

**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 (CTG)
)

Debtors.

) (Jointly Administered)
)
)

**MOTION OF THE AD HOC GROUP OF SENIOR LENDERS FOR
LEAVE TO FILE LATE REPLY IN SUPPORT OF 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 ad hoc group of certain Prepetition Senior Lenders (the “Ad Hoc Group of Senior Lenders”)² states as follows in support of this motion (the “Motion”):

Relief Requested

1. The Ad Hoc Group of Senior Lenders seeks entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), granting the Ad Hoc Group of Senior Lenders leave to file a late reply (the “Reply”) in support of the DIP Motion³ filed by the above-

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 and the Debtors’ service address in these chapter 11 cases is 26555 Northwestern Highway, Southfield, Michigan 48033.

² The entities comprising the Ad Hoc Group of Senior Lenders are identified on Exhibit A to the *Verified Statement of the Ad Hoc Group of Senior Lenders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Docket No. 68].

³ *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 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* [Docket No. 22] (the “DIP Motion”).



captioned debtors and debtors in possession (collectively, the “Debtors”). A copy of the Reply is attached hereto as **Exhibit B**.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the District of Delaware (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.

3. The Ad Hoc Group of Senior Lenders confirms its 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.

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

5. The statutory bases for the relief requested in this Motion are section 105(a) of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”) and Local Rule 9006-1(d).

Background

6. On June 11, 2025 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their property as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On June 12, 2025, the Court entered an order [Docket No. 102] authorizing the procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy

Rule 1015(b) and Local Rule 1015-1. On June 25, 2025, the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an official committee of unsecured creditors [Docket No. 184] (the “Committee”). No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

7. On June 11, 2025, the Debtors filed the DIP Motion. Pursuant to the Notice of Final Hearing,¹ the Court was scheduled to consider the relief sought in the DIP Motion on a final basis on July 16, 2025 (the “Final Hearing”). Pursuant to the Notice of Rescheduled Hearing² filed on July 1, 2025, the Debtors moved the Final Hearing on the DIP Motion to July 24, 2025 at 1:15 p.m. (ET). In connection therewith, the Debtors extended the deadline for Mizuho Bank, Ltd. (“Mizuho”) to file its objection to the DIP Motion to July 22, 2025 at 11:00 a.m. (ET) (the “Mizuho Objection Deadline”). On July 22, 2025, Mizuho filed its DIP Objection.³

Basis for Relief

8. Pursuant to Local Rule 9006-1(d), “[r]epley papers by the movant, or any party that has joined the movant, may be filed by 4:00 p.m. prevailing Eastern Time the day prior to the deadline for filing the agenda.” DEL. BANKR. L.R. 9006-1(d). The agenda for the Final Hearing was due July 22, 2025 at 12:00 p.m. (ET), two business days prior to the Final Hearing. DEL. BANKR. L.R. 9029-3(a)(i). Accordingly, absent the relief sought in this Motion, the Reply would have been due July 21, 2025 at 4:00 p.m. (the “Reply Deadline”), the day *before* Mizuho filed its DIP Objection.

¹ *Notice of Entry of Interim Order and Final Hearing Regarding 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* [Docket No. 139] (the “Notice of Final Hearing”).

² *Notice of Rescheduled Omnibus Hearing Date From July 16, 2025 at 2:00 P.M. (Eastern Time) to July 24, 2025 at 1:15 P.M. (Eastern Time)* [Docket No. 216] (the “Notice of Rescheduled Hearing”).

³ *Mizuho Bank, Ltd.’s (I) Objection and Reservation of Rights With Respect to the Dip Motion and (II) Emergency Cross Motion For Adjournment of Final Dip Hearing* [Docket No. 300] (the “DIP Objection”).

9. Here, cause exists to allow the Ad Hoc Group of Senior Lenders to file the late Reply. Pursuant to the Debtors' agreement to extend the Mizuho Objection Deadline, Mizuho filed its DIP Objection on July 22, 2025. As a result, it would have been impossible for the Ad Hoc Group of Senior Lenders to timely file its Reply to the DIP Objection in accordance with the Local Rules.

