IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
MARELLI AUTOMOTIVE LIGHTING USA LLC, *et al.*,[1]	)	Case No. 25-11034 (___)
Debtors.	)	(Joint Administration Requested)

DECLARATION OF JOHN SINGH IN SUPPORT OF THE MOTION OF DEBTORS FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE DEBTORS TO (A) OBTAIN POSTPETITION FINANCING, AND (B) USE CASH COLLATERAL; (II) GRANTING LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS; (III) GRANTING ADEQUATE PROTECTION TO CERTAIN PREPETITION SECURED PARTIES; (IV) MODIFYING THE AUTOMATIC STAY; (V) SCHEDULING A FINAL HEARING; AND (VI) GRANTING RELATED RELIEF

I, John Singh, declare under penalty of perjury that:

1. I am a Partner in the Restructuring and Special Situations Group at PJT Partners LP ("PJT"), a global investment banking firm listed on the New York Stock Exchange with its principal offices located at 280 Park Avenue, New York, New York 10017. PJT is the proposed investment banker for the debtors and debtors-in-possession (collectively, the "Debtors," and with their non-debtor subsidiaries, the "Company") in the above-captioned chapter 11 cases.[2]

2. I submit this declaration (this "Declaration") in support of the relief requested in the *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Use Cash Collateral; (II) Granting Liens and Providing Superpriority Administrative Expense Claims; (III) Granting Adequate Protection to*

[1] 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 is 26555 Northwestern Highway, Southfield, Michigan 48033.

[2] The Debtors anticipate filing an application to retain PJT as their investment banker, effective as of the commencement of their chapter 11 cases, shortly hereafter.

Certain Prepetition Secured Parties; (IV) Modifying the Automatic Stay; (V) Scheduling a Final Hearing; and (VI) Granting Related Relief (the "Motion") filed contemporaneously herewith.[3]

3. Although PJT is expected to be compensated for its work as the Debtors' proposed investment banker in these chapter 11 cases, I am not being compensated separately for this Declaration or testimony.[4] Except as otherwise indicated herein, all statements set forth in this Declaration are based upon: (i) my personal knowledge of the Debtors' operations, finances, and restructuring initiatives, (ii) my review of relevant documents, (iii) information provided to me by the Debtors, the Debtors' management and/or the Debtors' other advisors, (iv) information provided to me by the employees of PJT working directly with me under my supervision, direction, or control; or (v) my experience as a restructuring professional. If called to testify, I could and would testify to the statements set forth herein on that basis. I am over the age of 18 years and am authorized to submit this Declaration.

Professional Background and Qualifications

4. PJT is a leading global financial advisory firm with more than 1,100 employees in fifteen offices in the U.S., Europe, and Asia. The firm offers integrated advisory services for mergers and acquisitions, restructuring and special situations, fund placement, and shareholder engagement. PJT is an industry leader in advising companies and creditors in all aspects of complex restructurings and bankruptcies. The firm has extensive experience providing financial advisory and investment banking services to financially distressed companies, including the representation of both debtors and lenders in the procurement and provision of postpetition

[3] Capitalized terms used but not defined herein shall have the meanings set forth in the Motion.

[4] In accordance with PJT's engagement letter with the Debtors, subject to court approval, PJT will be entitled to receive certain fees in connection with the financing transactions described herein.

financing. PJT is a registered broker-dealer with the United States Securities and Exchange Commission, is a member of the Securities Investor Protection Corporation, and is regulated by the Financial Industry Regulatory Authority.

5. I received a BS in Finance and Economics from New York University and an MBA from the Wharton School of the University of Pennsylvania. I have approximately fifteen (15) years of investment banking and restructuring experience. Prior to joining PJT in 2015, I was a Vice President in the Restructuring & Reorganization Group of The Blackstone Group ("Blackstone").

