

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

In re:)	
)	Chapter 11
PLASTIQ INC., <i>et al.</i> , ¹)	
)	Case No. 23-10671 (BLS)
Debtors.)	
)	(Jointly Administered)
)	
)	Ref. Docket No. 23

**DECLARATION OF VLADIMIR KASPAROV IN SUPPORT OF DEBTORS' MOTION
FOR ENTRY OF AN ORDER (I) APPROVING THE PURCHASE AGREEMENT, AND
(II) AUTHORIZING A SALE FREE AND CLEAR OF ALL LIENS, CLAIMS,
ENCUMBRANCES, AND OTHER INTERESTS**

I, Vladimir Kasparov, pursuant to 28 U.S.C. § 1746, and under penalty of perjury, declare the following to the best of my knowledge, information and belief:

1. I am a Managing Director at Triple P RTS, LLC ("**Portage Point**") and the chief restructuring officer ("**CRO**") of the above-captioned debtors and debtors in possession (collectively, the "**Debtors**" or "**Plastiq**"). I am familiar with the Debtors' business and financial affairs and assets and liabilities, as a result of having served as CRO since January 13, 2023.

2. As a Managing Director at Portage Point, I specialize in managing complex financial and operational restructurings. I have over twenty (20) years' experience assisting clients, primarily in the middle market sector, in navigating periods of downturn, as well as providing interim management services and stepping into officer or director roles. Prior to joining Portage Point, I spent nearly twelve (12) years with Andrews Advisory Group, where I advised leading financial institutions, including mezzanine lenders, hedge funds and private equity funds

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Plastiq Inc. (6125), PLV Inc. d/b/a/ PLV TX Branch Inc. (5084), and Nearside Business Corp. (N/A). The corporate headquarters and the mailing address for the Debtors is 1475 Folsom Street, Suite 400, San Francisco, California 94103.



during corporate restructurings and operational turnarounds, specifically involving companies that were experiencing various forms of distress.

3. I submit this Declaration in support of the relief requested in the *Debtors' Motion for Entry of (A) an Order (I) Approving Bidding Procedures in Connection with the Sale of the Debtors' Assets and Related Bid Protections, (II) Approving Form and Manner of Notice, (III) Scheduling Auction and Sale Hearing, (IV) Authorizing Procedures Governing Assumption and Assignment of Certain Contracts and Unexpired Leases, and (V) Granting Related Relief; and (B) an Order (I) Approving the Purchase Agreements, and (II) Authorizing a Sale Free and Clear of All Liens, Claims, Encumbrances, and Other Interests* [Docket No. 23] (the “**Sale Motion**”)² filed by the Debtors seeking, among other things, entry of an order (i) approving the Debtors' entry into an asset purchase agreement with the stalking horse bidder and (ii) authorizing the sale (the “**Sale**”) of substantially all of the Debtors' assets (the “**Assets**”) free and clear of all liens, claims, encumbrances and other interests to the Successful Bidder.

4. Except as otherwise indicated, all statements in this declaration are based upon my review of relevant documents, my discussions with the Debtors and their professionals, my discussions with other members of the Portage Point team working on this engagement, and my personal knowledge and experience. If I were called upon to testify, I could and would testify to each of the facts set forth below.

A. The Sale Process

5. As set forth in the Sale Motion and the First Day Declaration, as part of the Debtors' efforts to secure a value-maximizing transaction for their Assets, prior to the Petition

² Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Sale Motion.

Date, the Debtors retained Portage Point to assist the Debtors in exploring value-maximizing alternatives to canvass the market for interested buyers.

6. Throughout the sale process, I attended numerous telephone and videoconference meetings with potentially interested bidders to provide such bidders with information about the Debtors, their business, their financials, and other relevant information. As a result of my involvement in these diligence inquiries, serving as the Debtors' CRO and my extensive knowledge of the Debtors' business and operations, I believe that potentially interested bidders had access to the necessary information and sufficient time to conduct diligence on the Assets and the Debtors' business to submit a bid for the Assets.