10. Accordingly, for the reasons set forth herein, the Ad Hoc Group of Senior Lenders requests a brief extension of the Reply Deadline. The additional time will permit the Ad Hoc Group of Senior Lenders to present fairly and completely to the Court their response to Mizuho's DIP Objection.

11. Importantly, no parties in interest will be prejudiced by the filing of a late Reply given the brief extension. The Ad Hoc Group of Senior Lenders filed the Reply as soon as possible after Mizuho filed their DIP Objection. Indeed, the Court and parties in interest will have sufficient time to review the Reply and prepare for the Final Hearing.

Notice

12. The Ad Hoc Group of Senior Lenders will provide notice of this Motion to: (a) the proposed counsel to the Debtors, (b) the U.S. Trustee, (c) counsel to the DIP Agent, (d) counsel to Mizuho Bank, Ltd., in all capacities other than as Prepetition Agent; (e) counsel to Mizuho Bank, Ltd., in its capacity as the Prepetition Agent, (f) counsel to the Sponsors, (g) the Committee, and (h) any party that has requested notice pursuant to Bankruptcy Rule 2002.

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

WHEREFORE, the Ad Hoc Group of Senior Lenders requests that the Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief the Court may deem just and proper.

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Date: July 24, 2025
Wilmington, Delaware

COLE SCHOTZ P.C.

/s/ Justin R. Alberto

Justin R. Alberto (No. 5126)
Stacy L. Newman (No. 5044)
Jack M. Dougherty (No. 6784)
Elazar A. Kosman (No. 7077)
500 Delaware Avenue, Suite 600
Wilmington, DE 19801
Telephone: (302) 652-3131
Facsimile: (302) 652-3117
E-mail: jalberto@coleschotz.com
snewman@coleschotz.com
jdougherty@coleschotz.com
ekosman@coleschotz.com

-and-

AKIN GUMP STRAUSS HAUER & FELD LLP

Ira S. Dizengoff (admitted *pro hac vice*)
Anna Kordas (admitted *pro hac vice*)
One Bryant Park
New York, NY 10036
Telephone: (212) 872-1000
Facsimile: (212) 872-1002
Email: idizengoff@akingump.com
akordas@akingump.com

-and-

Scott L. Alberino (admitted *pro hac vice*)
Kate Doorley (admitted *pro hac vice*)
Alexander F. Antypas (admitted *pro hac vice*)
2001 K Street, N.W.
Washington, D.C. 20006
Telephone: (202) 887-4000
Facsimile: (202) 887-4288
Email: salberino@akingump.com
kdoorley@akingump.com
aantypas@akingump.com

Counsel to the Ad Hoc Group of Senior Lenders

Exhibit A

Proposed Order

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

In re:

MARELLI AUTOMOTIVE LIGHTING USA LLC,
et al.,¹

Debtors.

Chapter 11

Case No. 25-11034 (CTG)

(Jointly Administered)

Related Docket No. _____

**ORDER GRANTING MOTION OF THE AD HOC GROUP OF SENIOR LENDERS
FOR LEAVE TO FILE LATE REPLY IN SUPPORT OF 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**

Upon the *Motion of the Ad Hoc Group of Senior Lenders for Leave to File Late Reply in Support of 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 “Motion”) all as more fully set forth in the Motion; 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

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 and the Debtors' service address in these chapter 11 cases is 26555 Northwestern Highway, Southfield, Michigan 48033.

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 after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Ad Hoc Group of Senior Lenders is permitted to file the Reply, and such Reply shall be deemed timely filed.
3. The Ad Hoc Group of Senior Lenders authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
4. The Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation and enforcement of this Order.

Exhibit B

Reply

**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> , ¹)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket Nos. 22, 109, 300, 325

**AD HOC GROUP OF SENIOR LENDERS' (I) REPLY AND JOINDER
IN SUPPORT OF DEBTORS' DIP MOTION AND (II) OBJECTION TO MIZUHO'S
EMERGENCY CROSS MOTION FOR ADJOURNMENT OF FINAL DIP HEARING**

The ad hoc group of certain Prepetition Senior Lenders (the “Ad Hoc Group of Senior Lenders”),² by and through its undersigned counsel, hereby submits this reply (the “Reply”) 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* [Docket No. 22] (the “DIP Motion”),³ and in objection to Mizuho Bank Ltd.’s *(I) Objection and Reservation of Rights With Respect to the DIP Motion and (II) Emergency Cross Motion for Adjournment of Final DIP* [Docket No. 300] (the “Objection”).