6. Between my experience at Blackstone and PJT, I have worked on a broad range of restructuring and reorganization assignments for companies, creditor groups, special committees, governmental entities, and acquirers of distressed assets. Over the course of my career, I have advised senior management and boards of directors in a wide variety of industries in connection with restructurings, mergers and acquisitions, and financing transactions, including for debtor-in-possession financing. In particular, I have been involved in the following publicly disclosed restructuring matters, among others: Automotores Gildemeister S.A.; BJ Services, LLC; Bristow Group; Cecon ASA (re: Davie Shipyard); CHC Helicopter; Core Scientific, Inc.; Desarrolladora Homex, S.A.B. de C.V.; Financial Guaranty Insurance Company; Fusion Connect, Inc.; Genesis Care Pty Ltd.; High Ridge Brands Co.; Homer City Generation; Houston Astros; Inversiones Alsacia S.A.; Kerzner International; MBIA, Inc. (re: Bank of America); M&G Chemicals S.A.; Mortgage Guaranty Insurance Corporation; Nortel Networks Corporation; Pacific Exploration & Production Corporation; Pension Benefit Guaranty Corporation (re: Smurfit Stone); PES Holdings, LLC; Phoenix Services Topco, LLC; Pierre Foods, Inc.; PHI, Inc.; Ruby Pipeline,

L.L.C.; Simmons Bedding Company; Syncreon; Twin River; and Westinghouse Electric Company LLC.

7. I have provided expert witness testimony regarding restructuring matters on numerous occasions. Specifically, I have provided testimony regarding debtor-in-possession ("DIP") financing in numerous large-scale chapter 11 cases, including: *In re Genesis Care Pty Ltd.*, No. 23-90614 (MI) (Bankr. S.D. Tex. June 1, 2023); *In re Core Scientific Specialty Mining (Oklahoma) LLC*, No. 22-90345 (CML) (Bankr. S.D. Tex. Dec. 21, 2022); *In re Cool Springs LLC (f/k/a Phoenix Services Topco, LLC, et al)*, No. 22-10912 (MFW) (Bankr. D. Del. Sept. 27, 2022); *In re Fusion Connect, Inc.*, No. 19-11824 (SMB) (Bankr. S.D.N.Y. June 3, 2019); *In re HRB Winddown, Inc. (f/k/a High Ridge Brands Co.)*, No. 19-12689 (BLS) (Bankr. D. Del. Dec. 18, 2019).

Advisor Retention

8. The Debtors initially engaged PJT as investment banker in October 2024 to evaluate financing and strategic alternatives relating to the Debtors' capital structure and liquidity needs. The Debtors' continued decline in performance due to macroeconomic headwinds including those associated with the imposition of global tariffs made addressing their highly overleveraged capital structure and sizeable debt obligations that much more challenging.

9. Since PJT's engagement, I, along with a number of other PJT professionals, have worked closely with the Debtors' management team, financial staff, creditors, and other advisors, to evaluate the need for financing and otherwise assist in the Debtors' restructuring efforts. PJT's work in that regard has included, among other things: (i) analyzing the Debtors' liquidity and projected cash flows; (ii) understanding the Debtors' businesses, operations, and finances; (iii) reviewing and analyzing the Debtors' balance sheet and capital structure alternatives;

(iv) providing strategic advice to the Debtors' senior management and board of directors, including the special committee; (v) participating in negotiations with the Debtors' existing lenders and other parties in interest; (vi) negotiating and analyzing DIP financing proposals; and (vii) assisting the Debtors in connection with preparations for commencement of these chapter 11 cases. As a result of this work and engagement with other professionals retained by the Debtors with respect to this restructuring, I am familiar with the Debtors' capital structure, business operations, and current liquidity needs.

The Debtors Require Immediate Access to the DIP Facility

10. In the months leading up to these chapter 11 cases, the Debtors, with the assistance of their advisors, explored various strategic and financial alternatives, including potential out-of-court financial and operational restructuring options. Ultimately, however, as explained in this Declaration, the Debtors determined that an in-court restructuring transaction would be necessary to obtain access to an immediate infusion of capital necessary to operate the business in light of the current macroenvironment and uncertainty throughout the automotive industry.

