

**KIRKLAND & ELLIS LLP**  
**KIRKLAND & ELLIS INTERNATIONAL LLP**

Edward O. Sassower, P.C. (*pro hac vice* pending)  
Christopher Marcus, P.C. (*pro hac vice* pending)  
Derek I. Hunter (*pro hac vice* pending)  
601 Lexington Avenue  
New York, New York 10022  
Telephone: (212) 446-4800  
Facsimile: (212) 446-4900  
edward.sassower@kirkland.com  
christopher.marcus@kirkland.com  
derek.hunter@kirkland.com

**COLE SCHOTZ P.C.**  
Michael D. Sirota, Esq.  
Warren A. Usatine, Esq.  
Felice R. Yudkin, Esq.  
Court Plaza North, 25 Main Street  
Hackensack, New Jersey 07601  
Telephone: (201) 489-3000  
msirota@coleschotz.com  
wusatine@coleschotz.com  
fyudkin@coleschotz.com

*Proposed Co-Counsel for Debtors and  
Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

In re:  
  
CYXTERA TECHNOLOGIES, INC., *et al.*,  
  
Debtors.<sup>1</sup>

Chapter 11  
  
Case No. 23-23-14853 (JKS)  
  
(Joint Administration Requested)

<sup>1</sup> A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at <https://www.kccllc.net/cyxtera>. The location of Debtor Cyxtera Technologies, Inc.'s principal place of business and the Debtors' service address in these chapter 11 cases is: 2333 Ponce de Leon Boulevard, Ste. 900, Coral Gables, Florida 33134.



**DECLARATION OF  
RONEN BOJMEL IN SUPPORT  
OF THE DEBTORS' MOTION FOR  
ENTRY OF INTERIM AND FINAL ORDERS  
(I) AUTHORIZING THE DEBTORS TO OBTAIN  
POSTPETITION FINANCING, (II) AUTHORIZING  
THE DEBTORS TO USE CASH COLLATERAL, (III)  
GRANTING LIENS AND PROVIDING SUPERPRIORITY  
ADMINISTRATIVE EXPENSE CLAIMS, (IV) GRANTING  
ADEQUATE PROTECTION, (V) MODIFYING THE AUTOMATIC STAY,  
(VI) SCHEDULING A FINAL HEARING, AND (VII) GRANTING RELATED RELIEF**

---

I, Ronen Bojmel, declare as follows under penalty of perjury:

1. I am a Senior Managing Director of Guggenheim Securities, LLC (“Guggenheim Securities”), an investment banking firm with principal offices located at 330 Madison Avenue, New York, New York, 10017. Guggenheim Securities is the proposed investment banker for the debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases.<sup>2</sup>

2. I submit this declaration (this “Declaration”) in support of the *Debtors’ Motion Seeking Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection, (V) Modifying the Automatic Stay, (VI) Scheduling A Final Hearing, and (VII) Granting Related Relief* (the “Motion”),<sup>3</sup> which, as noted in the Motion, seeks approval of a debtor-in-possession financing facility in an aggregate principal amount of \$200 million (the “DIP Facility”). As further described in the Motion, the DIP Facility includes new money components of up to \$150 million

---

<sup>2</sup> The Debtors anticipate filing an application to retain Guggenheim Securities as their investment banker, effective as of the commencement of their chapter 11 cases, shortly hereafter.

<sup>3</sup> Capitalized terms used but not defined herein have the meaning ascribed to them in the Motion filed contemporaneously herewith or the *Declaration of Eric Koza, Chief Restructuring Officer of Cyxtera Technologies, Inc., in Support of the Chapter 11 Petitions and First Day Motions* (the “First Day Declaration”) filed contemporaneously herewith, as applicable.

in term loans, a “roll-up” component of \$36 million of previously-funded emergency prepetition loans, a conversion of \$14 million in prepetition obligations under the Bridge Facility (collectively, the “Bridge Facility”), and the consensual use of Cash Collateral.<sup>4</sup> Upon entry of the Interim Order, the Debtors would receive immediate access to \$40 million of new money commitments and \$14 million of escrowed Bridge Facility funds.

