

Hearing Date: October 21, 2020 at 11:00 a.m. ET
Objection Deadline: October 14, 2020 at 4:00 p.m. ET

Andrew G. Dietderich
Brian D. Glueckstein
Benjamin S. Beller
Noam R. Weiss
SULLIVAN & CROMWELL LLP
125 Broad Street
New York, NY 10004-2498
Telephone: (212) 558-4000
Facsimile: (212) 558-3588

Proposed Counsel to the Debtors

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

	X	
In re	:	Chapter 11
	:	
GARRETT MOTION INC., <i>et al.</i> , ¹	:	Case No. 20-12212 (MEW)
	:	
Debtors.	:	Jointly Administered
	:	
	X	

**DEBTORS' MOTION FOR AN ORDER PURSUANT TO SECTIONS
105(a), 363(b) AND 365(a) OF THE BANKRUPTCY CODE AUTHORIZING
AND APPROVING THE DEBTORS' ASSUMPTION OF
INDEPENDENT DIRECTOR AGREEMENTS**

Garrett Motion Inc. ("GMI" and, together with its direct and indirect subsidiaries, the "Company") and certain of its affiliated debtors and debtors-in-possession (collectively, the "Debtors") hereby submit this motion (this "Motion") for entry of an order, substantially in the form attached hereto as Exhibit A (the "Order"), pursuant to sections 105(a), 363(b) and 365(a) of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"), authorizing the assumption of (i) that certain Independent Director Agreement, dated as of

¹ The last four digits of Garrett Motion Inc.'s tax identification number are 3189. Due to the large number of debtor entities in these Chapter 11 Cases, which are being jointly administered, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' proposed claims and noticing agent at <http://www.kccllc.net/garrettmotion>. The Debtors' corporate headquarters is located at La Pièce 16, Rolle, Switzerland.



August 7, 2020 (the “Greene Independent Director Agreement”), by and between Garrett Motion Holdings Inc. (“GMHI”) and Alexander Greene as independent director (the “GMHI Independent Director”), and (ii) that certain Independent Director Agreement, dated as of August 7, 2020 (together with the Greene Independent Director Agreement, the “Independent Director Agreements”), by and between Garrett ASASCO Inc. (“ASASCO”) and Neal Goldman as independent director (the “ASASCO Independent Director”). The Independent Director Agreements are attached hereto as Exhibit B. In support of this Motion, the Debtors respectfully state as follows:

Background

1. GMI is a Delaware corporation established in 2018, with its headquarters located in Rolle, Switzerland. The Debtors design, manufacture and sell highly engineered turbocharger, electric-boosting and connected vehicle technologies.

2. On September 20, 2020 (the “Petition Date”), each of the Debtors filed with the Court a voluntary petition for relief under the Bankruptcy Code. Each Debtor continues to operate its business and manage its properties as a debtor-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No creditors’ committee, trustee or examiner has been appointed in the Debtors’ cases (the “Chapter 11 Cases”). Joint administration of these Chapter 11 Cases was authorized by the Court by entry of an order on September 21, 2020 [Docket No. 27].

3. Additional factual background relating to the Debtors’ businesses and the commencement of these Chapter 11 Cases is set forth in detail in the *Declaration of Sean*

Deason in Support of the Debtors' Chapter 11 Petitions and First Day Pleadings [Docket No. 15] (the "Deason First Day Declaration").²

Facts Specific to the Requested Relief

4. As detailed in the Deason First Day Declaration, the ASASCO Indemnity Obligations are liabilities of ASASCO and guaranteed by the ASASCO Indemnity Guarantors, all of whom are subsidiaries of ASASCO (the "ASASCO Group"). GMI, GMHI, GTI and the subsidiaries of GTI (collectively, the "GMI Group") have not guaranteed the ASASCO Indemnity Obligations. In addition, the MTT Payment Obligation is recourse only to ASASCO, and is not to any other Debtor.

5. Although the Debtors believe that Honeywell has no allowable claim against ASASCO (or the ASASCO Indemnity Guarantors) and that ASASCO is a net creditor of Honeywell, the Debtors recognize that claims between ASASCO and Honeywell related to the spin-off are fact-intensive and may take time to resolve. Prior to resolution of the claims, there is at least a possibility that Honeywell could have allowable claims against ASASCO and the ASASCO Indemnity Guarantors that may exceed their capacity to pay.

6. Recognizing that ASASCO—if it is shown to be unable to pay all allowed claims—may have divergent interests from the GMI Group with respect to certain intercompany matters such as the allocation of the proceeds from the Stalking Horse Purchase, the Debtors determined prior to the commencement of these Chapter 11 Cases to engage independent directors at ASASCO and GMHI to negotiate an arm's-length allocation of distributable value among the ASASCO Group and the GMI Group premised on the consummation of the Stalking Horse Purchase Agreement. In August, both ASASCO and GMHI established separate

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Deason First Day Declaration.

transaction committees (the “ASASCO Transaction Committee” and the “GMHI Transaction Committee” respectively and, together, the “Transaction Committees”). The ASASCO Transaction Committee is comprised of the ASASCO Independent Director and the GMHI Transaction Committee is comprised of the GMHI Independent Director (together with the ASASCO Independent Director, the “Independent Directors”).

7. The Transaction Committees have been tasked with, among other things, negotiating a settlement as to the aggregate amount of distributable value from the sale that should be allocable to ASASCO and the ASASCO Group, on the one hand, and GMI and the GMI Group, on the other hand, for purposes of a chapter 11 plan (the “Intercompany Settlement”). The Intercompany Settlement, if achieved, is expected to avoid costly and time-consuming litigation between the ASASCO Group and the GMI Group.

8. Each of the Independent Directors and Transaction Committees has retained and is advised by external legal counsel and other advisors to assist in negotiating the Intercompany Settlement. The ASASCO Independent Director and ASASCO Transaction Committee hired Simpson Thacher & Bartlett LLP as legal counsel and retained FTI Consulting Inc. to advise on valuation and purchase price allocation. The GMHI Independent Director and GMHI Transaction Committee hired Schulte Roth & Zabel LLP as legal counsel and is utilizing the services of PriceWaterhouse Coopers LLP (GMI’s accounting firm) to advise on valuation and purchase price allocation. The Transaction Committees and their respective counsel and advisors have been provided full access to the data room in which the potential sponsors were conducting diligence, and the Debtors and their advisors continue to respond to information requests by advisors to the Transaction Committees. The Boards of Directors of ASASCO and

GMHI, as well as the Transaction Committees independently, have held multiple meetings to discuss the current process.