11. As the Debtors' liquidity continued to shrink, PJT, together with the Debtors' management team and the Debtors' other advisors, analyzed the incremental liquidity that would be necessary to maintain operations in connection with the filing of the chapter 11 cases and bridge the Debtors to a going concern restructuring transaction. As part of this process and as described in the Grossi Declaration,[5] PJT relied on the debtor-in-possession financing budget (the "DIP Budget") that the Debtors created with the assistance of Alvarez & Marsal North America, LLC

[5] *Declaration of Nicholas Grossi in Support of the Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Use Cash Collateral; (II) Granting Liens and Providing Superpriority Administrative Expense Claims; (III) Granting Adequate Protection to Certain Prepetition Secured Parties; (IV) Modifying the Automatic Stay; (V) Scheduling a Final Hearing; and (VI) Granting Related Relief* (the "Grossi Declaration"), filed contemporaneously herewith.

("A&M"), the Debtors' proposed restructuring advisor. My understanding is that the DIP Budget takes into account anticipated cash receipts and disbursements during the projected period and considers a number of factors, including the impact of the chapter 11 filing on the operations of the business, fees and interest expense associated with postpetition financing, professional fees, and required customer, supplier, and other vendor payments to allow the Debtors to operate in the ordinary course.

12. The Debtors and their advisors discussed and contemplated the use of cash collateral, with or without any additional financing, to fund operations during the chapter 11 cases. Based on the Debtors' current cash levels and financial projections, however, the Debtors and their advisors determined that cash collateral alone would not be sufficient to fund operations and chapter 11 administrative expenses. In light of the Debtors' minimal cash balances, their inability to access the DIP Facility as provided under the Motion is likely to materially and perhaps irreparably harm the Debtors' value as a whole.

13. In addition, the Debtors would likely not have sufficient funds to continue paying their vendors or meet obligations under their supply contracts, likely resulting in an inability to retain significant customer and vendor relationships to the detriment of the Debtors' future business prospects. Continuing operations as a going concern is the best way to maximize value and avoid massive value destruction, and the DIP Facility is the best currently available financing that would enable the Debtors to continue their operations.

The Debtors' Efforts to Obtain DIP Financing

14. Over the last several years, Marelli has navigated persistent liquidity constraints caused by a global downturn in automotive production and intense macroeconomic volatility and geopolitical uncertainty. It is my understanding that, as of the Petition Date, the Company has approximately $4.9 billion in total funded debt obligations. To that end, my understanding is that

the Company has executed financing transactions in recent years to shore up liquidity and obtain relief from potential breaches of financial covenants. As a result of such financing transactions, the Debtors' capital structure is comprised of the following: (i) an approximately $352 million term loan facility in the form of an Emergency Loan Facility; and (ii) an approximately $4.5 billion Senior Loan Facility, comprised of approximately $536 million in a Revolving Credit Facility, and approximately $4 billion in a Term Loan Facility. It is my understanding that the Company needs a significant liquidity infusion and a comprehensive restructuring transaction to delever its balance sheet and maximize the value of the business.

15. Accordingly, beginning in August 2024, the Debtors, with the assistance of their advisors, began engaging with the Ad Hoc Group of Senior Lenders and other holders of the Senior Term Loans (such other holders, the "Japanese Lenders") on what would ultimately be a months-long process involving numerous proposals and counterproposals on a variety of different transaction structures and alternatives to be implemented on an out-of-court basis. The Debtors and the Ad Hoc Group of Senior Lenders exchanged numerous counterproposals for a potential restructuring transaction between November 2024 and February 2025, which resulted in close engagement between the Debtors, the Ad Hoc Group of Senior Lenders, the Japanese Lenders and their respective advisors.