3. Although Guggenheim Securities is expected to be compensated for its work as the Debtors’ proposed investment banker in these chapter 11 cases, I am not being compensated separately for this Declaration or testimony. Except as otherwise indicated herein, all of the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, the information provided to me by Guggenheim Securities professionals involved in advising the Debtors in these chapter 11 cases, or information provided to me by the Debtors. If called upon to testify, I could and would testify to the facts set forth herein on that basis. I am over the age of 18 years and am authorized to submit this Declaration.

### **Qualifications**

4. I have more than 25 years of experience, including restructuring-related investment banking experience, handling complex financial and other restructuring matters for a variety of companies (distressed or otherwise, both in and out of court), in a wide spectrum of industries. My areas of expertise include, among other things, (a) advising on financial restructuring execution and strategies, (b) analyzing business plans and related financial projections, (c) developing views on valuations based on practices widely used in the investment banking industry, (d) sizing,

---

<sup>4</sup> The material terms of the DIP Facility are set forth in detail in the Motion. For the avoidance of doubt, any description of the DIP Facility herein or in the Motion is qualified in its entirety by reference to the DIP Documents (as defined in the Motion).

structuring, raising, and executing all aspects of financing transactions, including debtor-in-possession and exit financings, and (e) M&A and sale marketing processes.

5. I co-head Guggenheim Securities' investment banking restructuring practice and have been employed at Guggenheim Securities since October 2012. Before joining Guggenheim Securities, I was a Managing Director at Miller Buckfire & Co. for six years, and prior to joining Miller Buckfire & Co., I was a Vice President in the financial restructuring group at Dresdner Kleinwort Wasserstein and its predecessor, Wasserstein Perella.

#### **The Retention of Guggenheim Securities**

6. Guggenheim Securities has been engaged as investment banker to the Debtors, and members of my team and I have been working closely with the Debtors, since December 2022. Since being engaged by the Debtors, Guggenheim Securities has rendered investment banking advisory services to the Debtors in connection with the Debtors' evaluation of financing and strategic alternatives in light of their financial position. Additionally, Guggenheim Securities has worked with the Debtors' management and other professionals retained by the Debtors, and has become familiar with the Debtors' capital structure, financial condition, liquidity needs, and business operations.

#### **The Debtors' Need for Postpetition Financing and Access to Cash Collateral**

7. I understand that information regarding the Debtors' cash needs leading up to the Petition Date, and the need for the relief requested in the Motion is addressed in the First Day Declaration and the *Declaration of Eric Koza in Support of the Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Obtain Postpetition Financing, (II) Authorizing the Debtors to Use Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Claims, (IV) Granting Adequate Protection, (V) Modifying the Automatic*

*Stay, (VI) Scheduling a Final Hearing, and (VII) Granting Related Relief* (the “Koza Declaration”). As noted in the Koza Declaration, the Debtors require immediate access to liquidity. As further described in the Koza Declaration, given the Debtors’ liquidity crunch, and in light of the size, scope, cash-intensive nature of the Debtors’ businesses, and real estate footprint throughout the United States and abroad, the Debtors require immediate access to proceeds under the DIP Facility and use of Cash Collateral to, among other things, administer these chapter 11 cases and to avoid significant degradation of the Debtors’ estates.

**The Debtors’ Efforts to Obtain Postpetition Financing**

8. As noted in the Motion, the Debtors commenced these chapter 11 cases with a restructuring support agreement (the “Restructuring Support Agreement”) that enjoys the support of approximately 64 percent of the holders of the first lien claims (the “Consenting Lenders”) as well as the support of certain holders of the Company’s outstanding equity interests (the “Consenting Sponsors,” together with the Consenting Lenders, the “Consenting Stakeholders”). As further described in the Motion, the Restructuring Support Agreement contemplates a dual-track process whereby the Debtors can continue their prepetition marketing process (the “Marketing Process”) in court, following the commencement of these chapter 11 cases, while simultaneously pursuing a debt-for-equity plan. However, as noted in the Koza Declaration, in order to provide the Debtors with sufficient liquidity for an organized chapter 11 filing, and in order to be able to continue to progress the Marketing Process and finalize the terms of the Restructuring Support Agreement, the Debtors need immediate access to additional liquidity.