9. The Independent Directors are still in the process of negotiating the Intercompany Settlement and the Debtors are hopeful that there will be an agreed settlement in the next few weeks, although the outcome of those negotiations is not yet knowable. Solely for purposes of allocating the purchase price paid by the Stalking Horse Purchaser in the Stalking Horse Purchase Agreement for tax and general corporate purposes, the Debtors and the Stalking Horse Purchaser have agreed to allocate the purchase price as set forth in the Stalking Horse Purchase Agreement. However, this allocation is not binding on either Independent Director for purposes of the Intercompany Settlement, which is expected to take into account a variety of claims and disputes and such matters as the Independent Directors consider applicable. The ultimate amount allocated among the Debtors for purposes of the Intercompany Settlement and chapter 11 plan distributions may vary from the allocation set forth in the Stalking Horse Purchase Agreement. If and when the Independent Directors have reached a settlement and resolution, the Debtors will file a motion with the Bankruptcy Court seeking approval of the settlement.

Jurisdiction

10. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b). The statutory predicates for the relief requested herein are sections 105(a), 363 and 365 of the Bankruptcy Code, rules 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and rule 6006-1 of the Local Bankruptcy Rules of the Southern District of New York (the “Local Rules”).

Relief Requested

11. By this Motion, the Debtors seek entry of the Order, attached substantially in the form attached hereto as Exhibit A, authorizing the assumption of the Independent Director Agreements.

Basis for Relief

12. The Debtors seek through this Motion entry of the Order approving the Debtors' assumption of the Independent Director Agreements to assure that the Independent Directors are able to, among other things, complete the ongoing negotiations over the Intercompany Settlement and reach a resolution that will provide an agreed allocation of the purchase price among the Debtors' estates.

13. Section 365(a) of the Bankruptcy Code provides, in relevant part, that a debtor, "subject to the court's approval, may assume or reject an executory contract or an unexpired lease." 11 U.S.C. 365(a). The Bankruptcy Code does not define the term "executory contract," but the Second Circuit has characterized an executory contract as one "on which performance remains due to some extent on both sides." *In re Ionosphere Clubs, Inc.*, 85 F.3d 992, 998-99 (2d Cir. 1996). As noted by the United States Court of Appeals for the Second Circuit, "[t]he purpose behind allowing the assumption or rejection of executory contracts is to permit the trustee or debtor in possession to use valuable property of the estate and to 'renounce title to and abandon burdensome property.'" *In re Orion Pictures Corp.*, 4 F.3d 1095, 1098 (2d Cir. 1993) (quoting 2 Collier on Bankruptcy ¶ 365.01[1] (15th ed. 1993)). The Independent Director Agreements are executory because both the Debtors and the Independent Directors continue to have ongoing performance obligations, and the Debtors have ongoing payment obligations.

14. The assumption or rejection of an executory contract or unexpired lease is subject to review under the business judgment standard. If a debtor has exercised “reasonable” business judgment, the court should approve the proposed assumption or rejection. *See, e.g., NLRB v. Bildisco and Bildisco*, 465 U.S. 513, 523 (1984); *Group of Inst. Investors v. Chicago, Milwaukee, St. Paul & Pac. R.R. Co.*, 318 U.S. 523, 550 (1943); *In re Market Square Inn, Inc.*, 978 F.2d 116, 121 (3d Cir. 1992) (the “resolution of [the] issue of assumption or rejection will be a matter of business judgment by the bankruptcy court”). Debtors are afforded significant discretion when requesting to assume or reject an executory contract. *In re Tower Air, Inc.*, 416 F.3d 229, 238 (3d Cir. 2005).

15. Assumption of the Independent Director Agreements represents a sound exercise of the Debtors’ business judgment. Assuming the Independent Directors Agreements is critical to the resolution of the dispute regarding the potential allocation of distributable value between GMHI and ASASCO and completion of negotiations over the Intercompany Settlement. Absent such assumption, the Debtors will have to search for and retain new independent directors to serve the same roles. Such a process would be time consuming and distracting to the Debtors’ management team at these early critical stages of these Chapter 11 Cases and would waste the efforts that are underway by the Independent Directors.

Section 365(b) of the Bankruptcy Code Has Been Satisfied

16. Section 365(b) of the Bankruptcy Code requires the debtor to cure any defaults under a contract or provide adequate assurances that it will promptly cure such defaults in order to assume it. If there has been a default, the debtor must also provide adequate assurance of future performance under the contract. *See* 11 U.S.C. § 365(b); *ReGen Capital I, Inc. v. Halperin (In re U.S. Wireless Data, Inc.)*, 547 F.3d 484, 489 (2d Cir. 2008).

17. The Debtors submit that they are not in default on any of their obligations under the Independent Director Agreements, and thus will not be required to make any payment to cure any default upon the assumption of the Independent Director Agreements. Moreover, the Independent Directors actively negotiated and support the relief requested herein.

Waiver of Bankruptcy Rules 6004(a) and 6004(h)

18. Given the nature of the relief requested herein, the Debtors respectfully request a waiver of (a) the notice requirements under Bankruptcy Rule 6004(a) and (b) the 14-day stay under Bankruptcy Rule 6004(h). Pursuant to Bankruptcy Rule 6004(h), “[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until expiration of 14 days after entry of the order, unless the court orders otherwise.” For the reasons described above, the relief requested is essential to prevent potentially irreparable damage to the Debtors’ operations, value and ability to reorganize.

Notice

19. No creditors’ committee has been appointed in these Chapter 11 Cases. Notice of this Motion has been provided to: (a) the Office of the United States Trustee for the Southern District of New York; (b) counsel to Citibank, N.A., as administrative agent under the DIP credit facility, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153, Attn: Ray C. Schrock, P.C. (ray.schrock@weil.com) and Candace M. Arthur, Esq. (candace.arthur@weil.com); (c) counsel to JPMorgan Chase Bank, N.A., as administrative agent under the Debtors’ prepetition credit facility, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, NY 10038, Attn: Kristopher M. Hansen (khansen@stroock.com), Jonathan D. Canfield (jcanfield@stroock.com), Joanne Lau (jlau@stroock.com) and Alexander A. Fraser (afraser@stroock.com); (d) counsel to the ad hoc group of lenders under the Debtors’ prepetition credit facility, Gibson, Dunn & Crutcher LLP, 200 Park Avenue, New York, NY 10166, Attn:

Scott J. Greenberg (sgreenberg@gibsondunn.com), Steven A. Domanowski (sdomanowski@gibsondunn.com) and Matthew G. Bouslog (mbouslog@gibsondunn.com); (e) counsel to the ad hoc group of bondholders, Ropes & Gray LLP, 1211 Avenue of the Americas, New York, NY 10036, Attn: Matthew M. Roose (matthew.roose@ropesgray.com) and Mark I. Bane (mark.bane@ropesgray.com); (f) counsel to KPS Capital Partners, LP, as stalking horse bidder, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, NY 10017, Attn: Brian M. Resnick (brian.resnick@davispolk.com) and Joshua Y. Sturm (joshua.sturm@davispolk.com); (g) counsel to the ASASCO Independent Director and sole member of the ASASCO Transaction Committee, Simpson, Thacher & Bartlett, 425 Lexington Avenue, New York, NY 10017, Attn: Sandeep Qusba (squsba@stblaw.com), Alan C. Turner (aturner@stblaw.com) and Kathrine A. McLendon (kmclendon@stblaw.com); (h) counsel to the GMHI Independent Director and sole member of the GMHI Transaction Committee, Schulte Roth & Zabel LLP, 919 Third Avenue, New York, NY 10022, Attn: Adam C. Harris (adam.harris@srz.com) and G. Scott Leonard (gregory.leonard@srz.com); (i) the parties identified on the Debtors' consolidated list of 30 largest unsecured creditors; and (j) to the extent not listed herein, those parties requesting notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be provided.

