

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

In re:

MEDLEY LLC,¹

Debtor.

Chapter 11

Case No. 21-10526 (KBO)

Re: Docket No. 88 and 114

**SECOND SUPPLEMENTAL DECLARATION OF ADAM M. ROSEN IN SUPPORT OF
DEBTOR'S APPLICATION, PURSUANT TO §§ 327 AND 328 OF THE BANKRUPTCY
CODE, FOR AN ORDER AUTHORIZING DEBTOR TO EMPLOY AND RETAIN B.
RILEY SECURITIES, INC. AS ITS INVESTMENT BANKER NUNC PRO TUNC TO
MARCH 7, 2021**

I, Adam Rosen, declare pursuant to 28 U.S.C. §1746 under penalty of perjury under the laws of the United States of America, that to the best of my knowledge, information and belief, the following is true and correct:

1. I am a Managing Director at B. Riley Securities, Inc. ("B. Riley Securities"), an investment bank which has its principal office at 11100 Santa Monica Blvd., Suite 800 Los Angeles, CA 90025. I have been retained as the investment banker to Medley LLC (the "Debtor") and am submitting this Declaration in that capacity.

2. I am authorized to make this second supplemental declaration (this "Second Supplemental Declaration") on behalf of B. Riley Securities to supplement the disclosures that were included in my original declaration, dated April 6, 2021 (my "Original Declaration"), that was filed with the *Application of the Debtor, Pursuant To §§ 327 and 328 of The Bankruptcy Code, For An Order Authorizing Debtor To Employ B. Riley Securities, Inc. As Its Investment Banker*

¹ The last four digits of the Debtor's taxpayer identification number are 7343. The Debtor's principal executive office is located at 280 Park Avenue, 6th Floor East, New York, New York 10017.



Nunc Pro Tunc To March 7, 2021 [Docket No. 88] (the “Application”)² and the *Supplemental Declaration of Adam M. Rosen in Support of the Debtor’s Application, Pursuant To §§ 327 and 328 of The Bankruptcy Code, For An Order Authorizing Debtor To Employ B. Riley Securities, Inc. As Its Investment Banker Nunc Pro Tunc To March 7, 2021* [Docket No. 114] (my “First Supplemental Declaration”) in accordance with Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). The Court has not yet entered an order regarding the Application.

3. Pursuant to Paragraph 26 of my Original Declaration, I indicated that B. Riley Securities would promptly file a supplemental declaration with the Court if it discovered any information that is contrary to the statements made in my Original Declaration or otherwise requires further disclosure.

4. Unless otherwise stated, all matters set forth in this Second Supplemental Declaration are based on my personal knowledge, my review of relevant documents, personal information supplied to me by other professionals at B. Riley Securities, or my views, including as based upon my experience and knowledge of the Debtor’s business and financial condition. If I were called to testify, I would testify competently to the facts discussed herein.

ADDITIONAL DISCLOSURES

5. In accordance with its ongoing obligations under Bankruptcy Rule 2014 and Local Rule 2014-1, B. Riley Securities has conducted, and will continue to conduct, an examination of its relationships with the Debtor, its creditors, and other parties in interest in this Chapter 11 Case.

6. Since the filing of my First Supplemental Declaration, the United States Trustee filed the *Notice of Appointment of Committee of Unsecured Creditors* appointing the following parties to the creditors’ committee: (a) U.S. Bank, National Association, as Indenture Trustee; (b)

² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

Mr. Glenn Gardipee; (c) Mr. James MacAyeal; and (d) Mr. Carl Wegerer, III (collectively, the “Committee”). Also, the United States Bankruptcy Court for the District of Delaware has appointment two new judges: Judge Craig Goldblatt and Judge J. Kate Stickles.

7. In addition to the Committee appointments and the new judges, B. Riley Securities learned that the other parties listed on Schedule 1 attached hereto are additional parties in interest in this Chapter 11 Case that needed to be included in B. Riley’s conflicts check for this Chapter 11 Case.

