

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

In re:)	
)	Chapter 11
)	
PGX HOLDINGS, INC., <i>et al.</i> , ¹)	Case No. 23-10718 (CTG)
)	
Debtors.)	(Jointly Administered)
)	
)	Related to Docket Nos. 124, 155, and 206

**SUPPLEMENTAL DECLARATION OF NEIL A. AUGUSTINE IN
SUPPORT OF DEBTORS’ APPLICATION FOR ENTRY OF ORDER (I)
AUTHORIZING THE EMPLOYMENT AND RETENTION OF GREENHILL
& CO., LLC AS FINANCIAL ADVISOR AND INVESTMENT BANKER
TO THE DEBTORS AND DEBTORS IN POSSESSION, EFFECTIVE AS
OF PETITION DATE, AND (II) GRANTING RELATED RELIEF**

I, Neil A. Augustine, being duly sworn, state the following under the penalty of perjury:

1. I am a Vice Chairman and Co-Head of North American Financing Advisory and Restructuring at Greenhill & Co., LLC (“Greenhill”), a leading independent investment bank, which has its principal office at 1271 Avenue of the Americas, New York, NY 10020. Greenhill is the proposed financial advisor and investment banker to the above-captioned debtors and debtors in possession (the “Debtors”).

2. I am duly authorized to make this declaration (the “Declaration”) on behalf of Greenhill in further support of the Debtors’ *Application of Debtors for Entry of Order (I) Authorizing Employment and Retention of Greenhill & Co., LLC as Financial Advisor and*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: PGX Holdings, Inc. (2510); Credit Repair UK, Inc. (4798); Credit.com, Inc. (1580); Creditrepair.com Holdings, Inc. (7536); Creditrepair.com, Inc. (7680); eFolks Holdings, Inc. (5213); eFolks, LLC (5256); John C. Heath, Attorney At Law PC (8362); Progrexion ASG, Inc. (5153); Progrexion Holdings, Inc. (7123); Progrexion IP, Inc. (5179); Progrexion Marketing, Inc. (5073); and Progrexion Teleservices, Inc. (5110). The location of the Debtors’ service address for purposes of these chapter 11 cases is: 257 East 200 South, Suite 1200, Salt Lake City, Utah 84111.



Investment Banker, Effective as of Petition Date, and (II) Granting Related Relief [Docket No. 124] (the “Application”)², seeking authorization to retain Greenhill as the Debtors’ financial advisor and investment banker on the terms, and subject to the conditions, set forth therein and in the Engagement Letter, and in response to *the Preliminary Objection and Reservation of Rights of Official Committee of Unsecured Creditors to Retention Application for Greenhill & Co., LLC* [Docket No. 155] (the “Objection”).

3. Unless otherwise stated in this Declaration, I have personal knowledge of the facts set forth herein and, if called as a witness, I would testify thereto.³

4. I can attest that the main elements of the Fee and Expense Structure, including the Monthly Fee, the New Capital Fee, the M&A Transaction Fee, and the Completion Fee, are all included as part of Greenhill’s and peer investment banks in comparable situations typical fee structure, and each fee is also in line with market.

5. A fee comparable analysis of similarly situated companies (the “Fee Comps”), is attached hereto as **Exhibit A**. As the Fee Comps demonstrate, Greenhill’s Fee and Expense Structure is in line with recent investment banker structures approved by bankruptcy courts for similarly situated companies. Clearly, Greenhill’s Engagement contains a market-based compensation structure.

6. The Engagement Letter and the compensation contemplated therein are each consistent with and typical of compensation arrangements entered into by Greenhill and other comparable firms in connection with the rendering of similar services under similar circumstances and are the result of arm’s-length negotiations between the Debtors and Greenhill. Greenhill

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Application.

³ Certain of the disclosures set forth herein relate to matters not within my personal knowledge, but are rather within the knowledge of other Greenhill employees and are based on information provided to me by them.

believes that the terms and conditions in the Engagement Letter are in fact reasonable, consistent with the market for providers of similar services, and designed to compensate Greenhill fairly for its work and to cover fixed and routine overhead expenses. Moreover, the ultimate benefit to the Debtors cannot be measured by reference to the mere number of hours to be expended by Greenhill's professionals in the performance of services, but rather should be considered in the context of Greenhill's valuable institutional knowledge of the Debtors' businesses and financial affairs obtained since March 2023.

