

**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) AND 331 OF THE
BANKRUPTCY CODE, BANKRUPTCY RULE 2016 AND LOCAL RULE 2016-1
ESTABLISHING PROCEDURES FOR MONTHLY COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF PROFESSIONALS**

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) and 331 of the Bankruptcy Code, Bankruptcy Rule 2016 and Local Rule 2016-1, establishing procedures for monthly compensation and reimbursement of expenses of Professionals retained by order of this Court; 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. § 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

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.

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



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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ordered herein, no other or further notice is necessary; and any objections (if any) to the Motion having been withdrawn, resolved or overruled on the merits; and a hearing having been held to consider the relief requested in the Motion and upon the record of the hearing and all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. Except as may otherwise be provided in an order of this Court authorizing the retention of a specific professional, all Professionals in these Chapter 11 Cases may seek monthly compensation and reimbursement of expenses in accordance with the following procedures (collectively, the “Interim Compensation Procedures”):

- a. On or before the 20th day of each month following the month for which compensation is sought,³ each Professional seeking compensation shall file and serve a monthly statement (the “Monthly Fee Statement”) and, if an email address is listed, email, on the following parties: (i) Garrett Motion Inc., 47548 Halyard Drive, Plymouth, MI, 48170, Attn: General Counsel; (ii) counsel to the Debtors, Sullivan & Cromwell LLP, 125 Broad Street, New York, New York 10004, Attn: Noam R. Weiss; (iii) proposed counsel to the Committee, White & Case LLP, 1221 Avenue of the Americas, New York, New York 10020, Attn: John Ramirez; (iv) the U.S. Trustee, 201 Varick Street, Room 1006, New York, NY 10014, Attn: Benjamin Higgins; (v) counsel to Citibank, N.A., as administrative agent for the Debtors’ DIP credit facility, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153 Attn: Ray C. Schrock, P.C. and Candace M. Arthur, Esq.

³ If a Professional does not file a Monthly Fee Statement within this time period, the Monthly Fee Statement may be filed for consideration and payment during any following month.

and (vi) any other party requesting notice pursuant to Bankruptcy Rule 2002 (each, a “Notice Party” and collectively, the “Notice Parties”); *provided, however*, that a courtesy copy of the Monthly Fee Statement does not need to be delivered to the Judge’s chambers.

- b. This Order is not intended to alter the fee application requirements outlined in sections 330 and 331 of the Bankruptcy Code. Professionals are still required to serve and file interim and final applications for approval of fees and expenses in accordance with the relevant provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules.
- c. Each Monthly Fee Statement must contain a list of the individuals and their respective titles (*e.g.*, attorney, accountant or paralegal) who provided services during the statement period, their respective billing rates, the aggregate hours spent by each individual, a reasonably detailed breakdown of the disbursements incurred and contemporaneously maintained time entries for each individual in increments of tenths (1/10) of an hour. No Professional should seek reimbursement of an expense which would otherwise not be allowed pursuant to the Fee Guidelines.
- d. If any party-in-interest has an objection to the compensation or reimbursement sought in a Monthly Fee Statement (an “Objection”), such party shall, by no later than the 14th day following the filing of such Monthly Fee Statement (the “Objection Deadline”), file with the Court and serve upon the Professional whose Monthly Fee Statement is the subject of on Objection, a written “Notice of Objection to Fee Statement,” setting forth the nature of the Objection and the amount of fees or expenses at issue.
- e. At the expiration of the Objection Deadline, the Debtors shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified in each Monthly Fee Statement to which no Objection has been served in accordance with paragraph (d) above.
- f. If a Notice of Objection to Fee Statement is filed and served in accordance with paragraph (d) above, the Debtors shall withhold payment of that portion of the Monthly Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth in paragraph (e) above unless the Professional whose Monthly Fee Statement is

objected to seeks an order from the Court, upon notice and a hearing, directing payment to be made.

