

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

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In re:)	Chapter 11	
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Fisker Inc., <i>et al.</i> , ¹)	Case No. 24-11390 (TMH)	
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Debtors.)	(Jointly Administered)	
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**LIMITED OMNIBUS OBJECTION OF CVI INVESTMENTS, INC.
TO CERTAIN OF THE DEBTORS’ FIRST DAY MOTIONS**

CVI Investments, Inc. (“CVI”), by and through their undersigned counsel, hereby submits this limited objection and reservation of rights (this “Limited Omnibus Objection”) to the following motions:

- (a) Motion of Debtors for Entry of Interim and Final Orders Authorizing (I) Debtors to Continue and Renew Their Liability, Property, Casualty, Surety Bond, and Other Insurance Programs and Honor All Obligations In Respect Thereof and (II) Financial Institutions to Honor and Process Related Checks and Transfers [Docket No. 8] (the “Insurance Motion”);
- (b) Motion of Debtors for Entry of Interim and Final Orders (I) Prohibiting Utilities from Altering, Refusing, or Discontinuing Service, (II) Deeming Utilities Adequately Assured of Future Performance, and (III) Establishing Procedures for Determining Requests for Additional Adequate Assurance [Docket No. 10] (the “Utilities Motion”);
- (c) Motion of Debtors for Entry of Interim and Final Orders Authorizing (I) Debtors to Pay Certain Prepetition Taxes, Governmental Assessments, and Fees and (II) Financial Institutions to Honor and Process Related Checks and Transfers [Docket No. 11] (the “Taxes Motion”);
- (d) Motion of Debtors for Entry of Interim and Final Orders Authorizing (I) Debtors to (A) Pay Prepetition Employee Obligations and (B) Maintain Employee Benefits Programs and Pay Related Administrative Obligations, (II) Current and Former Employees to Proceed With Outstanding Workers’ Compensation Claims, and (III) Financial Institutions to Honor and Process Related Checks and Transfers [Docket No. 12] (the “Wages Motion”);

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers or Delaware file numbers, are as follows: Fisker Inc. (0340); Fisker Group Inc. (3342); Fisker TN LLC (6212); Blue Current Holding LLC (6668); Platinum IPR LLC (4839); and Terra Energy Inc. (0739). The address of the debtors’ corporate headquarters is 14 Centerpointe Drive, La Palma, CA 90623.



- (e) Application of Debtors for Authority to Employ and Retain Kurtzman Carson Consultants, LLC DBA Verita Global as Administrative Advisors to the Debtors *Nunc Pro Tunc* to the Petition Date [Docket No. 71] (the “KCC Retention Application”);
- (f) Motion of Debtors for Entry of an Order Approving Procedures for the Retention and Compensation of Ordinary Course Professionals *Nunc Pro Tunc* to the Petition Date [Docket No. 87] (the “OCP Procedures Motion”); and
- (g) Motion of Debtors for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals [Docket No. 105] (the “Compensation Procedures Motion” and, collectively with the Insurance Motion, Utilities Motion, Taxes Motion, Wages Motion, OCP Procedures Motion, and KCC Retention Application, the “Selected First Day Motions”).²

LIMITED OBJECTION

1. CVI is the holder of the Prepetition 2025 Secured Notes and the Bridge Secured Note, which are both secured by liens on substantially all of the Debtors’ assets and property. As stipulated in the interim cash collateral orders, the Debtors are indebted and liable to CVI, (i) in the aggregate principal amount of not less than \$183,050,000.00 under the Prepetition 2025 Secured Notes, and (ii) in the aggregate principal amount of not less than \$3,456,000.00 under the Bridge Secured Note.³

2. When they filed Chapter 11 petitions on June 17 and 19, 2024, the Debtors also filed the Selected First Day Motions (as well as other motions and applications) seeking relief on interim and final bases. In many cases, the relief sought in the Selected First Day Motions is garden-variety relief for reorganizing debtors, where they are able to operate and manage their business as debtors in possession. Those are not the circumstances here.

3. The Debtors have been clear with the Court that they have limited cash collateral available and that they are unable to obtain postpetition financing, and their intent is to use the Chapter 11 Cases

² Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Selected First Day Motions.