7. As set forth in my initial Declaration filed in support of the Application, the Debtors will retain the services of other professionals over the course of the Chapter 11 Cases. By separate application, the Debtors are requesting that the Court approve the retention of Alvarez & Marsal North America, LLC ("A&M") as the Debtors' financial advisors in the Chapter 11 Cases. The Debtors discussed with both firms the division of roles and responsibilities as between Greenhill and A&M and the Debtors intend to monitor carefully these and other retained professionals to prevent a duplication of effort in the Chapter 11 Cases. While both Greenhill and A&M recognize that it is difficult to predict how the Chapter 11 Cases will proceed, they have informed the Debtors that they will undertake to coordinate all of their services in order to minimize, wherever possible, any unnecessary duplication of services.

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

Dated: July 28, 2023

/s/ Neil A. Augustine
Neil A. Augustine
Vice Chairman and Co-Head of North
American Financing Advisory Restructuring
of Greenhill & Co., LLC

EXHIBIT A

Fee Comps

Debtor-side Fee Comparables

Total Funded Debt Between \$350mm and \$450mm

Select Fee Comparables

Debtor	Filing Date	District	Advisor	Industry	Funded Debt Only	Monthly Fee	Restructuring Fee	Crediting		M&A Fee		New Capital Fee (%)			Equity / Eq. Linked
								(b)ps PPD	Months before Crediting	Minimum \$	%	Sec. Debt	Uns. Debt	Hybrid	
Rosehill Resources Inc.	Jul-20	Texas	Jefferies	O & G	\$350,000,000	\$150,000	\$4,250,000	121 bps	100.0%	1.2%	n.a.	1.0%	2.3%	n.a.	5.0%
Invacare Corp	Jan-23	Texas	Stifel	Health Care	\$368,155,528	\$25,000	\$4,000,000	112 bps	n.a.	n.a.	n.a.	1.0%	3.0%	n.a.	5.0%
AAC Holdings, Inc.	Jun-20	Delaware	Cantor Fitzgerald	Health Care Facilities	\$383,612,683	\$150,000	\$2,250,000	62 bps	n.a.	1.8% (1)	n.a.	n.a.	2.0%	n.a.	3.0% (2)
Jason Industries, Inc.	Jun-20	New York	Moelis	Industrial Machinery	\$388,500,000	\$125,000	\$3,250,000	88 bps	50.0% (3)	n.a.	n.a.	1.0% (4)	2.0% (4)	n.a.	3.0%
Checkout Holding Co.	Mar-23	New York	Houlihan Lokey	Communication Services	\$370,400,000	\$125,000	\$2,900,000	78 bps	50.0%	n.a.	n.a.	2.0%	3.0%	n.a.	5.0%
Vista Proppants and Logistics	Jun-20	Texas	Piper Sandler	Energy	\$380,128,601	\$125,000	\$3,600,000	92 bps	50.0%	0.6%	\$3,000,000	1.0%	2.0%	n.a.	3.5%
Brooks Brothers Group, Inc.	Jul-20	Delaware	PJ Solomon	Apparel Retail	\$392,097,999	\$100,000	\$6,000,000	153 bps	100.0%	1.6% (5)	\$2,500,000	1.0%	2.5%	n.a.	5.0%
Sundance Energy Inc.	Mar-21	Texas	Stifel	O & G	\$399,947,000	\$125,000	\$4,999,375 (6)	125 bps	50.0%	n.a.	n.a.	1.0%	2.0%	n.a.	4.0%
Pier 1 Imports, Inc.	Feb-20	Virginia	Guggenheim	Homefurnishing Retail	\$400,000,000	\$150,000	\$5,500,000	138 bps	50.0%	n.a.	n.a.	1.5%	3.0%	n.a.	5.0%
California Pizza Kitchen, Inc.	Jul-20	Texas	Guggenheim	Restaurants	\$403,100,000	\$150,000	\$5,250,000 (7)	130 bps	50.0%	n.a.	n.a.	1.3%	2.5%	n.a.	4.0%
NBG Home	Feb-23	Texas	Guggenheim	Consumer Discretionary	\$413,320,000	\$150,000	\$5,750,000	139 bps	50.0%	1.8%	n.a.	1.3%	3.0%	n.a.	4.0%
MD Helicopters Inc.	Mar-22	Delaware	Moelis	Industrials	\$416,800,000	\$200,000	\$5,000,000	120 bps	50.0% (8)	1.0% (9)	\$5,000,000	1.0%	1.0%	n.a.	n.a.
Sungard Availability Services	Apr-22	Texas	Houlihan Lokey	Information Technology	\$423,767,000	\$150,000	\$3,000,000	71 bps	50.0%	n.a.	n.a.	2.0%	2.0%	2.0%	2.0%
Templar Energy LLC	Jun-20	Delaware	Guggenheim	O & G	\$426,000,000	\$150,000	\$4,000,000	94 bps	50.0%	n.a.	n.a.	1.3%	1.3%	n.a.	3.0%
Sequential Brands Group, Inc.	Aug-21	Delaware	Stifel	Retail	\$426,410,000	\$100,000	\$4,000,000	94 bps	n.a.	1.5% (10)	\$2,000,000	1.0%	3.0%	n.a.	6.0%
SIQ Medical Products Inc.	Mar-23	Delaware	Lazard	Materials	\$430,000,000	\$150,000	\$7,500,000	174 bps	50.0%	1.5%	\$7,500,000	1.5%	2.5%	n.a.	4.0%
APC Automotive Technologies, LLC	Jun-20	Delaware	Jefferies	Automotive	\$431,200,000	\$150,000	\$3,250,000	75 bps	50.0%	n.a.	n.a.	2.0%	3.5%	n.a.	5.0%
FTS International, Inc.	Sep-20	Texas	Lazard	O & G	\$437,300,000	\$150,000	\$3,750,000	86 bps	50.0%	n.a.	n.a.	1.0%	1.0%	n.a.	1.0%
Basic Energy Services Inc.	Aug-21	Texas	Lazard	O & G	\$438,100,000	\$125,000	\$3,700,000	84 bps	50.0%	n.a.	n.a.	1.5%	2.0%	n.a.	4.0%
Libbey Glass Inc.	Jun-20	Delaware	Lazard	Housewares and Specialties	\$444,800,000	\$150,000	\$4,000,000	90 bps	50.0%	1.5% (11)	n.a.	0.8%	2.0%	n.a.	4.0%
Hi-Crush Inc.	Jul-20	Texas	Lazard	O & G	\$450,000,000	\$150,000	\$5,025,000	125 bps	n.a.	n.a.	n.a.	1.0%	1.0%	n.a.	3.0%
Minimum					\$350,900,000	\$25,000	\$2,250,000	62 bps	50.0%	0.6%	\$2,000,000	0.8%	1.0%	2.0%	1.0%
Average					\$406,406,658	\$135,714	\$4,360,685	107 bps	55.9%	1.4%	\$4,000,000	1.3%	2.2%	2.0%	3.9%
Median					\$413,320,000	\$160,000	\$4,000,000	94 bps	50.0%	1.5%	\$3,000,000	1.0%	2.0%	2.0%	4.0%
Maximum					\$450,000,000	\$200,000	\$7,500,000	174 bps	100.0%	1.8%	\$7,500,000	2.0%	3.5%	2.0%	6.0%
Proxigon & Health					\$423,500,000	\$150,000	\$3,750,000	89 bps	50.0%	1.5%	\$3,000,000	1.0%	3.0%	4.0%	5.0%