16. Despite the Company, the Ad Hoc Group of Senior Lenders, and the Japanese Lenders engaging in extensive discussions and negotiations around a consensual, out-of-court transaction for more than seven months, the parties were unable to reach an agreement on an out-of-court transaction due to the disagreement amongst its lenders on the structure of a deal and failure to satisfy the relevant consent requirements and thresholds (*i.e.*, 67% percent of the Senior Loan Facility Lenders) required by the Senior Loan Facility Agreement to implement such a

transaction. The Debtors attempted to drive consensus on an Ad Hoc Group of Senior Lenders-led transaction through a series of in-person meetings and presented several iterations of the Ad Hoc Group of Senior Lenders' proposal to the Agent and other lenders who provided responses and direct feedback to the Ad Hoc Group of Senior Lenders.

17. In March 2025, my understanding is that the Company's liquidity position continued to worsen due to, among other things, macroeconomic headwinds associated with the imposition of tariffs in countries around the world. This accelerated the Company's need for a strategic transaction and injection of new capital and also caused the Debtors and their advisors to consider whether chapter 11 proceedings may be the best path forward. In the absence of an alternative structure, the Debtors believed that a chapter 11 case could allow the Debtors to obtain access to needed liquidity, which would allow for the opportunity to provide a comprehensive restructuring that could deleverage the Company's capital structure. As a result, the Company and its advisors began to prepare to pivot to an in-court transaction.

18. In April 2025, the Ad Hoc Group of Senior Lenders submitted a proposal for an in-court transaction. The structure of the in-court transaction largely mirrored the Ad Hoc Group of Senior Lenders' out-of-court proposals, and the Company engaged with the Ad Hoc Group of Senior Lenders for over two months on the terms of its in-court proposal, including by holding virtual and in-person meetings with the Ad Hoc Group of Senior Lenders and exchanging multiple term sheets during the period of April 2025 through May 2025.

19. While continuing their discussions with the Ad Hoc Group of Senior Lenders and the Japanese Lenders, in March 2025 the Debtors, with the assistance of PJT, began engaging with third-parties outside of the Debtors' capital structure to inquire whether such parties would be willing to extend financing to the Debtors secured by only unencumbered collateral, or on a junior,

unsecured, or on a priming basis. The Debtors, with the assistance of PJT, contacted five additional potential financing providers—all established lenders in the restructuring space with a reputation for and ability to provide postpetition financing in complex distressed situations on the requisite timeline and in the quantum required. Four financing parties were either subject to preexisting confidentiality obligations or entered into confidentiality agreements with the Company. Overall, throughout the marketing process, the Company received several non-binding DIP financing proposals from third-parties.

20. The Company and its advisors exchanged multiple term sheets, held virtual and in-person meetings, and engaged in extensive discussions regarding the potential financing with the third parties. By virtue of engaging with these parties and thoroughly evaluating their DIP financing proposals, it is clear that the third-party financing sources were uniformly unwilling to provide a junior, unsecured, or any postpetition facility that did not have a first priority lien on substantially all assets. I, therefore, believe that any third-party providing DIP financing would require a priming position and through discussions with the Ad Hoc Group of Senior Lenders it became clear that any such proposal would be heavily challenged by the Ad Hoc Group of Senior Lenders and would likely lead to extensive litigation at significant cost to the Debtors and their stakeholders.

21. Faced with a potential lengthy and costly priming fight and increasingly constrained liquidity, the Debtors, with the assistance of their advisors, concluded that the optimal path forward for the Debtors would be a consensual in-court transaction supported by the Ad Hoc Group of Senior Lenders. Following months of negotiating, the Company, the Ad Hoc Group of Senior Lenders, and the Japanese Lenders ultimately reached an agreement on the eve of filing on a consensual DIP facility provided by the Ad Hoc Group of Senior Lenders.