The Ad Hoc Group of Senior Lenders also joins in and incorporates by reference herein the

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 and the Debtors' service address in these chapter 11 cases is 26555 Northwestern Highway, Southfield, Michigan 48033.

² The entities comprising the Ad Hoc Group of Senior Lenders are identified on Exhibit A to the *Verified Statement of the Ad Hoc Group of Senior Lenders Pursuant to Federal Rule of Bankruptcy Procedure 2019* [Docket No. 68].

³ Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the DIP Motion and/or the *Interim Order (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* [Docket No. 109] (the “Interim DIP Order”), as applicable.

arguments set forth in the *Omnibus (I) Reply of Debtors in Support of the Motion of Debtors for Entry of Interim and Final Orders (A) Authorizing the Debtors to (I) Obtain Postpetition Financing, and (II) 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 and (II) Objection to Mizuho's Emergency Cross Motion for Adjournment of Final DIP Hearing* [Docket No. 325] (the "Debtors' Reply"),⁴ and respectfully states as follows:

PRELIMINARY STATEMENT

1. The Ad Hoc Group of Senior Lenders strongly supports approval of the DIP Motion on a final basis and submits that the Objection should be overruled for the reasons set forth herein and in the Debtors' Reply. The Ad Hoc Group of Senior Lenders also opposes Mizuho's request to adjourn the final DIP hearing because the prejudice to the Debtors and their estates from an adjournment far outweighs the prejudice (if any) to Mizuho and would not serve any meaningful purpose.

2. The Debtors commenced these Chapter 11 Cases having secured the consent of Mizuho and the members of the Ad Hoc Group of Senior Lenders to the priming contemplated in the DIP Motion. The Company required a significant infusion of liquidity, and the DIP financing was, and remains, critical for the Company to preserve going concern value for all stakeholders. This consent was memorialized not only in the Restructuring Support Agreement, but also in the actions of Mizuho and the members of the Ad Hoc Group of Senior Lenders supporting approval of the DIP Motion and Interim DIP Order. A key component of the Restructuring Support Agreement for Mizuho was the opportunity for the Emergency Loan Claims to be repaid in full

⁴ The Ad Hoc Group of Senior Lenders reserves all rights with respect to the issues related to which of the Debtors' assets are subject to encumbrances.

under the Debtors' plan of reorganization. The Debtors, with the support of the Ad Hoc Group of Senior Lenders, agreed to seek authorization to repay the Emergency Loan Claims at the final DIP hearing if doing so would not put the Debtors' long-term liquidity at risk. ***Whether the Emergency Loan Claims would be repaid at the final DIP hearing, however, was never guaranteed.*** And this was for good reason. The Debtors and the Ad Hoc Group of Senior Lenders were concerned that customers and parties providing factoring could take actions that might reduce the Debtors' liquidity after the Petition Date. Accordingly, section 6.02(i) of the Restructuring Support Agreement restricts the Debtors from repaying the Emergency Loan Claims if the Debtors' long-term liquidity forecast drops below a specified threshold. The Restructuring Support Agreement requires the Debtors to present an updated long-term DIP forecast before the final DIP hearing, incorporating postpetition impacts on liquidity from, among other things: (i) customers exercising setoff or recoupment rights related to receivables; (ii) customers discontinuing advances for parts required to fulfill orders; and (iii) the termination of prepetition factoring arrangements. Due to actions taken by Mizuho, certain customers, and other stakeholders, the Debtors' liquidity was reduced below the agreed upon threshold, and, as a result, the Emergency Loan Claims will not be repaid upon the entry of the Final DIP Order under the terms of the Restructuring Support Agreement.