Source: Court Filings, Reorg. Debtwire

Note: Select Debtor-side fees for cases with funded debt of \$350mm - \$450mm since beginning of 2020

1. M&A Fee steps up to 2.25% between Transaction Values of \$200mm and \$300mm

2. 3% for unregistered offerings; 5% for registered offerings

3. 50% of months between months 4-6 credited, 100% of months thereafter credited

4. Secured debt fee represents senior debt Capital Transaction Fee; Unsecured debt fee represents junior debt Capital Transaction Fee

5. Based on actual sale fee; fee ranges from 2.5% at \$100mm of Aggregate Consideration to 1.5% at \$500mm of Aggregate Consideration (with a percentage to be agreed above such level)

6. Assumes full amount of funded debt is restructured

7. Includes \$1.75mm paid prior to the Petition Date (as noted in footnote 7 to docket #651)

8. 50% crediting after 3 months, 100% crediting after 6 months

9. 1% up to Transaction Value ("TV") of \$500mm; 2% for TV \$500mm to \$750mm; 3% for TV >\$750mm

10. Assumes aggregate consideration in excess of \$100mm

11. Fees related to a Sale Transaction range from 2.00% at up to \$100mm of Aggregate Consideration to 1.15% at \$1bn+ of Aggregate Consideration; fee percentage shown assumes \$407.5mm of Aggregate Consideration for illustrative purposes, which is consistent with the Plan TV