No Prior Request

20. No prior application for the relief sought herein has been made to this or any other court.

Conclusion

WHEREFORE, for the reasons set forth herein, the Debtors respectfully request that the Court (a) enter the Order, substantially in the form attached hereto as Exhibit A and (b) grant such other and further relief as is just and proper.

Dated: September 30, 2020
New York, New York

/s/ Andrew G. Dietderich

Andrew G. Dietderich
Brian D. Glueckstein
Benjamin S. Beller
Noam R. Weiss
SULLIVAN & CROMWELL LLP
125 Broad Street
New York, New York 10004
Telephone: (212) 558-4000
Facsimile: (212) 558-3588
E-mail: dietdericha@sullcrom.com
gluecksteinb@sullcrom.com
bellerb@sullcrom.com
weissn@sullcrom.com

Proposed Counsel to the Debtors

EXHIBIT A

Proposed Order

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

	X	
In re	:	Chapter 11
GARRETT MOTION INC., <i>et al.</i> , ¹	:	Case No. 20-12212 (MEW)
	:	
Debtors.	:	Jointly Administered
	:	
	X	

**ORDER PURSUANT TO SECTIONS 105(a), 363(b) AND 365(a) OF THE
BANKRUPTCY CODE AUTHORIZING AND APPROVING THE DEBTORS'
ASSUMPTION OF INDEPENDENT DIRECTOR AGREEMENTS**

Upon the motion (the “Motion”)² of Garrett Motion Inc. and certain of its affiliated debtors and debtors-in-possession (collectively, the “Debtors”) for entry of an order (this “Order”) pursuant to sections 105(a), 363(b) and 365(a) of title 11 of the United States Code (the “Bankruptcy Code”), authorizing (i) that certain Independent Director Agreement, dated as of August 7, 2020 (the “Greene Independent Director Agreement”), by and between Garrett Motion Holdings Inc. (“GMHI”) and Alexander Greene as independent director, and (ii) that certain Independent Director Agreement, dated as of August 7, 2020 (together with the Greene Independent Director Agreement, the “Independent Director Agreements”), by and between Garrett ASASCO Inc. (“ASASCO”) and Neal Goldman as independent director; and this Court having jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and venue of these Chapter 11 Cases and the Motion in this district being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this matter being a core proceeding pursuant to 28 U.S.C.

¹ The last four digits of Garrett Motion Inc.’s tax identification number are 3189. Due to the large number of debtor entities in these Chapter 11 Cases, which are being jointly administered, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ proposed claims and noticing agent at <http://www.kcellc.net/garrettmotion>. The Debtors’ corporate headquarters is located at La Pièce 16, Rolle, Switzerland.

² Capitalized terms not otherwise defined herein are to be given the meanings ascribed to them in the Motion.

§ 157(b); and this Court having found that proper and adequate notice of the Motion and the relief requested therein has been provided in accordance with the Bankruptcy Rules and the Local Rules, and that, except as otherwise ordered herein, no other or further notice is necessary; and any objections (if any) to the Motion having been withdrawn, resolved or overruled on the merits; and a hearing having been held to consider the relief requested in the Motion and upon the record of the hearing and all of the proceedings had before this Court; and this Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates, their creditors and all other parties-in-interest; and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; 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 Debtors are authorized to assume the Independent Director Agreements in their entirety in accordance with section 365 of the Bankruptcy Code.
3. The Debtors are authorized to execute all documentation necessary to assume the Independent Director Agreements and to pay their obligations in accordance with the Independent Director Agreements without further order of the Court.
4. This Order shall bind the Debtors, their successors in interest and assigns, including, without limitation, any trustee.
5. The requirements set forth in Bankruptcy Rule 6004(a) are satisfied.
6. This Order is immediately effective and enforceable, notwithstanding the possible applicability of Bankruptcy Rule 6004(h) or otherwise.

7. This Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the Motion or the implementation of this Order.

Dated: ____, 2020
New York, New York

The Honorable Michael E. Wiles
United States Bankruptcy Judge

EXHIBIT B

Independent Director Agreements

INDEPENDENT DIRECTOR AGREEMENT

THIS INDEPENDENT DIRECTOR AGREEMENT (the "Agreement") is made as of August 7, 2020 (the "Effective Date"), by and between Garrett ASASCO Inc., a Delaware corporation (the "Company"), and Neal P. Goldman ("Director").

BACKGROUND

WHEREAS, the Company desires and has requested that Director serve as an independent director of the Company.

WHEREAS, the Company and Director are entering into this Agreement to induce Director to serve in the capacity set forth above and to set forth certain understandings between the parties.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements and promises contained herein, and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Company and Director hereby agree as follows:

1. **DUTIES.** Director agrees to (i) serve as an independent director of the Company and to be available to perform the duties consistent with such position pursuant to the Company's Certificate of Incorporation and Bylaws (all as amended, and, together, the "Organizational Documents") and the laws of the state of Delaware; and (ii) serve as a member of one or more committees of the Board of Directors of the Company (the "Board") as may be requested from time to time by the Company or a majority of the Board and for which Director is qualified to serve. Director agrees to devote as much time as is reasonably necessary to perform completely the duties as an independent director of the Company. By execution of this Agreement, Director accepts his appointment or election as independent director of the Company, and agrees to serve in such capacity until his successor is duly elected and qualified or until Director's earlier death, resignation or removal. The parties hereto acknowledge and agree that Director is being engaged to serve as an independent director of the Company only and is not being engaged to serve, and shall not serve, the Company in any other capacity.

2. **TERM.** The term of this Agreement shall expire on the date that is twelve months following the Effective Date (such period of time, the "Initial Term") and thereafter can be extended on a month-to-month basis with the mutual agreement of the Company and Director; provided, however, that Director may resign or be removed by the sole shareholder of the Company having the right to designate Director at any time, with or without Cause, in which event this Agreement shall terminate as of the date of such resignation or removal, except as specifically provided herein.