8. B. Riley has run all of the parties listed on Schedule 1 through its internal conflicts check system. I am filing this Second Supplemental Declaration to supplement the disclosures made in my Original Declaration and in my First Supplement Declaration. To the best of my knowledge, after due inquiry, and based on information provided to me by persons in corporate senior management, finance, accounting, compliance and legal departments, as well as managers at our above-described investment banking, retail, real estate, appraisal, advisory, liquidation and wealth and capital management affiliates, I hereby make the following disclosures and representations:

(a) LexisNexis is an active client of B. Riley Securities’ affiliate, GlassRatner Advisory & Capital Group, LLC dba B. Riley Advisory Services, a Delaware limited liability company, which has provided litigation consulting services to LexisNexis periodically since 2018.

(b) B. Riley Securities will not represent any of the parties listed in Schedule 1 in connection with the Debtor or this Chapter 11 Case.

(c) To further clarify paragraph 17 of my Original Declaration, and paragraph 6 of my First Supplemental Declaration, in the last three (3) years, B. Riley Securities has neither engaged, nor been engaged by, Sierra Income Corporation or SIC Advisors in any other matters; B. Riley has only been involved as a professional in matters in which Sierra Income Corporation and/or SIC Advisors were parties-in-interest, with such matter entirely unrelated

to the Debtor. Therefore, neither Sierra Income Corporation nor SIC Advisors should have been included in the disclosures I made in paragraph 17 of my Original Declaration.

9. B. Riley Securities, to the best of its knowledge, information and belief, believes that it continues to be a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code, and that it does not hold or represent an interest adverse to the Debtor’s estate.

10. I continue to reserve the right to supplement B. Riley Securities’ disclosures in the event that B. Riley Securities learns of any additional connections that require disclosure. If any new material, relevant facts, or relationships are discovered or arise, B. Riley Securities will promptly file another supplemental declaration pursuant to Bankruptcy Rule 2014.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: May 6, 2021
New York, New York

By: /s/ Adam M. Rosen
Adam M. Rosen
Managing Director
B. Riley Securities, Inc.

SCHEDULE 1

Additional Parties in Interest List

Restructuring Subcommittee

John Dyett
Guy Rounsaville
Peter Kravitz

Official Committee of Unsecured Creditors:

U.S. Bank, National Association, as Indenture Trustee
Glenn Gardipee
James MacAyeal
Carl Wegerer, III
Kelley Drye & Warren LLP
Potter Anderson & Carroon

Contract Counterparties:

MCC Advisors LLC
MCOF GP LLC
MCOF Management LLC
Medley (Aspect) GP LLC
Medley (Aspect B) GP LLC
Medley (Aspect) Management LLC
Medley Avantor Investors LLC
Medley Caddo Investors LLC
Medley Capital LLC
Medley Cloverleaf Investors LLC
Medley GP Holdings LLC
Medley GP LLC
Medley Group LLC
Medley Management Inc.
Medley Real D Investors LLC
Medley Seed Funding I LLC
Medley Seed Funding II LLC
Medley Seed Funding III LLC
Medley SMA Advisors LLC
MOF II GP LLC
MOF II Management LLC
MOF III GP LLC
MOF III Management LLC
MOF III Offshore GP LLC
SIC Advisors LLC
STRF Advisors LLC

Delaware Bankruptcy Judges:

Judge Craig Goldblatt

Judge J. Kate Stickles

Additional Parties

Andrew Pacini

Brian Dohmen

Burke Loeffler

David Richards*

Dean Crowe*

Howard Liao*

Jim Feeley

LexisNexis

Mark Giuliani

William Guo

* Effective May 3, 2021, Medley Management Inc. has promoted Howard Liao to chief executive officer, Dean Crowe to president, and David Richards to chief operating officer.