive Director"), effective as of April 13, 2026, and, the current Chief Financial Officer will transition to senior financial consultant (the "Senior Financial Consultant", and together with the Executive Director, the "Existing Executives"), effective as of May 1, 2026.

11. Given this impending change to the Debtors' executive structure, the Debtors and their advisors have prepared the Amended KEIP. The Incoming CFO and Incoming CHRO are the Amended KEIP Participants. While the Existing Executives' participation in the Approved KEIP and award metrics will not be modified, the Senior Financial Consultant's and the Executive Director's eligibility to participate in the Approved KEIP will run through July 31, 2026 and September 30, 2026, respectively. Accordingly, notwithstanding the addition of the two incoming executives, these modifications to the Existing Executives' duration of participation in the Approved KEIP result in a net reduction in the cost of the Approved KEIP and Amended KEIP in the aggregate.<sup>3</sup>

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<sup>3</sup> The Debtors estimate that the aggregate cost of the Approved KEIP and Amended KEIP will result in a net reduction of between approximately \$250,000 (assuming cut-in payouts) and \$2,288,000 in the aggregate (assuming stretch payouts).

12. The Amended KEIP aims to incentivize the Incoming CFO and Incoming CHRO in the same way as the current KEIP Participants and is subject to the same design features, performance metrics, and payouts as the Approved KEIP. The Debtors, in consultation with A&M and the Debtors' other advisors, determined that implementing the Amended KEIP is necessary and appropriate to properly incentivize and compensate the Incoming CFO and Incoming CHRO and ultimately retain them during these chapter 11 cases.

13. The Debtors performed significant due diligence in developing their Approved KEIP and relied on that work in connection with the Amended KEIP, and my team and I collaborated closely with the Debtors' management and advisors during the process. Specifically, my team and I provided input and advice on the reasonableness of both the Approved KEIP and Amended KEIP's design, structure, total cost, and award opportunities. My analysis of the reasonableness of the Amended KEIP was presented to the applicable governing body of the Debtors' boards of directors in connection with their approval of the Amended KEIP.

#### **Amended KEIP Reasonable Compensation Analysis**

14. The previous analysis and evaluation relied upon by the Approved KEIP and as described in the Cumberland Declaration are incorporated by reference herein.<sup>4</sup> The Debtors and their advisors relied on the same peer comparative compensation sets and utilized two distinct tests that were used in the Approved KEIP for purposes of the Amended KEIP.

#### **The Reasonableness of the Amended KEIP**

15. While relying on the analysis related to the Approved KEIP, the Debtors and their advisors evaluated the Amended KEIP's respective structure and cost to determine if it was reasonable and consistent with market practice—keeping in mind the Debtors' financial and

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<sup>4</sup> See Exhibit B of the Initial KEIP Motion.

operational restructuring goals (especially when considered against the Approved KEIP).<sup>5</sup> The payment levels under the Amended KEIP are reasonable in light of the size of the Debtors' estates and the amounts that comparable companies have provided as incentives and retention payments to their management and key employees in other chapter 11 cases, including those previously contemplated under the Approved KEIP. The Amended KEIP Peer Group had a median annualized cost of approximately \$13,751,000 million. The total annualized cost of the Amended KEIP is approximately \$1,288,264 million and, when combined with the Approved KEIP, the Amended KEIP has a total annualized cost of approximately \$15,753,103, which is in line with the Amended KEIP Peer Groups.

16. The payouts to the KEIP Participants are reasonable when compared to the two reasonable compensation tests. Compared to similar incentive programs, the average incentive bonus per participant contemplated under the combined Amended KEIP and Approved KEIP at target level is at approximately the 30th percentile of the Amended KEIP Peer Group. Compared to market levels of compensation, the aggregate proposed target TDC for the Incoming CFO and Incoming CHRO is below the 25th percentile.

17. Lastly, as mentioned, the proposed Amended KEIP and the corresponding changes to the Approved KEIP result in a net reduction in the cost of the two plans in the aggregate, which further supports the reasonableness of the Amended KEIP.

18. As a result, the Debtors, in their sound business judgment, believe that the implementation of the Amended KEIP is justified under the circumstances and will benefit the Debtors' estates and their creditor constituencies.

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<sup>5</sup> Because the design features and Performance Metrics of the Approved KEIP also apply to the Amended KEIP, the Debtors and their advisors did not assess the reasonableness of these factors as part of this evaluation.

**Conclusion**

19. Based on my experience, and the work I have performed in this case, I believe that the design, structure, cost, and award opportunities available under the Amended KEIP are reasonable given the facts and circumstances of these chapter 11 cases. The Debtors and their advisors performed substantial due diligence in developing the Amended KEIP, including thoroughly reviewing peer group data, and determining the payments amounts that are reasonable in comparison to other similarly situated companies. Lastly, I believe the Amended KEIP is essential to the success of the Debtors' continued operations during these chapter 11 cases. For the reasons set forth in this Declaration, I submit that it would be appropriate for the Court to approve the Amended KEIP, as contemplated by the Motion.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: May 8, 2026

/s/ Allison Hoeinghaus

Name: Allison Hoeinghaus

Title: Managing Director

Alvarez & Marsal