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-and-

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

GARRETT MOTION, INC., et al.,

Debtors.¹

Chapter 11 Case

No. 20-12212 (MEW)

(Joint Administration Requested)

**THE GABELLI AND SM&CO. FUNDS' NOTICE OF WITHDRAWAL
OF LIMITED OBJECTION CONCERNING DEBTORS' MOTION
TO OBTAIN POSTPETITION FINANCING**

Gabelli Funds, LLC ("Gabelli") and S. Muoio & Co. LLC ("SM&Co.") and, together with Gabelli, the "Funds") hereby withdraw their limited objection (the "Objection") (ECF No. 110) to the final relief sought in *Debtors' Motion for Entry of Interim and Final Orders, Pursuant to 11 U.S.C. §§ 105, 361, 362, 363, 364, 503, 506, 507 and 552, (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing*

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, for which the Debtors have requested joint administration, 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.



Claims with Superpriority Administrative Expense Status, (III) Granting Adequate Protection to the Prepetition Secured Parties, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing and (VI) Granting Related Relief (the “DIP Motion”) (ECF No. 17).

1. The Funds are pleased to report that they engaged in a productive dialogue with Debtors concerning their Objection during the period following the interim DIP hearing. That dialogue (and related discussions between Debtors and other objectors) resulted in favorable changes to the DIP financing as presented in the DIP Motion.

2. Among other things, the 1% pre-payment penalty has been removed from the DIP financing agreement and various favorable changes were made to the events of default in the Credit Agreement.

3. Moreover, as agreed, Debtors have provided information on various attendant topics related to the DIP budget and other matters that has enabled the Funds to evaluate the relief sought in the DIP Motion and the proposed DIP financing.

4. Information developed during the Fund’s interviews with Debtors and their advisors and in depositions of the Debtors’ Chief Financial Officer and financial advisor demonstrate that certain negative assumptions – and resulting attendant contingencies and “reserves” – in the current DIP Budget were largely overestimated and the Debtors’ advisors have confirmed neither they nor the Debtors have done any “build up” to support the view there is a “floor” of \$150 million for budgetary cash management purposes. Nevertheless, in exchange for the elimination of the 1% pre-payment penalty and certain other adjustments to the Credit Agreement and agreed upon informational transparency – together with the testimony of the Debtors’ CFO to the effect that the short term incremental borrowing cost is outweighed by the

benefit of projected financial stability – the Funds have agreed to withdraw their limited remaining
Objection to the DIP.

Dated: October 20, 2020

ENTWISTLE & CAPPUCCI LLP

/s/ Andrew J. Entwistle

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