9. In January 2023, the Debtors, with the assistance of their advisors, commenced discussions with the ad hoc group of first lien lenders represented by Gibson, Dunn &

Crutcher LLP, as legal counsel, and Houlihan Lokey, Inc., as financial advisor, (the “Ad Hoc Group”) regarding the terms of a broad restructuring transaction. As noted in the First Day Declaration, however, as these negotiations progressed, the Debtors’ liquidity deteriorated. Accordingly, as noted in the Motion, in order to avoid a “free fall” emergency chapter 11 filing, the Debtors, with the assistance of their advisors, began soliciting interest in providing emergency bridge and/or debtor-in-possession financing.<sup>5</sup>

10. Specifically, in April 2023, in addition to the Ad Hoc Group, the Debtors engaged in discussions with six financial institutions that were familiar with the Debtors and their businesses as a result of previous financing processes, and that were experienced in providing emergency debtor-in-possession financings in special situations. Over the course of April and May the Debtors engaged with both the Ad Hoc Group and these various third parties on multiple financing structures, including non-priming and priming debtor-in-possession financing facilities.

11. On May 4, 2023, the Debtors and the Consenting Stakeholders came to terms on the Restructuring Support Agreement, and certain of the Consenting Lenders agreed to provide the Debtors with a \$50 million emergency bridge financing facility (the “Bridge Facility”). One week later, on May 11, 2023, the Consenting Lenders re-engaged with the Debtors, providing the Debtors with an initial DIP term sheet. Additionally, as negotiations with the Consenting Lenders progressed, the Debtors also continued engaging with third parties on providing the Debtors with debtor-in-possession financing. Specifically, the Debtors expanded the scope of their DIP marketing process to include four additional potential financing providers. Again, the Debtors

---

<sup>5</sup> While the Debtors received a number of non-binding indications of interest from various third-party equity investors, the Debtors determined that they were unlikely to obtain an equity investment and funding that would facilitate a sale transaction on the accelerated timeline required by their liquidity position. Accordingly, the Debtors, with the assistance of their advisors, focused their efforts on negotiating the Bridge Facility, the Restructuring Support Agreement, and the proposed DIP Facility with the Ad Hoc Group.

discussed both non-priming and priming debtor-in-possession financing structures with these additional parties.

12. In total, of the ten parties contacted in the preceding two months regarding debtor-in-possession financing, only one indicated potential interest in providing debtor-in-possession financing to the Debtors, and only on a priming basis. Specifically, on April 27, 2023, the Debtors received a non-binding senior secured debtor-in-possession financing proposal, subject to a diligence process. This potential financing source re-confirmed its potential interest in providing debtor-in-possession financing on these terms on May 31, 2023. After evaluating this alternative financing proposal, the Debtors, in consultation with their advisors, determined that they would not pursue this alternative financing proposal given that the First Lien Lenders would not have consented to any priming proposal, which would have resulted in a potentially costly and destructive priming fight. Additionally, as noted above, the proposal indicated the need to conduct further diligence.

13. Accordingly, the Debtors, with the assistance of their advisors, focused their efforts on negotiating the Bridge Facility, the Restructuring Support Agreement, and the proposed DIP Facility with the Ad Hoc Group. As noted in the First Day Declaration, the Debtors and the Ad Hoc Group subsequently came to a mutual agreement on terms and conditions of the DIP Facility, including the use of Cash Collateral.

#### **The Proposed DIP Facility**

14. As noted in the Motion, the proposed DIP Facility is a \$200 million senior secured super-priority loan facility, consisting approximately of a \$150 million superpriority new money term loan facility, a “roll up” of \$36 million of the outstanding principal balance under the Bridge Facility, and a conversion of \$14 million in prepetition obligations under the Bridge Facility. As

further described in the Motion, the proposed DIP Facility, if approved, will provide the Debtors with \$150 million of new liquidity for use during the pendency of these chapter 11 cases, of which \$40 million is expected to be made available following entry of the Interim Order, with the remaining \$110 million to be made available for withdrawal following entry of the Final Order. Additionally, the Company will have access to \$14 million of funds to be released from escrow from the converted Bridge Facility.