- g. If the parties to an Objection are able to resolve their dispute following the service of a Notice of Objection to a Monthly Fee Statement, and if the Professional whose Monthly Fee Statement was objected to serves upon all of the Notice Parties a statement indicating that the Objection is withdrawn and describing in detail the terms of the resolution, then the Debtors shall promptly pay, in accordance with paragraph (e) above, that portion of the Monthly Fee Statement which is no longer subject to the Objection.
- h. All Objections that are not resolved by the parties shall be preserved and presented to the Court at the next interim or final fee application hearing to be heard by the Court (see paragraph (j) below).
- i. The service of an Objection in accordance with paragraph (d) above shall not prejudice the objecting party's right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any ground whether raised in the objection or not. Furthermore, the decision by any party not to object to a Monthly Fee Statement shall not be a waiver of any kind or prejudice that party's right to object to any fee application subsequently made to the Court in accordance with the Bankruptcy Code.
- j. Commencing with the period from the Petition Date to and including December 31, 2020, and at three-month intervals thereafter (each, an "Interim Fee Period"), each Professional shall file with the Court an application (an "Interim Fee Application") for interim Court approval and allowance, pursuant to sections 330 and 331 of the Bankruptcy Code (as the case may be), of the compensation and reimbursement of expenses requested in the Monthly Fee Statements served during the applicable Interim Fee Period. Each Professional shall file its Interim Fee Application within 30 days after the end of the Interim Fee Period or such other date as the Court may order. Each Interim Fee Application must contain a description of the services provided during the Interim Fee Period, a list of the individuals and their respective titles (*e.g.*, attorney, accountant or paralegal) who provided services during the statement period, their respective billing rates, the aggregate hours spent by each individual, a reasonably detailed breakdown of the disbursements incurred and contemporaneously maintained

time entries for each individual in increments of tenths (1/10) of an hour.

- k. The Debtors will request that the Court schedule a hearing on the Interim Fee Applications at least once every three months or at such other intervals as the Court deems appropriate. The Court, in its discretion, may approve an uncontested Interim Fee Application without the need for a hearing if no Objections are filed. Upon allowance by the Court, the Debtors shall be authorized to promptly pay such Professional all allowed requested fees, including the 20% holdback, and expenses not previously paid.
- l. Any Professional who fails to file when due an application seeking approval of compensation and expenses previously paid under these procedures (i) shall be ineligible to receive further monthly payments of fees or expenses as provided herein until further order of the Court and (ii) may be required to disgorge any fees paid since such Professional's retention or such Professional's most recent fee application, whichever is later.
- m. The pendency of an application or Court order that payment of compensation or reimbursement of expenses was improper as to a particular Monthly Fee Statement shall not disqualify a Professional from future payment of compensation or reimbursement of expenses as set forth above, unless otherwise ordered by the Court.
- n. Neither the payment of, nor the failure to pay, in whole or in part, monthly compensation and reimbursement as provided herein shall have any effect on the Court's interim or final allowance of compensation and reimbursement of expenses of any of the Professionals.
- o. Counsel for the Committee may, in accordance with the foregoing procedures for monthly compensation and reimbursement of Professionals, collect and submit statements of expenses, with supporting vouchers, from members of the Committee and the Debtors shall promptly pay such expenses; *provided, however*, that such Committee counsel ensures that these reimbursement requests comply with the Fee Guidelines; *provided, further*, that counsel for the Committee may submit such statements of expenses, with supporting vouchers, for any period at any time during these Chapter 11 Cases.

3. Each Professional whose retention has been approved by this Court may, with respect to compensation for work performed and reimbursement for expenses incurred during the period beginning on the Petition Date and ending on and including October 31, 2020, file and serve a first Monthly Fee Statement covering such period any time after the entry of this Order and before November 20, 2020.

4. Service of the Applications may be limited to the Notice Parties.

5. The amount of fees and disbursements sought shall be set out in U.S. dollars (if the fees and disbursements are to be paid in foreign currency, the amount shall be set out in U.S. dollars and the conversion amount in the foreign currency, calculated at the time of the submission of the Application).

6. The Debtors shall include all payments to Professionals on their monthly operating reports, detailed so as to state the amount paid to each Professional.

7. Any party may object to requests for payments made pursuant to this Order on the grounds that the Debtors have not timely filed monthly operating reports, remained current with their administrative expenses and 28 U.S.C. § 1930 fees, or a manifest exigency exists by seeking a further order of this Court, *otherwise*, this Order shall continue and shall remain in effect during the pendency of these cases.

8. The Debtors are authorized and empowered to execute and deliver such documents, and to take and perform all actions necessary to implement and effectuate the relief granted in this Order.

9. All time periods referenced in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

10. Any and all other and further notice of the relief requested in the Motion shall be, and hereby is, dispensed with and waived; *provided, however*, that the Debtors must serve a copy of this Order on the Notice Parties.

11. The requirements set forth in Local Rule 9013-1(b) are satisfied.

12. 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: October 26, 2020
New York, New York

s/Michael E. Wiles
The Honorable Michael E. Wiles
United States Bankruptcy Judge