22. After a marketing process the Debtors, in consultation with their advisors, ultimately determined that pursuing and negotiating the proposal for a $1.1 billion DIP facility (the "DIP Facility") put forward by Ad Hoc Group of Senior Lenders (the "DIP Lenders") represented the best source of postpetition financing currently available given the facts and circumstances of these chapter 11 cases, taken as a whole. Due to its consensual nature, the proposed DIP Facility paves the way for a successful comprehensive restructuring transaction with the support of the Ad Hoc Group of Senior Lenders. Further, the Debtors, in consultation with their advisors, concluded that it would be imprudent to forgo the proposed DIP Facility in favor of pursuing competing financing proposals that potentially pose significant execution risk and likely necessitate costly litigation in respect of the nonconsensual priming of the Debtors' prepetition lenders' liens.

The Proposed DIP Facility

23. As noted in the Motion, the proposed DIP Facility is a super-senior secured term loan facility provided by Ad Hoc Group of Senior Lenders consisting of (a) "new money" term loans in an aggregate principal amount of approximately $1.1 billion, of which approximately $519 million will be available upon entry of the Interim Order, approximately $346 million will be available upon entry of the Final Order and approximately $242 million thereafter, in accordance with the Milestones and (b) an approximately $1.1 billion roll-up of the outstanding term loans under the Senior Loan Facility into DIP Obligations upon entry of the Final Order. The proposed DIP Facility is divided into three tranches: (a) a first-out super-senior secured term loan in an aggregate principal amount equal to approximately $865 million (the "Tranche A Loans"); (b) a second-out senior "new money" term loan in an aggregate principal amount equal to approximately $242 million (the "Tranche B Loans"); and (c) a roll-up in the total amount of 47.5% of Prepetition Senior Loan Claims (the "Roll-Up Loans"), approximately $1.1 billion.

Notably, the DIP Facility also includes a priority structure that ensures an 11-cent recovery to Senior Bank Lenders (the "Senior Lender Priority Recovery") which is senior in the recovery waterfall to the Roll-Up Loans, which I understand was a critical component of the Senior Bank Lenders' consent to the DIP Facility that paves the path for a consensual comprehensive restructuring. I understand the DIP Facility provides the following priority waterfall: (1) Carve-Out, (2) Permitted Prior Liens, (3) Tranche A DIP Liens, (4) Tranche B DIP Liens, (5) Prepetition Emergency Loan Liens, (6) Senior Lender Priority Recovery; (7) Tranche C DIP Liens (the Roll-Up Loans), (8) the Adequate Protection Liens, and (9) the Prepetition Senior Loan Agreement Liens. The DIP Loans will be used (i) for working capital and general corporate purposes, (ii) to fund the administration of the chapter 11 cases, (iii) to fund the Carve Out, and (iv) to fund repayment of the Emergency Loan, and (v) to fund expenses, in the case of each of the foregoing (other than funding the Carve Out), in accordance with the DIP Budget or as otherwise approved by the DIP Lenders.

24. The DIP Facility provides the Debtors with access to critical funding that, based on my conversations with the Debtors and their other advisors, is expected to be sufficient to allow the Debtors and their stakeholders the time necessary to work toward consummation of a comprehensive restructuring transaction and maximize value by continuing operations with as little disruption as possible under the circumstances.

A. The Roll-Up of the Prepetition Obligations is Essential to the DIP Facility.

25. As noted above, the DIP Facility includes the Roll-Up Loans. The roll-up was a requirement for the consideration provided by the DIP Lenders as part of their commitment to provide new money, postpetition access to the Cash Collateral, and agreement to be primed by the postpetition financing. As part of extensive and hard-fought negotiations regarding the DIP Facility, the Debtors resisted the inclusion of a roll-up component. Ultimately, the DIP Lenders

made it clear that they would not be willing to provide the DIP Facility without the Roll-Up Loans, but agreed to the roll-up occurring only upon entry of the Final Order.

