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**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' OBJECTION TO MOTION OF THE OFFICIAL COMMITTEE OF
 EQUITY SECURITIES HOLDERS PURSUANT TO FED. R. BANKR. P. 9006(C)
 FOR ENTRY OF AN ORDER SHORTENING NOTICE PERIOD AND
 SCHEDULING A HEARING WITH RESPECT TO ITS MOTION FOR ENTRY OF
 AN ORDER TERMINATING THE DEBTORS' EXCLUSIVE PERIODS TO FILE A
CHAPTER 11 PLAN AND SOLICIT ACCEPTANCES**

Garrett Motion Inc. and its affiliated debtors and debtors-in-possession (collectively, the "Debtors") hereby file this objection (the "Objection") to the *Motion of the Official Committee of Equity Securities Holders Pursuant to Fed. R. Bank. P. 9006(C) for Entry of an Order Shortening Notice Period and Scheduling a Hearing with Respect to its Motion for*

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' claims and noticing agent at <http://www.kccllc.net/garrettmotion>. The Debtors' corporate headquarters is located at La Pièce 16, Rolle, Switzerland.

Entry of an Order Terminating the Debtors' Exclusive Periods to File a Chapter 11 plan and Solicit Acceptances [D.I. 769] (the "Motion to Shorten") filed by the Official Committee of Equity Securities Holders (the "Equity Committee"). In support of the Objection, the Debtors respectfully state as follows:

Objection

1. As stated on the record at today's hearing, the Debtors object to the Motion to Shorten and submit there is neither any need nor cause for the relief requested. *First*, the Court has scheduled an omnibus hearing in these cases for February 16, which is available to the Equity Committee to notice its *Motion of the Official Committee of Equity Securities Holders for Entry of an Order Terminating the Debtors' Exclusive Periods to File a Chapter 11 Plan and Solicit Acceptances* [D.I. 794] (the "Motion to Terminate Exclusivity"). The Debtors have already noticed motions seeking orders (i) approving their disclosure statement and solicitation procedures [D.I. 714, 781, 782]; and (ii) authorizing entry and performance under the Plan Support Agreement ("PSA") and the Equity Backstop Commitment Agreement [D.I. 783]. The Equity Committee can add its Motion to Terminate Exclusivity to the February 16 hearing calendar without any need to shorten notice.

2. This is both appropriate and sensible because the motions previously noticed for that hearing present many of the same and overlapping issues concerning the Debtors' business judgment to proceed with solicitation of their Plan of Reorganization [D.I. 780] (the "Plan"). Assuming the Equity Committee interposes objections to some or all of the relief the Debtors seek, the Court will already be considering many of the same topics raised in the Motion to Terminate Exclusivity concerning the path of these chapter 11 cases, the competitive auction process, and the Debtors' decision to pursue approval of the PSA and confirmation of their Plan.

Furthermore, to the extent the Court deems it helpful to receive evidence in connection with one or more of the motions, a single evidentiary hearing can be conducted on February 16 that will be most efficient for the Court and the parties.

3. *Second*, any timing issue with respect to the Equity Committee's proposed plan is entirely a result of the Equity Committee's own inaction and delay. The Equity Committee had ample time to prepare and submit its alternative plan proposal as part of the Court-approved bidding process and during the nearly month-long auction. Nonetheless, during and following conclusion of the auction the Debtors have provided diligence information to the Equity Committee and its financing sources. In fact, the Debtors obtained a specific carve-out in the "no-shop" provision in the PSA in order to be able to continue to provide the Equity Committee continued due diligence in the event it could make a higher and better offer. The Equity Committee decided not to send a formal written proposal to the Debtors until January 24, 2021, which is still subject to definitive documentation, and is not materially different from the verbal proposal previously considered by the Debtors' Board of Directors. The Debtors are nonetheless convening a meeting of the Board of Directors this week to consider the Equity Committee's written proposal. However, the Equity Committee's own delay does not constitute "cause" to shorten the 14-day notice period for the Motion to Terminate Exclusivity.

4. *Third*, the only stated cause for shortening time pursuant to Bankruptcy Rule 9006(c)—to permit the Equity Committee to comply with the deadline for approval of a disclosure statement in order to obtain the benefits of the Restructuring Support Agreement, dated September 20, 2020, by and among the Debtors and the lenders parties thereto (as amended, supplemented, and/or modified from time to time the "RSA")—is premised on a fundamentally flawed interpretation of the RSA. Section 5(b)(xii) of the RSA provides that the lenders may

terminate the RSA in its entirety upon notice if “the Company loses the exclusive right to file a plan or plans of reorganization or to solicit acceptances thereof pursuant to section 1121 of the Bankruptcy Code.” Therefore, if the Court were to ultimately grant the Motion to Terminate Exclusivity, the RSA lenders will have the right to terminate the RSA and would not be obligated to support either the Equity Committee’s alternative proposal or the Debtors’ Plan. There is certainly no current ability of the Equity Committee to utilize the treatment that the RSA lenders consented to in the RSA in that circumstance. Rather, the Equity Committee would need to negotiate a new agreement with the RSA lenders with respect to its proposal and the RSA deadline causing the purported exigency is irrelevant.

5. Even if, *arguendo*, the Court were to shorten notice with respect the Motion to Terminate Exclusivity and the RSA was available to the Equity Committee, the Equity Committee *still* could not satisfy the milestone under the RSA without also significantly shortening the notice requirements with respect to the Court’s consideration of a disclosure statement and solicitation procedures for its alternative plan. The Equity Committee’s alternate proposal currently consists of a plan term sheet, an equity commitment letter from Atlantic Park and two “highly confident” letters from its financing sources. In order to comply with the February 19, 2021 RSA milestone for entry of an order approving the disclosure statement, the Equity Committee must, among other things, prepare and file a plan of reorganization, a disclosure statement and a solicitation procedures motion, all of which have to be reasonably acceptable to the RSA lenders, sufficiently in advance of the currently scheduled February 16, 2021 omnibus hearing to allow parties-in-interest an opportunity to review and object to the adequacy of such disclosure statement and proposed solicitation procedures. The Equity Committee could provide only a fraction of the time required by Bankruptcy Rule 2002(b). In short, the Equity Committee

would need the support of the RSA lenders as a gating issue, but it cannot use the existing RSA. As a result, the RSA deadlines are not a basis for the Motion to Shorten.

6. *Finally*, the Motion to Terminate Exclusivity makes several baseless and serious allegations about the Debtors conduct and the progress of these chapter 11 cases. The Debtors should be provided sufficient time to respond to these unfounded assertions.

7. The next omnibus hearing is scheduled for February 16, 2021. There is sufficient time for the Equity Committee to properly notice the Motion to Terminate Exclusivity to be heard at that hearing. The Equity Committee has failed to show any basis or “cause” to shorten the notice period, and the Motion to Shorten should be denied.

Dated: January 26, 2021
New York, New York

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