3. **COMPENSATION.** For all services to be rendered by Director hereunder, and so long as Director has not been removed as a director of the Company, except as provided in this Section 3, the Company agrees to pay Director a monthly fee of \$35,000,

payable monthly in advance, with the first monthly fee to be pro-rated based on the number of days from the date of this Agreement until the last date of the month and due as soon as reasonably practicable following execution of this Agreement but in no event later than three business days after the Effective Date; provided, however, in addition, Director shall be compensated on a "per diem" basis at a rate of \$5,000 in cash, for days on which Director devotes more than four hours of Director's time, outside of Board meetings, for meetings or activities outside the scope of normal Board duties, including preparation for and/or attending depositions and hearings, manager training, meeting with Company management or external auditors, interviewing manager candidates, or other activities deemed necessary or desirable by the Board or Director. Notwithstanding anything to the contrary in this Agreement, if Director is terminated other than for Cause in accordance with Section 2 within the Initial Term, the compensation that would have otherwise been paid to Director for his service during the Initial Term pursuant to this Section 3 shall continue to be paid to Director by the Company until completion of the Initial Term.

4. **EXPENSES.** In addition to the compensation provided in Section 3 hereof, the Company will reimburse Director for reasonable business related expenses incurred in good faith in the performance of Director's duties for the Company; provided, that Director shall obtain preapproval from the Company prior to incurring any individual expense in excess of \$5,000. Such payments shall be made by the Company upon submission by Director of a signed statement itemizing the expenses incurred. Such statement shall be accompanied by sufficient documentary matter to support the expenditures.

5. **CONFIDENTIALITY.** The Company and Director each acknowledge that in order for Director to perform his duties as an independent director of the Company, Director shall necessarily be obtaining access to certain confidential information concerning the Company and its affiliates, including, but not limited to business methods, information systems, financial data and strategic plans which are unique assets of the Company or its affiliates ("Confidential Information"). Director covenants that he shall not, either directly or indirectly, in any manner, utilize or disclose to any person, firm, corporation, association or other entity any Confidential Information, except (i) as required by law, (ii) pursuant to a subpoena or order issued by a court, governmental body, agency or official, in each case, of competent jurisdiction or requisite authority or (iii) to the extent such information (A) is generally known to the public, (B) was known to Director prior to its disclosure to Director by the Company, (C) was obtained by Director from a third party which, to Director's knowledge, was not prohibited from disclosing such information to Director pursuant to any contractual, legal or fiduciary obligation, or (D) was independently derived by Director without any use of Confidential Information. This Section 5 shall continue in effect after Director has ceased acting as an independent director of the Company. Notwithstanding the foregoing, Director is not agreeing to waive, and this Agreement shall not be read as requiring Director to waive, any right Director may have to receive an award for information provided to any governmental entity. Director is hereby notified that the immunity provisions in Section 1833 of title 18 of the United States Code provide that an individual cannot be held criminally or civilly liable under any federal or state trade secret law for any disclosure of a trade secret that

is made (1) in confidence to federal, state or local government officials, either directly or indirectly, or to an attorney, and is solely for the purpose of reporting or investigating a suspected violation of the law, (2) under seal in a complaint or other document filed in a lawsuit or other proceeding, or (3) to Director's attorney in connection with a lawsuit for retaliation for reporting a suspected violation of law (and the trade secret may be used in the court proceedings for such lawsuit) as long as any document containing the trade secret is filed under seal and the trade secret is not disclosed except pursuant to court order.

6. **INDEMNIFICATION.** (a) **Certain Definitions.** For purposes of this Section 6, the term:

"Delaware Law" means the laws of the state of Delaware.

"Expenses" means all expenses, liabilities and losses (including, without limitation, attorneys' fees, retainers, expert and witness fees, disbursements and expenses of counsel, judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by Director or on Director's behalf in connection with a Proceeding.

"Proceeding" means any threatened, pending, actual or completed action, suit, inquiry or proceeding, whether civil, criminal, administrative or investigative, whether public or private, and, including any such threatened, pending, actual or completed action, suit, inquiry or proceeding by or in the right of the Company.

(b) **Indemnification.** In the event that Director was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any Proceeding by reason of the fact that Director or a person of whom Director is the legal representative of is or was an independent director of the Company (whether before or after the date hereof) and, whether the basis of such Proceeding is alleged action in an official capacity as an independent director or in any other capacity while serving as an independent director of the Company, the Company shall indemnify and hold harmless Director to the fullest extent authorized by Delaware Law or any other applicable law or rule, but no less than to the extent set forth herein, against all Expenses; provided, however, that the Company shall indemnify Director only if Director did not engage in gross negligence or willful misconduct and, in the case of criminal Proceedings, Director had no reasonable cause to believe his conduct was unlawful; and provided, further, that the Company shall indemnify Director against all Expenses in connection with a Proceeding (or claim or part thereof) initiated by Director only if (i) such Proceeding is a suit or other action seeking to enforce Director's right to advancement of expenses and/or indemnification under this Agreement or (ii) such Proceeding (or claim or part thereof) was authorized by the directors of the Company.

(c) **Presumptions.** In the event that, under Delaware Law, the entitlement of Director to be indemnified hereunder shall depend upon whether Director shall have acted in good faith and in a manner Director reasonably believed to be in or not opposed to the best interests of the Company and with respect to criminal

Proceedings, had no reasonable cause to believe Director's conduct was unlawful, or shall have acted in accordance with some other defined standard of conduct, or whether fees and disbursements of counsel and other costs and amounts are reasonable, the burden of proof of establishing that Director has not acted in accordance with such standard and that such costs and amounts are unreasonable shall rest with the Company, and Director shall be presumed to have acted in accordance with such standard, such costs and amounts shall be conclusively presumed to be reasonable and Director shall be entitled to indemnification unless, and only unless, based upon clear and convincing evidence, it shall be determined by a court of competent jurisdiction (after exhaustion or expiration of the time for filing of all appeals) that Director has not met such standard or, with respect to the amount of indemnification, that such costs and amounts are not reasonable (in which case Director shall be indemnified to the extent such costs and amounts are determined by such court to be reasonable).

In addition, and without in any way limiting the provisions of this Section 6(c), Director shall be deemed to have acted in good faith and in a manner Director reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding to have had no reasonable cause to believe Director's conduct was unlawful, if Director's action is based on (i) information supplied to Director by the officers of the Company or its direct or indirect controlling equity holders in the course of their duties, (ii) the advice of legal counsel, advisors or other experts retained by and for the Company or (iii) information or records given or reports made to the Company by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company.

The provisions of this Section 6(c) shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct, if applicable, under Delaware Law.