26. As a result, I believe that the Roll-Up Loans are essential to the proposed DIP Facility. Based on my conversations with the Debtors and their other advisors, without the DIP Facility's infusion of liquidity, I believe that the Debtors would bear substantial risk with respect to their ability to continue to operate as a going concern. Additionally, I understand that the repayment of a roll-up is a common feature in debtor in possession financing arrangements. Further, I understand that approval of the entirety of the Roll-Up Loans is subject to entry of a Final Order and subject to the challenge procedures set forth in the DIP Orders. Thus, the terms of the DIP Facility should not prejudice any party's right to challenge the Roll-Up Loans. Accordingly, I believe the proposed Roll-Up Loans are reasonable and appropriate under the circumstances.

B. The DIP Facility Interest and Fees.

27. In connection with the DIP Facility and the Interim Order, the Debtors have agreed to grant liens on all Prepetition Collateral, including the proceeds thereof, on a first priority priming basis and pay interest and certain fees to the DIP Secured Parties, including a structuring fee, commitment fee, an exit fee, a backstop fee, original issue discount and a ticking fee. Specifically, the Debtors have agreed to pay:

	Tranche A Loans	**Tranche B Loans**
Interest Rates.	S + 8.00% p.a., paid monthly in cash (default rate: +2.00%); additional 1.00% p.a. in the event of a valid Maturity Extension	S + 10.00% p.a., paid monthly in kind (default rate: +2.00%)
Structuring Fee.	Per the Fee Letter	No Structuring Fee
Commitment Fee.	No Commitment Fee	4.00% of the Tranche B Loan commitments , payable in kind, to the DIP Lenders earned upon

		entry of the Interim DIP Order and payable upon funding of the Initial Tranche B Loans
Exit Fee.	2.00%	2.00% of the Tranche B Loans, payable in kind (unless Tranche B Loans are required to be prepaid or repaid in cash), payable upon maturity, any voluntary or mandatory prepayment or cancellation of commitment
Backstop Fee.	No Backstop Fee	5.00% of Tranche B Loans committed by the Backstop Parties, payable in kind, to the Backstop Parties earned upon entry of the Interim DIP Order and payable upon funding of the Tranche B Loans
Ticking Fee.	8.00%	3.00%
Original Issue Discount.	0.50%	No Original Issue Discount

28. Negotiations around the proposed DIP Facility and its terms, including the interest rates and fees, included the exchange of several proposals between the Debtors and the DIP Lenders. Based on the discussions I participated in and observed during the course of these negotiations and my experience negotiating other DIP financings, these negotiations were conducted at arm's length and in good faith. I also believe, based on my participation in such negotiations, that the DIP Facility's principal economic terms are a material component of the overall terms that were specifically required by the DIP Secured Parties in order to extend postpetition financing. Accordingly, under the current circumstances, given the lack of viable alternatives and based on my experience as a restructuring professional, I believe that the fees, rates, and other economics provided for in the DIP Facility, taken as a whole, are reasonable and in the Debtors' best interests given the facts and circumstances of these chapter 11 cases.

29. The Milestones set forth in the DIP Facility are the product of good-faith, arm's-length negotiations between the Debtors and the DIP Lenders and are an integral component of the DIP Facility and the Debtors' restructuring efforts. I have reviewed the Milestones and based on my industry experience I believe that they are appropriate and will likely permit sufficient time to negotiate and implement a value-maximizing restructuring. Accordingly, I believe that agreeing to include the Milestones in the DIP Facility is reasonable.

The DIP Facility Provides Certain Adequate Protection to Secured Creditors

30. The DIP Lenders conditioned their DIP financing proposals on, among other things, superpriority status and postpetition priming liens on substantially all of the Prepetition Collateral and postpetition liens on any prepetition unencumbered assets as part of the collateral package securing the DIP Facility. Additionally, the DIP Facility provides the Prepetition Secured Parties with customary adequate protection liens, including replacement liens on the Prepetition Collateral and additional liens on unencumbered assets.