15. In connection with the DIP Facility, as described in the Motion, the Debtors have agreed, subject to Court approval, to grant liens on certain unencumbered property and pay interest and certain fees, including a backstop fee, commitment fee, and maturity extension fee. Specifically, the Debtors have agreed to pay, as noted in the Motion:

- a. **Interest Rates.** The Borrower will pay SOFR plus 8.50 percent, with a 1 percent SOFR floor and a credit spread adjustment equal to (i) 0.11448 percent for loans made under the DIP Facility (the “DIP Loans”) with a one-month interest period, (ii) 0.26161 percent for DIP Loans with a three-month interest period, and (iii) 0.42826 percent for DIP Loans with a six-month interest period (collectively, the “Interest Rates”). The Interest Rates are subject to a 2 percent default interest rate adjustment.
- b. **Backstop Fee.** The Borrower will pay a backstop fee (the “Backstop Fee”) upon entry of the Interim Order of 6 percent on the \$150 million of new money commitments (the “DIP Commitments”) that will be made available under the DIP Facility.
- c. **Commitment Fee.** The Borrower will pay a commitment fee payment payable upon entry of the Interim Order of 3 percent of the DIP Commitments.
- d. **Maturity Extension Fee.** The Borrower will pay a maturity extension fee of 1 percent on each 1-month extension.

As noted in the Motion, the proposed DIP Facility also contains certain milestones that the Debtors must meet throughout their chapter 11 cases.



**The Proposed DIP Facility is the Best  
Postpetition Financing Arrangement Presently Available to the Debtors**

16. Based on my experience with debtor-in-possession financing transactions as well as my involvement in the efforts to secure postpetition financing for the Debtors, I believe that the proposed DIP Facility, taken as a whole, is the best presently available financing option under the facts and circumstances of these chapter 11 cases.

17. *First*, the proposed DIP Facility is expected to provide the Debtors with access to the amount of capital that the Debtors, in consultation with their advisors, believe is necessary to effectively and efficiently administer these chapter 11 cases.

18. *Second*, the terms of the proposed DIP Facility are the result of the negotiations and the DIP marketing process described above. As previously noted, the Debtors, with the assistance of their advisors, solicited and considered other sources of postpetition financing to determine whether the Debtors could obtain such postpetition financing on better terms. However, none of the other financing proposals received by the Debtors offered to make available financing facilities that the Debtors deemed to be more viable than the DIP Facility.

19. *Third*, I believe that the principal economic terms proposed under the DIP Facility, such as the contemplated pricing, fees, interest rate, and default rate, are customary and usual for debtor-in-possession financings of this type. In my view, based on the discussions I observed, such economic terms were negotiated at arm's length and are, in the aggregate, generally consistent with the cost of debtor-in-possession financings in comparable circumstances.

20. *Fourth*, as noted in the Motion, the Debtors are seeking to "roll up" \$36 million of the outstanding balance under the Bridge Facility. As described in the First Day Declaration, the Debtors entered into the Bridge Facility on May 4, 2023, mere weeks before the commencement of these chapter 11 cases, which provided emergency short-term liquidity to bridge to an orderly

chapter 11 filing. Based on discussions I participated in, the roll-up of this amount under the Bridge Facility was required by the Ad Hoc Group, which deemed this an integral component of the DIP Facility. Similarly, based on discussions I participated in, the milestones, too, were required by the Ad Hoc Group, who, similarly, viewed these as integral components of the overall terms of the DIP Facility.

**The Proposed DIP Facility was Negotiated at Arms' Length**

21. Negotiations around the proposed DIP Facility and its terms, including the interest rates and fees, extended for a period of nearly a month. In my view, based on the discussions I participated in during the course of these negotiations, and my experience negotiating other debtor-in-possession financings, these negotiations were conducted at arm's length.

**Conclusion**

22. In sum, for the reasons stated above, and based on my experience with debtor-in-possession financing transactions as well as my participation and involvement in the marketing and negotiation of the postpetition financing alternatives for the Debtors, I believe that the proposed DIP Facility, taken as a whole, offers the best presently available financing option for the Debtors under the facts and circumstances of these chapter 11 cases. Additionally, I believe that the principal economic terms proposed under the DIP Facility (such as the pricing, fees, interest rate, and default rate), are customary and usual for DIP financings of this type, were negotiated at arms' length, and are, in the aggregate, generally consistent with terms of DIP financings in comparable circumstances.

*[Remainder of page intentionally left blank.]*

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct.

Dated: June 5, 2023

*/s/ Ronen Bojmel*

---

Ronen Bojmel  
Senior Managing Director  
Guggenheim Securities, LLC