(d) **Indemnification When Wholly or Partly Successful.** Without limiting the scope of indemnification provided in Section 6(b), to the extent that Director is a party to and is successful, on the merits or otherwise, in any Proceeding, Director shall be indemnified to the maximum extent permitted by Delaware Law against all Expenses. If Director is not wholly successful in a Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Director against all Expenses actually and reasonably incurred by Director and on Director's behalf in connection with each successfully resolved claim, issue or matter, and shall otherwise indemnify Director to the extent required by Section 6(b). For purposes of this Section 6(d) and without limitation, the termination of any claim, issue or matter in any Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(e) **Suit to Recover Indemnification.** If a claim under Section 6(b) or Section 6(h) of this Agreement is not paid in full by the Company within thirty days after a written claim has been received by the Company, Director may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. It shall be a

defense to any such suit (other than a suit brought to enforce a claim for Expenses incurred in defending any Proceeding in advance of its final disposition where the required undertaking has been tendered to the Company) that Director has not met the standards of conduct, if applicable, which make it permissible under Delaware Law for the Company to indemnify Director for the amount claimed, but the burden of proving such defense and its applicability shall be on the Company and may be met only by clear and convincing evidence. Neither the failure of the Company (including its directors or equity holders) to have made a determination prior to the commencement of such suit that indemnification of Director is proper in the circumstances because Director has met the standard of conduct, if applicable, under Delaware Law, nor an actual determination by the Company (including its directors or equity holders) that Director has not met such applicable standard of conduct, shall be a defense to the suit or create a presumption that Director has not met the applicable standard of conduct. The Expenses incurred by Director in bringing such suit (whether or not Director is successful) shall be paid by the Company unless a court of competent jurisdiction determines that each of the material assertions made by Director in such suit was not made in good faith and was frivolous.

(f) **Rights Not Exclusive; Rights Continue.** The right to indemnification and the payment of Expenses incurred in defending any Proceeding in advance of its final disposition conferred in this Agreement shall not be exclusive of, or limit in any manner whatsoever, any other right which Director may have or hereafter acquire under any statute, provision of the Organizational Documents, agreement, vote of equity holders or otherwise. The indemnification, expense advancement and other rights of Director herein shall continue after Director ceases to be an independent director for so long as Director may be subject to any possible claim for which he would be entitled to indemnification under this Agreement or otherwise as a matter of law, and shall not be amended, modified, terminated, revoked or otherwise altered without Director's prior written consent.

(g) **Insurance.** The Company or one of its affiliates (which, in the case of an affiliate, shall include coverage of directors of the Company) shall maintain insurance to protect the Company and any manager, director or trustee of the Company against any expense, liability or loss, and such insurance shall cover Director to at least the same extent as any other director of the Company or any of its affiliates included in such insurance coverage. Director shall have the right to receive a copy of any policy for such insurance upon request and has been provided a full and complete copy of such insurance policy prior to the date hereof, which the Company represents and warrants is in full force and effect and no coverage has been denied or disputed by one or more of the insurers thereunder as of the Effective Date.

(h) **Advancement of Defense Costs.** Notwithstanding anything in the Organizational Documents to the contrary, the Company shall also promptly pay Director the expenses actually and reasonably incurred in connection with any Proceeding in advance of its final disposition without requiring any preliminary determination of the ultimate entitlement of Director to indemnification; provided, however, the payment of such expenses so incurred by Director in advance of the final disposition of any Proceeding shall be made only upon delivery to the Company of an unsecured

undertaking in the form attached hereto as Exhibit A by or on behalf of Director, to repay (without interest) all amounts so advanced if it shall ultimately be determined that Director is not entitled to be indemnified under this Agreement.

(i) **Subrogation.** In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Director, who shall, at the Company's expense, execute all papers required and take all action necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

(j) **No Duplication of Payments.** Notwithstanding any provision of this Agreement to the contrary, the Company shall not be liable under this Agreement to make any payment in connection with any Proceeding against or by Director to the extent Director has otherwise actually received payment (under any insurance policy, contract, agreement, the Organizational Documents, or otherwise) of the amounts otherwise indemnifiable hereunder.

(k) **Contribution.** If the indemnification provided in Section 6(b) and the advancement provided in Section 6(h) should under Delaware Law be unenforceable or insufficient to hold Director harmless in respect of any and all Expenses with respect to any Proceeding, then the Company shall, subject to the provisions of this Section 6(k) and for purposes of this Section 6(k) only, upon written notice from Director, be treated as if it were a party who is or was threatened to be made a party to such Proceeding (if not already a party), and the Company shall contribute to Director the amount of Expenses incurred by Director in such proportion as is appropriate to reflect the relative benefits accruing to the Company and all of its directors, trustees, managers, officers, employees and agents (other than Director) treated as one entity on the one hand, and Director on the other, which arose out of the event(s) underlying such Proceeding, and the relative fault of the Company and all of its directors, trustees, managers, officers, employees and agents (other than Director) treated as one entity on the one hand, and Director on the other, in connection with such event(s), as well as any other relevant equitable considerations.

No provision of this Section 6(k) shall: (i) operate to create a right of contribution in favor of Director if it is judicially determined that, with respect to any Proceeding, Director engaged in gross negligence or willful misconduct or (ii) limit Director's rights to indemnification and advancement of Expenses, whether under this Agreement or otherwise.

The Company hereby waives any right of contribution from Director for Expenses incurred by the Company with respect to any Proceeding in which the Company is or is threatened to be made a party. The Company shall not enter into any settlement of any Proceeding in which the Company is jointly liable with Director (or would be if joined in such Proceeding) unless such settlement provides for a full and final release of all claims asserted against Director and does not contain an admission of wrongdoing by Director.

7. **INFORMATION.** The Company shall provide Director with quarterly financial information, and shall make its management available to discuss the business and operations of the Company upon Director's reasonable request.

8. **EFFECT OF WAIVER.** The waiver by either party of the breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach thereof.

9. **GOVERNING LAW.** This Agreement shall be interpreted in accordance with, and the rights of the parties hereto shall be determined by, the laws of the state of Delaware without reference to its conflicts of laws principles.

10. **ASSIGNMENT.** Except by operation of law, the rights and benefits of the Company under this Agreement shall not be transferable without Director's consent, and all the covenants and agreements hereunder shall inure to the benefit of, and be enforceable by or against, its successors and assigns. The duties and obligations of Director under this Agreement are personal and therefore Director may not assign any right or duty under this Agreement without the prior written consent of the Company.

11. **BINDING EFFECT; SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and inure to the benefit of and be enforceable by each of the parties hereto and their respective successors, assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), heirs and personal legal representatives.

12. **SEVERABILITY; HEADINGS.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid as applied to any fact or circumstance, it shall be modified by the minimum amount necessary to render it valid, and any such invalidity shall not affect any other provision, or the same provision as applied to any other fact or circumstance. The headings used in this Agreement are for convenience only and shall not be construed to limit or define the scope of any Section or provision.

13. **COUNTERPARTS; AMENDMENT.** This Agreement may be executed in one or more counterparts, each of which shall be considered one and the same agreement. No amendment to this Agreement shall be effective unless in writing signed by each of the parties hereto.

14. **DEFINITIONS.** As used in this Agreement, the following terms shall have the respective meanings set forth below:

(a) "Cause" means:

(i) conviction of, or plea of guilty or nolo contendere to, a felony;

(ii) willful and continued failure to use reasonable best efforts to substantially perform his duties hereunder (other than such failure resulting from Director's incapacity due to physical or mental illness) that Director fails to remedy to the reasonable satisfaction of the Company within 30 days after written notice is delivered by

the Company to Director that sets forth in reasonable detail the basis of Director's failure to use reasonable best efforts to substantially perform Director's duties hereunder; or

(iii) willful misconduct that is or may reasonably be expected to have a material adverse effect on the reputation or interests of the Company or any of its affiliates.