3. Although the Restructuring Support Agreement—which Mizuho continues to be a party to and which remains in effect—provides that the Emergency Loan Claims will be repaid on the plan effective date, Mizuho has chosen to object to the DIP Motion while still retaining the benefits of the Restructuring Support Agreement. Fortunately, the Debtors' adequate protection case is straightforward. The evidence will demonstrate that the Emergency Loan Claims are adequately protected, even after accounting for the borrowings anticipated under the DIP

Facilities. Additionally, the Final DIP Order will be revised to bifurcate the Adequate Protection Liens between the Prepetition Emergency Loan Lenders and Prepetition Senior Lenders, thereby preserving the claim and lien seniority of the Emergency Loan Claims relative to the Prepetition Senior Loans and Tranche C Loans—an arrangement that was neither requested nor negotiated by Mizuho at the time the Interim DIP Order was approved by this Court. Furthermore, neither the Emergency Loan ICA nor the Prepetition Senior Loan Agreement preclude the Court from granting the relief requested by the Debtors in the DIP Motion.

4. The Ad Hoc Group of Senior Lenders recognizes that Mizuho's Objection is meant to increase pressure on the Debtors to prioritize repaying the Emergency Loan Claims no matter the cost to the Debtors and all other stakeholders. Mizuho's Objection is misguided, however, as it only serves to reinforce why the Debtors and Ad Hoc Group of Senior Lenders made repayment of the Emergency Loan Claims conditional on satisfying long term liquidity forecasts. By sowing uncertainty in the customer and vendor community about the Debtors' access to DIP financing, Mizuho is only intensifying pressure on the Debtors' liquidity and making it more difficult to comply with Mizuho's unrealistic payment demands. Unfortunately, this pattern of behavior is not surprising. This approach is consistent with Mizuho's prior actions: declining to participate in DIP financing, withdrawing factoring arrangements, and focusing primarily on minimizing its prepetition exposure without regard to the broader ramifications for the estates and other parties involved. While Mizuho is not obligated to assist the Debtors or the estates, so long as its Emergency Loan Claims are adequately protected, it will be required to await payment alongside other creditors on the effective date of the plan.

5. Finally, the request for an adjournment of the final DIP hearing should be denied because Mizuho has not established cause and the Debtors will be prejudiced. While the Ad Hoc

Group of Senior Lenders does not dispute that Mizuho bargained for more time than the Debtors have given them once the decision to not repay the Emergency Loan Claims had been formally communicated, Mizuho is not prejudiced and has had sufficient time to prepare its Objection. Mizuho made its decision to object, has deposed the Company's witnesses, and has had access to the evidence the Debtors are relying on to make their adequate protection case. The Debtors, however, will be prejudiced by any delay. The Debtors need access to additional borrowings and need to communicate to customers and vendors—who are making long term commercial decisions—that they have the approvals to access the full amount of the DIP Facilities. Any further delay in approving the DIP Motion is sure to have a negative impact on the Debtors' business.

ARGUMENT

A. The Debtors Will Easily Carry Their Burden Establishing that Mizuho's Secured Claims Are Adequately Protected

6. The Debtors have demonstrated, and will demonstrate at the final DIP hearing, that Mizuho is adequately protected on account of its Emergency Loan Claims. This is not a close call. The Emergency Loan Claims are adequately protected through the existence of a substantial “equity cushion” on a net orderly liquidation value basis after payment of the Tranche A and Tranche B DIP Obligations. In addition, the Emergency Loan Claims have been granted: (1) additional and replacement adequate protection liens in a broader collateral base than Mizuho was provided prepetition, (2) allowed superpriority claims pursuant to Bankruptcy Code sections 503(b) and 507(b) with recourse to all DIP Collateral and the proceeds thereof, (3) the same reporting deliverable to the DIP Lenders, and (4) the payment of all reasonable and documented fees and expenses incurred by Mizuho in connection with the Chapter 11 Cases, including professional fees, in each case subject to the terms of the Interim DIP Order. *See* Interim DIP Order ¶¶ 14, 14(a)-(d); *see also In re Stoney Creek Techs., LLC*, 364 B.R. 882, 891 (Bankr. E.D.

Pa. 2007) (recognizing that an equity cushion may provide adequate protection but noting that additional factors are relevant to the analysis including the debtor’s “prospects for a successful reorganization”). The Debtors have also modified the proposed Final DIP Order to bifurcate the adequate protection liens provided to the Prepetition Secured Parties on account of the Emergency Loan Claims and the Prepetition Senior Loan Claims. Mizuho’s Emergency Loan Adequate Protection Claims and Liens are senior in priority to all Prepetition Senior Loan Claims, including on account of the Roll-Up.