B. Approval of the Sale Is Justified by Compelling Business Circumstances and Purpose

7. I believe that sound business reasons and justification exists for the Sale pursuant to the Stalking Horse Agreement. The sound business reasons for the Sale include, but are not limited to, that: (a) the Sale constitutes the highest and best value for the Purchased Assets, after an extensive marketing and court-approved sale process; (b) the Sale presents the best opportunity under the circumstances to realize the value of the Purchased Assets; and (c) the Sale maximizes the value of the Debtors' estates in a timely and efficient manner. In my business judgment, the Stalking Horse Agreement represents the highest and best value for the Purchased Assets, particularly given that the Debtors have not received any alternative bids for the Purchased Assets.

8. Further, absent approval of the Sale, the value of the Assets would suffer enormous erosion to the detriment of all constituents, and would jeopardize the Debtors' pursuit of the *Combined Disclosure Statement and Chapter 11 Plan of Liquidation of PlastiQ Inc. and its Affiliated Debtors* [Docket No. 168].

9. In sum, I believe that consummating the Sale in accordance with the proposed Sale Order and Stalking Horse Agreement constitutes a reasonable and sound exercise of the Debtors' business judgment, is in the best interests of the Debtors, their estates, and their creditors, and should be approved.

10. I also believe that the Debtors and the Stalking Horse Bidder have acted in good faith, and at arm's length, in connection with the Sale in that, among other things: (a) the Debtors were free to deal with any other party interested in acquiring the Assets; and (b) the Sale was subject to the competitive bidding and auction process contemplated by the Bidding Procedures Order.

11. I am aware of no undue influence or improper conduct by the Stalking Horse Bidder in connection with the negotiation of the Sale or the sale process. I am not aware of any facts that would give rise to a claim against the Stalking Horse Bidder or Buyer Parties (as defined below) for actions or inactions in connection with the sale process. I also am not aware of any facts indicating that the Sale was entered into for the purpose of hindering, delaying or defrauding creditors.

12. To the best of my knowledge, information, and belief, and after discussions with the Debtors' bankruptcy counsel, I do not believe that the Stalking Horse Bidder qualifies as an "insider," as such term is defined in section 101(31) of the Bankruptcy Code. Specifically, (i) neither the Stalking Horse Bidder, nor any of its principals (collectively, the "**Buyer Parties**"), has control over the Debtors or their operations; (ii) none of the Buyer Parties are directors, members, or management of the Debtors, or relatives of the foregoing; and (iii) none of the Buyer Parties are affiliates (as such term is defined in section 101(2) of the Bankruptcy Code) of the Debtors.

13. Given the Debtors' performance to date, their current cash balance, projected liabilities to be incurred, the terms of the Stalking Horse Agreement, my discussions with the Debtors' professionals, and various interested parties, I believe that all administrative expenses incurred in the Chapter 11 Cases will be either assumed by the Stalking Horse Bidder under the terms of the Stalking Horse Agreement or will be satisfied by cash on hand. However, the Debtors' cash projections show that will not be able to continue operations for any significant period of time if the Sale is not consummated on or before July 31, 2023.

14. The Debtors: (i) have full corporate power and authority to execute all documents related to the Sale, and the Sale has been duly and validly authorized by all necessary corporate action of the Debtors; (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the Sale; (iii) have taken all corporate actions necessary to authorize and approve the Sale and the consummation by the Debtors of the transactions contemplated thereby, and (iv) no consents or approvals are required for the Debtors to consummate the Sale.

15. In my business judgment, under the circumstances of the Chapter 11 Cases and based on the Sale process, the Sale is the best way to maximize the value of the Purchased Assets for the Debtors' estates.

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, information, and belief.

Dated: July 25, 2023

/s/ Vladimir Kasparov
Vladimir Kasparov
Chief Restructuring Officer