For purposes of this Section 14(a), no act, or failure to act, by Director will be considered "willful" if taken or omitted in the good faith belief that the act or omission was in, or not opposed to, the best interests of the Company or was taken or omitted upon the reliance of advice from counsel, advisors or other experts retained by or for the Company.

[Signature page follows]

The parties hereto have caused this Independent Director Agreement to be executed on the date first above written.

Garrett ASASCO Inc.

By: 

Name: Jerome Maironi
Title: Secretary

Director


Name: Neal P. Goldman

The parties hereto have caused this Independent Director Agreement to be executed on the date first above written.

Garrett ASASCO Inc.

By: _____
Name
Title

Director



Name: Neal P. Goldman

EXHIBIT A

FORM OF UNDERTAKING

Undertaking to Repay

The undersigned hereby acknowledges his undertaking to repay any amounts advanced to him by Garrett ASASCO Inc. under Section 6(h) of the Independent Director Agreement between him and Garrett ASASCO Inc. (the "Agreement") in connection with **[insert description of proceeding]** (the "Proceeding"), if it is ultimately determined that he is not entitled to be indemnified with respect to the Proceeding under the Agreement.

Dated _____

Signature

Name (please print)

INDEPENDENT DIRECTOR AGREEMENT

THIS INDEPENDENT DIRECTOR AGREEMENT (this "Agreement") is made as of August 7, 2020 (the "Effective Date"), by and between Garrett Motion Holdings Inc., a Delaware corporation (the "Company"), and Alexander D. Greene ("Director").

BACKGROUND

WHEREAS, the Company and its Board of Directors (the "Board") desires and has requested that Director serve as an independent director of the Company.

WHEREAS, the Board has, in accordance with the Company's By-Laws and Certificate of Incorporation and the Delaware General Corporation Law (the "DGCL"), taken such actions as are necessary and appropriate to (a) increase the size of the Board to four members, thus creating a vacancy on the Board, (b) unanimously elect Director to fill such vacancy, (c) establish a Transaction Committee, and (d) appoint Director as the sole member of the Transaction Committee.

WHEREAS, the Company and Director are entering into this Agreement to induce Director to serve in the capacity set forth above and to set forth certain understandings between the parties.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual agreements and promises contained herein, and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Company and Director hereby agree as follows:

1. **DUTIES.** Director agrees to (i) serve as an independent director of the Company and to be available to perform the duties consistent with such position pursuant to the Company's Certificate of Incorporation and Bylaws (all as amended, and, together, the "Organizational Documents") and the laws of the State of Delaware; and (ii) serve as a member of the Transaction Committee. Director agrees to devote as much time as is reasonably necessary to perform the duties as an independent director of the Company. By execution of this Agreement, Director accepts his appointment or election as independent director of the Company, and agrees to serve in such capacity until the earlier of: (i) the end of the Initial Term (as the same may be reduced or extended pursuant to Section 2 hereof) and (ii) Director's earlier death, resignation or removal. The parties hereto acknowledge and agree that Director is being engaged to serve as an independent director of the Company only and is not being engaged to serve, and shall not serve, the Company in any other capacity.

2. **TERM.** The term of this Agreement shall expire on the date that is twelve months following the Effective Date (such period of time, the "Initial Term") and thereafter can be extended on a month-to-month basis with the mutual agreement of the Company and Director; provided, however, that Director may resign or be removed by the sole shareholder of the Company at any time upon three (3) days written notice, with or without

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Cause, in which event this Agreement shall terminate as of the date of such resignation or removal, except as specifically provided herein.

3. **COMPENSATION.** For all services to be rendered by Director hereunder, and so long as Director has not been removed as a director of the Company, except as provided in this Section 3, the Company agrees to pay Director a monthly fee of US\$35,000, payable monthly in advance in cash, with the first monthly fee to be pro-rated based on the number of days from the date of this Agreement until the last date of the month and due as soon as reasonably practicable following execution of this Agreement; provided, however, in addition, Director shall be compensated on a "per diem" basis at a rate of US\$5,000 in cash, payable monthly in arrears and upon submission by Director of a written invoice, for days on which Director devotes more than four hours of Director's time, outside of Board meetings, for meetings or activities outside the scope of normal Board duties, including preparation for and/or attending depositions and hearings, manager training, meeting with Company management or external auditors, interviewing manager candidates, or other activities deemed necessary by the Board. Notwithstanding anything to the contrary in this Agreement, if Director is terminated other than for Cause in accordance with Section 2 within the Initial Term, the compensation that would have otherwise been paid to Director for his service during the Initial Term pursuant to this Section 3 shall be paid in a lump sum to Director by the Company on or as soon as reasonably practicable following the date of such termination.

4. **EXPENSES.** In addition to the compensation provided in Section 3 hereof, the Company will reimburse Director for reasonable business related expenses incurred in good faith in the performance of Director's duties for the Company; provided, that Director shall obtain pre-approval from the Company prior to incurring expenses in excess of US\$5,000. Such payments shall be made by the Company upon submission by Director of a signed statement itemizing the expenses incurred. Such statement shall be accompanied by sufficient documentary matter to support the expenditures.

5. **CONFIDENTIALITY.** The Company and Director each acknowledge that in order for Director to perform his duties as an independent director of the Company, Director shall necessarily be obtaining access to certain confidential information concerning the Company and its affiliates, including, but not limited to business methods, information systems, financial data and strategic plans which are unique assets of the Company or its affiliates ("Confidential Information"). Director covenants that he shall not, either directly or indirectly, in any manner, utilize or disclose to any person, firm, corporation, association or other entity any Confidential Information without the prior written consent of the Company, except (i) as required by law, (ii) pursuant to a subpoena or order issued by a court, governmental body, agency or official, or (iii) to the extent such information (A) is generally known to the public, (B) was known to Director prior to its disclosure to Director by the Company, (C) was obtained by Director from a third party which, to Director's knowledge, without any requirement of inquiry, was not prohibited from disclosing such information to Director pursuant to any contractual, legal or fiduciary obligation, or (D) was independently derived by Director without any use of Confidential Information. This Section 5 shall continue in effect after Director has ceased acting as an independent director of the Company. Notwithstanding the foregoing, Director is not

agreeing to waive, and this Agreement shall not be read as requiring Director to waive, any right Director may have to receive an award for information provided to any governmental entity. Director is hereby notified that the immunity provisions in Section 1833 of title 18 of the United States Code provide that an individual cannot be held criminally or civilly liable under any federal or state trade secret law for any disclosure of a trade secret that is made (1) in confidence to federal, state or local government officials, either directly or indirectly, or to an attorney, and is solely for the purpose of reporting or investigating a suspected violation of the law, (2) under seal in a complaint or other document filed in a lawsuit or other proceeding, or (3) to Director's attorney in connection with a lawsuit for retaliation for reporting a suspected violation of law (and the trade secret may be used in the court proceedings for such lawsuit) as long as any document containing the trade secret is filed under seal and the trade secret is not disclosed except pursuant to court order.