³ The amounts the Debtors are indebted and liable to CVI under the Prepetition 2025 Secured Notes and Bridge Secured Notes may have been reduced as a result of cash sweeps conducted pursuant to the Prepetition Note Documents.

to liquidate their business and assets. *See Declaration of John C. DiDonato as Chief Restructuring Officer of the Debtors in Support of the Debtors' Chapter 11 Proceedings and First Day Motions* [Docket No. 37] (“With the assistance of its Advisors, the Debtors determined that their best prospect of maximizing value – particularly in light of the Company’s limited liquidity runway – would be a sale of all (or substantially all) of the Debtors’ assets, or individual portions thereof.”).

4. The Debtors have also filed a motion seeking approval of the sale of their entire existing electric vehicle fleet (which constitutes CVI’s collateral) to American Lease LLC, which is scheduled to be heard on July 16, 2024. The proceeds from that sale are not sufficient to satisfy a fraction of the Debtors’ outstanding obligations, secured or otherwise. *See Motion of Debtors for Entry of an Order (I) Authorizing and Approving the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Encumbrances, and Interests, (II) Authorizing the Debtors to Enter Into and Perform Under the Fleet Sales Agreement, and (III) Granting Related Relief* [Docket No. 110].

5. More important for this Limited Omnibus Objection, however, is that the proceeds of the sale may not even be sufficient to enable the Debtor to remain in chapter 11. Yet, the Selected First Day Motions seek approval, on a final basis, to, among other things (i) make over \$4 million in payments to various vendors, employees, and taxing authorities; and (ii) establish procedures for the payment on an interim basis of (substantial) compensation and reimbursement of expenses to various professionals. It is not at all clear, however, that the Debtors will have on hand the \$4 million of payments proposed by the Selected First Day Motions, or that payment of such amounts (including interim payments to professionals) will be, or should be, authorized by any then-current cash collateral order. It is also not clear at all, what services KCC could provide as administrative advisor if converted to chapter 7.

6. Moreover, the Selected First Day Motions seek approval on a final basis at a time when it is not clear whether the Debtors will be able to remain in chapter 11. In the event of conversion to

chapter 7, any final relief granted in connection with the Selected First Day Motions could improperly tie the hands of a chapter 7 trustee.

7. These cases are fragile and the situation is fluid. CVI respectfully files this Limited Omnibus Objection and requests that the Court deny the final relief sought without prejudice or, alternatively, further adjourn the hearings on the Selected First Day Motions to a later date, after it is determined whether the Debtors will remain in chapter 11 or convert to chapter 7 and/or so that the relief sought may be adjusted as circumstances warrant and as the situation develops.

RESERVATION OF RIGHTS

8. CVI reserves all rights, claims, defenses, and remedies, including without limitation, the right to supplement and amend this Limited Omnibus Objection, to raise further and other objections prior to or at the July 16, 2024 hearing, to introduce evidence prior to or at the July 16, 2024 hearing, and to introduce any other relevant information in support of the positions set forth in this Limited Omnibus Objection prior to or at the July 16, 2024 hearing.

Dated: July 9, 2024
Wilmington, Delaware

/s/ Richard M. Beck

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CERTIFICATE OF SERVICE

I, Richard M. Beck, Esq. of Klehr Harrison Harvey Branzburg LLP, hereby certify that on July 9, 2024, I served a copy of the ***Limited Omnibus Objection of CVI Investments, Inc. to Certain of the Debtors’ First Day Motions*** via CM/ECF upon those parties registered to receive such electronic notifications and upon the parties listed on the attached Service List via electronic mail.

/s/ Richard M. Beck
Richard M. Beck (DE Bar No. 3370)

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers or Delaware file numbers, are as follows: Fisker Inc. (0340); Fisker Group Inc. (3342); Fisker TN LLC (6212); Blue Current Holding LLC (6668); Platinum IPR LLC (4839); and Terra Energy Inc. (0739). The address of the debtors’ corporate headquarters is 14 Centerpointe Drive, La Palma, CA 90623.

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