31. Accordingly, I believe the adequate protection package is reasonable and appropriate under the circumstances of these chapter 11 cases to protect the Prepetition Secured Parties from any potential diminution in the value of their collateral.

The Terms of the Proposed DIP Facility Are the Best Economic Terms Available, Taken as a Whole, Under the Circumstances and Should be Approved

32. Based on the Debtors' and their advisors' efforts to secure postpetition financing, my experience in raising DIP financing, current market conditions, the Debtors' circumstances, and my participation in, and supervision of, the negotiations around the proposed DIP Facility, I believe that there are no alternative sources of financing currently available on both better and more executable terms, taken as a whole, than the DIP Facility. I therefore believe that the DIP

Facility represents the best option currently available under the circumstances to address the Debtors' liquidity needs and create a pathway to exit from chapter 11.

33. ***First***, the proposed DIP Facility is expected to provide the Debtors with access to the amount of capital that the Debtors, in consultation with their advisors, believe is necessary to administer these chapter 11 cases effectively and efficiently.

34. ***Second***, the terms of the proposed DIP Facility are the result of the negotiations and the marketing process described above, which, as described herein, enabled the Debtors to obtain DIP financing on terms, taken as a whole, that are appropriate under the current circumstances described herein and in the Motion. As previously noted, the Debtors, with the assistance of their advisors, solicited and considered other sources of postpetition financing, but were unable to secure any alternative postpetition financing proposals on better and more executable terms, taken as a whole, than the DIP Facility.

35. ***Third***, the principal economic terms proposed under the DIP Facility such as the contemplated pricing, fees, and interest rate are customary for DIP financings of this type. Additionally, some of the fees are structured on a payment-in-kind basis, which will allow the Debtors to maintain sufficient liquidity. In my view, based on the discussions I observed and participated in, such economic terms were negotiated at arm's length, are an integral component of the overall terms of the DIP Facility, and are, in the aggregate, appropriate and represent the best terms currently available to the Debtors under the current circumstances.

36. ***Fourth***, I believe that the Roll-Up Loans were a necessary condition to obtaining the New Money DIP Loans provided under the DIP Facility. Based on discussions I observed, the DIP Lenders (through their advisors) expressed during negotiations that the Roll-Up Loans were a condition precedent to obtaining the New Money DIP Loans. Without access to the New Money

DIP Loans, the Debtors would not have sufficient liquidity to continue operations in the ordinary course of business with minimal disruption.

37. ***Finally***, the Debtors were, and remain, cognizant of the reality that obtaining DIP financing alone does not ensure a successful bankruptcy case—the Debtors also need a path to emerge successfully from chapter 11. Because of the Ad Hoc Group of Senior Lenders' place in the Debtors' capital structure, the consensual DIP Facility provided the clearest path to achieving a value-maximizing transaction through a plan of reorganization. To that end, alongside the proposed DIP Facility, the Debtors negotiated with the Ad Hoc Group of Senior Lenders around the terms of a comprehensive restructuring transaction that culminated in the execution of the Restructuring Support Agreement.

38. Overall, based on my experience and knowledge of the market, I believe the DIP Facility, taken as a whole, is fair and reasonable under the circumstances, is within the market for comparable DIP financings, and allows the Debtors to move forward with a DIP Facility supported by key stakeholders in the Debtors prepetition capital structure.

Conclusion

39. For the reasons stated above and based on my professional opinion and experience with DIP financing transactions as well as my participation and involvement in the marketing and negotiation of the postpetition financing alternatives for the Debtors, I believe that the proposed DIP Facility, taken as a whole, offers the best available financing option for the Debtors under the facts and circumstances of these chapter 11 cases.

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

June 11, 2025

By:
/s/ John Singh
John Singh
Partner
PJT Partners LP