B. The Prepetition Senior Loan Agreement and the Emergency Loan ICA Are Not Impediments to Approving the DIP Facilities

7. Mizuho was previously supportive of the Debtors’ entry into the DIP Facilities and the priming of its Emergency Loan Claims. *See generally* Restructuring Support Agreement § 4.01. However, Mizuho now asserts that the Junior DIP Facility violates several provisions of the Emergency Loan ICA and Prepetition Senior Loan Agreement. *See* Objection ¶ 23. All of these arguments fail.

8. *First*, the provisions of the Emergency Loan ICA inure for the benefit of Mizuho as a Prepetition Emergency Loan Lender and are intended to preserve the Prepetition Emergency Loan Lenders’ priority of recovery *as against* the Prepetition Senior Lenders. *See generally* Emergency Loan ICA. The DIP Facilities do not interfere with that priority scheme and the current deal structure preserves Mizuho’s entitlement to priority of payment as against Prepetition Senior Lenders on account of their Prepetition Senior Loan Claims. *See generally* Interim DIP Order, Ex. 2; Restructuring Support Agreement, Ex. B. Moreover, to the extent there was a breach of the Emergency Loan ICA, Mizuho’s remedy is not the denial of the DIP Motion. To the extent the Emergency Loan Claims are repaid in full upon the Debtors’ emergence from the Chapter 11 Cases, it is hard to imagine what Mizuho’s claim for damages would be. The Emergency Loan

ICA does not dictate the timing of repayment—only the priority thereof as between several lender groups.

9. *Second*, with respect to the Prepetition Senior Loan Agreement, the proposed priming through the DIP financing does not require the affirmative consent of two-thirds of the Prepetition Senior Lenders – it requires the Debtors to demonstrate that holders of prepetition security interests are adequately protected. Moreover, Mizuho cannot direct the Prepetition Senior Loan Agent under the Prepetition Senior Loan Agreement to object to the DIP Facilities and the Prepetition Senior Loan Agent is not objecting. To address the priming issues for the Prepetition Senior Lenders, the Debtors have given all Prepetition Senior Lenders the opportunity to participate in the Junior DIP Facility *pro rata* based on pre-petition holdings, allowing all Prepetition Senior Lenders the same funding and rollup opportunity to protect their Prepetition Senior Loan Claims. The Prepetition Senior Lenders that elected not to participate in the Junior DIP Facility will receive an 11-cent recovery under the plan on account of their non-rolled-up claims pursuant to the terms of the Restructuring Support Agreement. Furthermore, the Debtors have provided the Prepetition Senior Lenders with adequate protection claims against non-guarantor debtor entities and liens on previously unencumbered assets. Furthermore, the borrowings under the DIP Facilities are meant to preserve the going concern value of the Prepetition Collateral by funding the ongoing operations of the Debtors. This not only protects the Prepetition Emergency Lenders' claims, but it also protects Mizuho's Prepetition Senior Loan Claims and the benefits afforded to these claims under the Restructuring Support Agreement.

10. *Third*, the Debtors are not prohibited from seeking approval of a priming DIP in violation of the negative pledge provisions of the Emergency Loan Agreement or Senior Loan Agreement. *See Keybank Nat'l Ass'n v. Franklin Advisers, Inc.*, 616 B.R. 14, 26 (Bankr. S.D.N.Y.

2020) (“[T]ransactions that are presented for approval are not barred just because they may breach contracts.”); *see also A & K Endowment, Inc. v. Gen. Growth Props, Inc. (In re Gen. Growth Props., Inc.)*, 423 B.R. 716, 726 (S.D.N.Y. 2010) (“[T]he Bankruptcy Code preempts prepetition contracts.”). Mizuho’s interpretation could lead to chapter 11 debtors being unable to access DIP financing due to enforcement of negative covenants in loan agreements which are in default and whose claims have been automatically accelerated.