6. **INDEMNIFICATION.** (a) **Certain Definitions.** For purposes of this Section 6, the term:

"Delaware Law" means the laws of the state of Delaware.

"Expenses" means all expenses, liabilities and losses (including, without limitation, attorneys' fees for counsel selected by Director, retainers, expert and witness fees, disbursements and expenses of counsel, judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by Director or on Director's behalf in connection with a Proceeding.

"Proceeding" means any threatened, pending, actual or contemplated action, suit, inquiry or proceeding (including, without limitation, any subpoena or other legal process), whether civil, criminal, administrative or investigative, whether public or private, and, including any such threatened, pending, actual or completed action, suit, inquiry or proceeding by or in the right of the Company.

(b) **Indemnification.** In addition to Director's rights to indemnification and exculpation provided in the Organizational Documents, in the event that Director was or is made a party or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any Proceeding by reason of the fact that Director is or was a director of the Company (whether before or after the date hereof) and, whether the basis of such Proceeding is alleged action in an official capacity as a director or in any other capacity while serving as a director of the Company, the Company shall indemnify and hold harmless Director to the fullest extent authorized by Delaware Law or any other applicable law or rule, but no less than to the extent set forth herein, against all Expenses; provided, however, that the Company shall indemnify Director only if Director did not engage in intentional misconduct and, in the case of criminal Proceedings, Director had no reasonable cause to believe his conduct was unlawful; and provided, further, that the Company shall indemnify Director against all Expenses in connection with a Proceeding (or claim or part thereof) initiated by Director if (i) such Proceeding is a suit or other action seeking to enforce Director's right to advancement of

expenses and/or indemnification under this Agreement or (ii) such Proceeding (or claim or part thereof) was authorized by the directors of the Company.

(c) **Presumptions.** In the event that, under Delaware Law, the entitlement of Director to be indemnified hereunder shall depend upon whether Director shall have acted in good faith and in a manner Director reasonably believed to be in or not opposed to the best interests of the Company and with respect to criminal Proceedings, had no reasonable cause to believe Director's conduct was unlawful, or shall have acted in accordance with some other defined standard of conduct, or whether fees and disbursements of counsel and other costs and amounts are reasonable, the burden of proof of establishing that Director has not acted in accordance with such standard and that such costs and amounts are unreasonable shall rest with the Company, and Director shall be presumed to have acted in accordance with such standard, such costs and amounts shall be conclusively presumed to be reasonable and Director shall be entitled to indemnification unless, and only unless, based upon clear and convincing evidence, it shall be determined by a court of competent jurisdiction (after exhaustion or expiration of the time for filing of all appeals) that Director has not met such standard or, with respect to the amount of indemnification, that such costs and amounts are not reasonable (in which case Director shall be indemnified to the extent such costs and amounts are determined by such court to be reasonable).

In addition, and without in any way limiting the provisions of this Section 6(c), Director shall be deemed to have acted in good faith and in a manner Director reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding to have had no reasonable cause to believe Director's conduct was unlawful, if Director's action is based on (i) information supplied to Director by any other director of the Company or any officer of the Company or its direct or indirect controlling equity holders in the course of their duties, (ii) the advice of legal counsel for the Company or (iii) information or records given or reports made to the Company by an independent certified public accountant or by an appraiser, investment banking firm or other expert selected by the Company.

The provisions of this Section 6(c) shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct, if applicable, under Delaware Law.

(d) Reserved

(e) **Suit to Recover Indemnification.** If a claim under Section 6(b) or Section 6(h) of this Agreement is not paid in full by the Company within thirty days after a written claim has been received by the Company, Director may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. It shall be a defense to any such suit (other than a suit brought to enforce a claim for Expenses incurred in defending any Proceeding in advance of its final disposition where the required undertaking has been tendered to the Company) that Director has not met the standards of conduct, if applicable, which make it permissible under Delaware Law for the Company to indemnify Director for the amount claimed, but the burden of proving such defense and

its applicability shall be on the Company and may be met only by clear and convincing evidence. Neither the failure of the Company (including its directors or equity holders) to have made a determination prior to the commencement of such suit that indemnification of Director is proper in the circumstances because Director has met the standard of conduct, if applicable, under Delaware Law, nor an actual determination by the Company (including its directors or equity holders) that Director has not met such applicable standard of conduct, shall be a defense to the suit or create a presumption that Director has not met the applicable standard of conduct. The Expenses incurred by Director in bringing such suit (whether or not Director is successful) shall be paid by the Company unless a court of competent jurisdiction determines that each of the material assertions made by Director in such suit was not made in good faith and was frivolous.

(f) **Rights Not Exclusive; Rights Continue.** The right to indemnification and the payment of Expenses incurred in defending any Proceeding in advance of its final disposition conferred in this Agreement shall not be exclusive of, or limit in any manner whatsoever, any other right which Director may have or hereafter acquire under any statute, provision of the Organizational Documents, agreement, vote of equity holders or otherwise. The indemnification, expense advancement and other rights of Director herein shall continue after Director ceases to be a director for so long as Director may be subject to any possible claim for which he would be entitled to indemnification under this Agreement or otherwise as a matter of law, and shall not be amended, modified, terminated, revoked or otherwise altered without Director's prior written consent.

(g) **Insurance.** The Company or one of its affiliates (which, in the case of an affiliate, shall include coverage of directors of the Company) shall maintain insurance to protect the Company and any manager, director or trustee of the Company against expenses, liabilities and losses, and such insurance shall cover Director to at least the same extent as any other director of the Company. Director shall have the right to receive a copy of any policy for such insurance upon request. The Company agrees that it shall purchase a "tail policy" for a term of not less than six years with coverage terms and limits substantially similar to the Company's existing coverage upon a change of control (as defined in the policy), cessation of operations or any other circumstance in which the existing insurance policy or any successor policy is not renewed on substantially similar terms or otherwise goes into run off. Company covenants and agrees to provide Director with notice of any claims made or asserted by any insured against any such policy of which the Company becomes aware.

(h) **Advancement of Defense Costs.** Notwithstanding anything in the Organizational Documents to the contrary, the Company shall also promptly pay Director the expenses actually and reasonably incurred in connection with any Proceeding in advance of its final disposition without requiring any preliminary determination of the ultimate entitlement of Director to indemnification; provided, however, the payment of such expenses so incurred by Director in advance of the final disposition of any Proceeding shall be made only upon delivery to the Company of an unsecured undertaking in the form attached hereto as Exhibit A by or on behalf of Director, to repay

(without interest) all amounts so advanced if it shall ultimately be determined by final order of a court of competent jurisdiction that Director is not entitled to be indemnified under this Agreement.

