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**UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK**

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 :
In re : **Chapter 11**
 :
PACIFICCO INC., et al., : **Case No. 23-10470 (PB)**
 :
Debtors.¹ : **(Jointly Administered)**
 : **Re: ECF Nos. 7, 54**
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**DECLARATION OF JOHN POPEHN IN SUPPORT OF MOTION TO
 SUPPLEMENT MOTION OF DEBTORS FOR ORDER (I) SCHEDULING
 COMBINED HEARING TO CONSIDER (A) APPROVAL OF DISCLOSURE
 STATEMENT, (B) APPROVAL OF SOLICITATION PROCEDURES AND
 FORMS OF BALLOT, AND (C) CONFIRMATION OF PREPACKAGED PLAN;
 (II) ESTABLISHING A DEADLINE TO OBJECT TO DISCLOSURE STATEMENT
 AND PLAN; (III) SHORTENING NOTICE REQUIREMENTS RELATED THERETO;
 (IV) APPROVING THE FORM AND MANNER OF NOTICE OF COMBINED
 HEARING, OBJECTION DEADLINE, AND NOTICE OF COMMENCEMENT;
 (V) CONDITIONALLY WAIVING REQUIREMENT OF FILING STATEMENTS
 OF FINANCIAL AFFAIRS AND SCHEDULES OF ASSETS AND LIABILITIES;
 (VI) CONDITIONALLY WAIVING REQUIREMENT TO CONVENE THE SECTION
341 MEETING OF CREDITORS; AND (VII) GRANTING RELATED RELIEF**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Catalina Marketing Corporation (9007); PacificCo Inc. (1563); PacificCo Intermediate Corp. (8394); PacificCo Acquisition Corp. (4852); Catalina Marketing Procurement, LLC (9333); Catalina Marketing Technology Solutions, Inc. (8728); Modiv Media, LLC (3507); Cellfire LLC (5599); Catalina Marketing Worldwide, LLC (9687); Catalina-Pacific Media, L.L.C. (3931); CMJ Investments L.L.C. (0561); Supermarkets Online, Inc. (6998); Supermarkets Online Holdings, Inc. (1736); Catalina Marketing Loyalty Holdings, Inc. (3746); and Catalina Digital Holdings, LLC (3488). The Debtors’ principal offices are located at 200 Carillon Parkway, Suite 200, St. Petersburg, FL 33716.



I, John Popehn, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true to the best of my knowledge, information, and belief:

1. My name is John Popehn. I am over the age of eighteen (18) and competent to testify.

2. I am a Managing Director at Houlihan Lokey, Inc. (NYSE: HLI) (“**Houlihan Lokey**”), a publicly traded, global financial advisory and investment banking firm. I joined Houlihan Lokey seventeen years ago and am a senior member of the firm’s Financial Restructuring Group. During my twenty-year professional career, I have gained significant experience in mergers and acquisitions, capital markets, and restructuring transactions as an advisor. Prior to joining Houlihan Lokey, I started my career as a financial analyst in the Flash products and information technology groups at Intel Corp. I have a Bachelor of Science in Business from the University of Minnesota’s Carlson School of Management. Houlihan Lokey will soon file an application to be retained as investment banker to PacificCo Inc. and certain of its affiliates and subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”).

3. I submit this Declaration in support of the *Motion to Supplement Motion of Debtors for Order (I) Scheduling Combined Hearing to Consider (A) Approval of Disclosure Statement, (B) Approval of Solicitation Procedures and Forms of Ballot, and (C) Confirmation of Prepackaged Plan; (II) Establishing a Deadline to Object to Disclosure Statement and Plan; (III) Shortening Notice Requirements Related Thereto; (IV) Approving the Form and Manner of Notice of Combined Hearing, Objection Deadline, and Notice of Commencement; (V) Conditionally Waiving Requirement of Filing Statements of Financial Affairs and Schedules of Assets and Liabilities; (VI) Conditionally Waiving Requirement to Convene the Section 341*

Meeting of Creditors; and (VII) Granting Related Relief (the “**Motion**”),² filed contemporaneously herewith.

4. Unless otherwise indicated, I have knowledge of the facts set forth herein either based on my participation in the chapter 11 cases or based on my contact with the Debtors’ employees and other retained professionals. If called upon to testify, I could and would testify to the facts and opinions set forth herein.

Timing for Closing Sale with Japanese Buyer

5. Following the First Day Hearing, through additional discussions with the advisors to Yosemite, the proposed purchaser of the Debtors’ Japan business (the “**Japanese Buyer**”),³ it was brought to my attention that there are certain national holidays in Japan the week immediately following the current Combined Hearing date that will prevent the Japanese Buyer from being able to close the transaction until, at earliest, May 10, 2023. Specifically, the Japanese Buyer has advised that it will require at least four business days following receipt of the Confirmation Order to schedule the closing with its financing bank and, starting April 29, 2023 through Friday, May 5, 2023, Japan will be celebrating “Golden Week” with national bank holidays on April 29, May 3, May 4, and May 5 (the “**Golden Week Bank Holidays**”).

6. As a result of the Golden Week Bank Holidays, with the Combined Hearing scheduled for April 28, 2023, the Debtors will not be able to go effective with the Prepackaged Plan until, at the earliest, May 10, 2023.⁴ This will result in the Debtors remaining in these

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

³ See Stock Purchase Agreement, dated February 26, 2023, among Catalina-Pacific Media, L.L.C., Yosemite, and Catalina Marketing Corporation (solely for the limited purposes set forth therein), included in Exhibit B to the Disclosure Statement filed at ECF No. 20.

⁴ Assuming the Confirmation Order were to be entered on April 28, 2023, the first four business days in Japan would be May 1, May 2, May 8, and May 9.

chapter 11 cases for at least twelve days after the current Combined Hearing date (a roughly 35% extension of the Debtors' initial contemplated case timeline). This delay will result in the incurrence of substantial costs to the Debtors' estates, resulting in diminished post-emergence operating cash and additional leverage on the Reorganized Debtors' business.

7. Specifically, in accordance with the Debtors' prepetition loan documents and the terms of the Restructuring Support Agreement, the Debtors' Super Priority Term Loan is accruing interest at \$11,836 per day, which will be paid in full in cash on the Effective Date, and the Debtors' Subordinated First Out Term Loan is accruing PIK interest at \$45,264 per day, which will result in additional debt on the reorganized business as this additional accrued interest will be capitalized and included in the initial principal amount of the New Term Loan Facility.⁵ The combined effect of the cash interest on the Super Priority Term Loan and incremental PIK interest on the Subordinated First Out Term Loan from this delay would burden these estates by approximately \$57,000 per day or approximately \$685,000 total over the twelve-day period.

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⁵ As set forth in section III(G) of the Disclosure Statement and in accordance with the Restructuring Support Agreement and Plan Term Sheet, annexed as Exhibit B to the Disclosure Statement, the New Term Loan Facility will include capitalized interest accrued during the case. Due to a scrivener's error, the definition of New Term Loan Facility and the allowance of the First Out Debt Claims does not reflect this accrued and capitalized interest; however, the Debtors intend to file an amended Prepackaged Plan clarifying the accrual and inclusion of the capitalized interest consistent with the Restructuring Support Agreement.

I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Dated: April 5, 2023
New York, New York

/s/ John Popehn

John Popehn