C. Mizuho Has Not Established Cause for an Adjournment of the Final DIP Hearing

11. Mizuho has failed to show that an adjournment of the final DIP hearing would serve any meaningful purpose that outweighs the harm to the estates. *See In re Stimwave Techs., Inc.*, No. 22-10541, 2024 WL 717770, at *4 (Bankr. D. Del. Feb. 21, 2024) (denying “the notice of adjournment because it seemed to be filed purely for the purposes of delay”); *Hsin-Chi Su v. Offshore Grp. Inv. Ltd. (In re Vantage Drilling Int’l)*, 603 B.R. 538, 543 (D. Del. 2019) (noting the Bankruptcy Court denied a request for adjournment “[b]ased on a measure of business urgency . . . and the conclusion that adjournment would not serve any meaningful purpose”). Here, the request for adjournment should be denied because an adjournment will do more harm than good vis-a-vis the estates and does not serve any meaningful purpose in these cases.

12. *First*, the Debtors require approval of the DIP financing today, not two weeks from now. The Debtors are in the midst of worldwide negotiations with thousands of vendors as well as key customers who are focused on the Debtors’ access to funding. If funding is perceived to be at risk, it will have immediate and negative repercussions to the Debtors. This will impact ongoing customer and vendor negotiations, lead to a reduction in credit terms for the Debtors, and otherwise have a negative impact on liquidity. The evidence will show that the risk is not theoretical. The final hearing on the DIP Motion has already been adjourned once to accommodate the Committee. The Debtors cannot afford another adjournment.

13. *Second*, there is no meaningful purpose served through an adjournment. Given the adequate protection demands being made by Mizuho, the Ad Hoc Group of Senior Lenders does not believe that any progress towards a consensual resolution will be reached if the hearing is delayed. Nor will a delay lead to the introduction of new evidence. Mizuho has been afforded due process. It has filed its Objection, it has deposed the Debtors' witnesses, and it has reviewed all key documents. The parties are prepared to go forward on both the DIP Motion and Objection, and no further delay is necessary.

14. While the Ad Hoc Group of Senior Lenders is sympathetic to Mizuho's complaint about not receiving the time allotted to them under section 6.02(i) of the Restructuring Support Agreement, the complaint is of no legal significance with respect to the adjournment request. Mizuho and its advisors have known for weeks that the Debtors were unlikely to satisfy the conditions for repayment of the Emergency Loan Claims at the final DIP hearing. While formal notice was provided on July 16, 2025, informal guidance was given much earlier, and Mizuho clearly was, and is, prepared to prosecute its Objection.

CONCLUSION

For the foregoing reasons and the reasons set forth in the DIP Motion and the Debtors' Reply, the Ad Hoc Group of Senior Lenders respectfully requests that the Court (i) deny Mizuho's request for an adjournment; (ii) overrule the Objection, (iii) grant the relief requested in the DIP Motion, (iv) enter the Final DIP Order, and (v) grant such other and further relief as is just, proper and equitable.

Date: July 24, 2025
Wilmington, Delaware

COLE SCHOTZ P.C.

/s/ Justin R. Alberto

Justin R. Alberto (No. 5126)
Stacy L. Newman (No. 5044)
Jack M. Dougherty (No. 6784)
Elazar A. Kosman (No. 7077)
500 Delaware Avenue, Suite 600
Wilmington, DE 19801
Telephone: (302) 652-3131
Facsimile: (302) 652-3117
E-mail: jalberto@coleschotz.com
snewman@coleschotz.com
jdougherty@coleschotz.com
ekosman@coleschotz.com

-and-

AKIN GUMP STRAUSS HAUER & FELD LLP

Ira S. Dizengoff (admitted *pro hac vice*)
Anna Kordas (admitted *pro hac vice*)
One Bryant Park
New York, NY 10036
Telephone: (212) 872-1000
Facsimile: (212) 872-1002
Email: idizengoff@akingump.com
akordas@akingump.com

-and-

Scott L. Alberino (admitted *pro hac vice*)
Kate Doorley (admitted *pro hac vice*)
Alexander F. Antypas (admitted *pro hac vice*)
2001 K Street, N.W.
Washington, D.C. 20006
Telephone: (202) 887-4000
Facsimile: (202) 887-4288
Email: salberino@akingump.com
kdoorley@akingump.com
aantypas@akingump.com

Counsel to the Ad Hoc Group of Senior Lenders