(i) **Subrogation.** In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Director, who shall, at the Company's expense, execute all papers required and take all action reasonably necessary to secure such rights, including the execution of such documents reasonably necessary to enable the Company effectively to bring suit to enforce such rights.

(j) **No Duplication of Payments.** Notwithstanding any provision of this Agreement to the contrary, the Company shall not be liable under this Agreement to make any payment in connection with any Proceeding against or by Director to the extent Director has otherwise actually received payment (under any insurance policy, contract, agreement, the Organizational Documents, or otherwise) of the amounts otherwise indemnifiable hereunder.

(k) **Contribution.** If the indemnification provided in Section 6(b) and the advancement provided in Section 6(h) should under Delaware Law be unenforceable or insufficient to hold Director harmless in respect of any and all Expenses with respect to any Proceeding, then the Company shall, subject to the provisions of this Section 6(k) and for purposes of this Section 6(k) only, upon written notice from Director, be treated as if it were a party who is or was threatened to be made a party to such Proceeding (if not already a party), and the Company shall contribute to Director the amount of Expenses incurred by Director in such proportion as is appropriate to reflect the relative benefits accruing to the Company and all of its directors, trustees, managers, officers, employees and agents (other than Director) treated as one entity on the one hand, and Director on the other, which arose out of the event(s) underlying such Proceeding, and the relative fault of the Company and all of its directors, trustees, managers, officers, employees and agents (other than Director) treated as one entity on the one hand, and Director on the other, in connection with such event(s), as well as any other relevant equitable considerations.

No provision of this Section 6(k) shall: (i) operate to create a right of contribution in favor of Director if it is judicially determined that, with respect to any Proceeding, Director engaged in intentional misconduct or (ii) limit Director's rights to indemnification and advancement of Expenses, whether under this Agreement or otherwise.

The Company hereby waives any right of contribution from Director for Expenses incurred by the Company with respect to any Proceeding in which the Company is or is threatened to be made a party. The Company shall not enter into any settlement of any Proceeding in which the Company is jointly liable with Director (or would be if joined in such Proceeding) unless such settlement provides for a full and final release of all claims asserted against Director and does not contain an admission of wrongdoing by Director.

7. **INFORMATION.** The Company shall timely provide Director with such financial and other information as Director may reasonably request and as may be necessary for Director to perform his obligations hereunder, and shall make its management available to discuss the business and operations of the Company upon Director's reasonable request.

8. **EFFECT OF WAIVER.** The waiver by either party of the breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach thereof.

9. **GOVERNING LAW.** This Agreement shall be interpreted in accordance with, and the rights of the parties hereto shall be determined by, the laws of the State of Delaware without reference to its conflicts of laws principles.

10. **JURISDICTION AND CHOICE OF FORUM.** Director and the Company irrevocably submit to the exclusive jurisdiction of any state or federal court located in the State of Delaware over any dispute arising under this Agreement. Both Director and the Company (i) acknowledge that the forum stated in this Section 10 has a reasonable relation to this Agreement and to the relationship between Director and the Company and that the submission to the forum will apply even if the forum chooses to apply non-forum law, (ii) waive, to the extent permitted by law, any objection to personal jurisdiction or to the laying of venue of any action or proceeding covered by this Section 10 in the forum stated in this Section 10, (iii) agree not to commence any such action or proceeding in any forum other than the forum stated in this Section 10 and (iv) agree that, to the extent permitted by law, a final and non-appealable judgment in any such action or proceeding in any such court will be conclusive and binding on Director and the Company. However, nothing in this Agreement precludes Director or the Company from bringing any action or proceeding in any court for the purpose of enforcing the provisions of this Section 10.

11. **WAIVER OF JURY TRIAL.** To the extent permitted by law, Director and Company waive any and all rights to a jury trial with respect to any dispute arising under this Agreement.

12. **ASSIGNMENT.** Except by operation of law, the rights and benefits of the Company under this Agreement shall not be transferable without Director's consent, and all the covenants and agreements hereunder shall inure to the benefit of, and be enforceable by or against, its successors and assigns. The duties and obligations of Director under this Agreement are personal and therefore Director may not assign any right or duty under this Agreement without the prior written consent of the Company.

13. **BINDING EFFECT; SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and inure to the benefit of and be enforceable by each of the parties hereto and their respective successors, assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), heirs and personal legal representatives.

14. **SEVERABILITY; HEADINGS.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid as applied to any fact or circumstance, it shall be modified by the minimum amount necessary to render it valid, and any such invalidity shall not affect any other provision, or the same provision as applied to any other fact or circumstance. The headings used in this Agreement are for convenience only and shall not be construed to limit or define the scope of any Section or provision.

15. **COUNTERPARTS; AMENDMENT.** This Agreement may be executed in one or more counterparts, each of which shall be considered one and the same agreement. No amendment to this Agreement shall be effective unless in writing signed by each of the parties hereto.

16. **DEFINITIONS.** As used in this Agreement, the following terms shall have the respective meanings set forth below:

(a) "Cause" means:

- (i) conviction of, or plea of guilty or nolo contendere to, a felony;
- (ii) willful and continued failure to use reasonable best efforts to substantially perform his duties hereunder (other than such failure resulting from Director's incapacity due to physical or mental illness) that Director fails to remedy to the reasonable satisfaction of the Company within thirty (30) days after written notice is delivered by the Company to Director that sets forth in reasonable detail the basis of Director's failure to use reasonable best efforts to substantially perform Director's duties hereunder; or
- (iii) or intentional misconduct that has had a material adverse effect on the reputation or interests of the Company or any of its affiliates.

FOR PURPOSES OF THIS SECTION 16(A), NO ACT, OR FAILURE TO ACT, BY DIRECTOR WILL BE CONSIDERED "INTENTIONAL" IF TAKEN OR OMITTED IN THE GOOD FAITH BELIEF THAT THE ACT OR OMISSION WAS IN, OR NOT OPPOSED TO, THE BEST INTERESTS OF THE COMPANY.

[Signature page follows]

The parties hereto have caused this Independent Director Agreement to be executed on the date first above written.

Garrett Motion Holdings Inc.

By: 

Name: Jerome Maironi

Title: Secretary

Director

Name: Alexander D. Greene

The parties hereto have caused this Independent Director Agreement to be executed on the date first above written.

Garrett Motion Holdings Inc.

By: _____
Name
Title

Director


Name: Alexander D. Greene

EXHIBIT A

FORM OF UNDERTAKING

Undertaking to Repay

The undersigned hereby acknowledges his undertaking to repay any amounts advanced to him by Garrett Motion Holdings Inc. under Section 6(h) of the Independent Director Agreement between him and Garrett Motion Holdings Inc. (the "Agreement") in connection with **[insert description of proceeding]** (the "Proceeding"), if it is ultimately determined that he is not entitled to be indemnified with respect to the Proceeding under the Agreement.

Dated _____

Signature

Name (please print)