

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

NU RIDE INC., *et al.*,¹

Reorganized Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

Objection Deadline: November 6, 2025 at 4:00 p.m. (ET)

Hearing Date: November 13, 2025 at 11:30 a.m. (ET)

**POST-EFFECTIVE DATE DEBTORS' MOTION
FOR ENTRY OF AN ORDER (I) AUTHORIZING THE REDUCTION
OF THE GUC RESERVE AND (II) GRANTING RELATED RELIEF**

Nu Ride Inc. and its affiliated reorganized debtors in the above-captioned proceeding (the “**Post-Effective Date Debtors**”), by and through their undersigned counsel, submit this motion (the “**Motion**”),² pursuant to sections 105(a) and 1142(b) of the Bankruptcy Code and to the Plan, seeking entry of an order, substantially in the form attached hereto as **Exhibit A**, (i) authorizing the reduction of the GUC Reserve and (ii) granting related relief. In support of the Motion, the Post-Effective Date Debtors state as follows:

PRELIMINARY STATEMENT

1. Following the Effective Date, the Post-Effective Date Debtors and the Claims Ombudsman have undertaken the administration of the claims resolution process and the payment of unsecured claims as set forth in the Plan. As the process has progressed, many large claims have been Allowed and paid in amounts below the face amount of such claims. As a result, the

¹ The Reorganized Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Reorganized Debtors' service address is: Nu Ride Inc. c/o Alex Matina, CEO, M 3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019.

² Capitalized terms used but not defined herein shall have the meanings set forth in the *Third Modified First Amended Joint Chapter 11 Plan of Lordstown Motors Corp. and its Affiliated Debtors* [D.I. 1066] (the “**Plan**”).



GUC Reserve, the amount of which was based on the face amount of claims (plus a “cushion” of several million dollars), is larger than necessary to satisfy remaining unsecured claims.

2. In such a situation, the Plan expressly contemplates the reduction of the GUC Reserve by agreement of the Post-Effective Date Debtors and the Claims Ombudsman. The Post-Effective Date Debtors and the Claims Ombudsman have agreed that such a reduction is appropriate, and the Claims Ombudsman has consented to the filing of this Motion, for the following reasons. First, all non-Disputed Claims have been paid, and few Disputed liquidated claims remain. Second, 100% of the face amount of remaining liquidated claims will continue to be held in the GUC Reserve, notwithstanding that all or a significant portion of those claims are Disputed. Third, other than the Disputed liquidated claims, there are also certain Disputed unliquidated claims outstanding (largely for indemnification) and the Post-Effective Date Debtors believe they have defenses to these claims. Notwithstanding these defenses, any claim ultimately Allowed can recover from the remaining GUC Reserve, the Post-Effective Date Debtors’ substantial cash on hand, or any other assets of the Post-Effective Date Debtors. *See* Plan Art. V.E.

3. The GUC Reserve was negotiated as part of a complex settlement among chapter 11 constituencies when much was still unknown. It has served its purpose, and, as contemplated in the Plan, the bulk of it is no longer needed. The Post-Effective Date Debtors should be permitted to conduct their business as a publicly traded company without the constraints and administrative burden of an unnecessarily large GUC Reserve.

4. As such, and for the reasons set forth below, the Post-Effective Date Debtors respectfully request an order authorizing the reduction of the GUC Reserve as provided herein.

JURISDICTION AND VENUE

5. This Court has jurisdiction to consider the Motion under 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference*, dated February 29, 2012 (Sleet, C.J.). This is a core proceeding under 28 U.S.C. § 157(b).

6. Venue in this District is proper under 28 U.S.C. §§ 1408 and 1409.

7. The statutory predicates for the relief requested herein are sections 105(a) and 1142(b) of the Bankruptcy Code.

8. Pursuant to Local Rule 9013-1(f), the Post-Effective Date Debtors consent to the entry of a final judgment or order with respect to this Motion if it is determined that this Court lacks Article III jurisdiction to enter such final order or judgment absent consent of the parties.

BACKGROUND

I. General Case Background.

9. On June 27, 2023 (the “**Petition Date**”), the Debtors each commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code (collectively, the “**Chapter 11 Cases**”). These Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1.

10. Additional factual background and information regarding the Debtors, including their business operations, their corporate and capital structure, and the events leading to the commencement of these Chapter 11 Cases is set forth in detail in the *Declaration of Adam Kroll in Support of the Debtors’ Chapter 11 Petition and First Day Motions*. D.I. 15.

11. On March 6, 2024, the Court confirmed the *Third Modified First Amended Joint Chapter 11 Plan of Lordstown Motors Corp. and its Affiliated Debtors* [D.I. 1066] (the “**Plan**,”

and the Order confirming the Plan [D.I. 1069], the “**Confirmation Order**”). The Plan went effective on March 14, 2024. *See* D.I. 1096.

II. **The GUC Reserve.**

12. The Plan provides for the establishment of the GUC Reserve “for the payment of Allowed and Disputed General Unsecured Claims” Art. V.C.3. The GUC Reserve is subject to certain Claims Reserve Requirements, most prominently “the requirement of reserves for the payment of Disputed Claims by withholding 100% of Distributions to which Holders of such Disputed Claims would be entitled if such Disputed Claims were Allowed Claims[.]” *Id.*

13. Pursuant to the Plan, the Debtors, the UCC, and the official committee of equity holders (EC) agreed that the GUC Reserve would be set at \$45 million. *see* Confirmation Order ¶ A(20); *Notice of Filing of First Supplemental Plan Supplement for the Third Modified First Amended Joint Chapter 11 Plan of Lordstown Motors Corp. and its Affiliated Debtors*, Ex. E.

14. The Plan provides mechanisms for the reduction of the GUC Reserve. The Reserve is “automatically reduced” by (i) the amounts paid in Cash on account of Allowed Claims and (ii) any amount of certain vendor Claims listed in Exhibit J to the Plan Supplement that are Disallowed. D.I. 1016-7; *see* D.I. 1016-12.³ In addition, the Post-Effective Date Debtors and Claims Ombudsman must meet and confer periodically to “discuss whether the GUC Reserve should be reduced as a result of the status of the Claims resolution process[.]” Plan Art. V.E. If the Post-Effective Date Debtors and the Claims Ombudsman determine in good faith that such a reduction complies with the Claims Reserve Requirements, the agreed reduction “shall be automatically implemented” and “[a]t any time, the Post-Effective Date Debtors may file a motion

³ *Notice of Filing of First Supplemental Plan Supplement for the Third Modified First Amended Joint Chapter 11 Plan of Lordstown Motors Corp. and its Affiliated Debtors*, Ex. J.

with the Bankruptcy Court seeking” authority to reduce the Reserve. *Id.* Any reduction below \$3.5 million must be pursuant to an agreement between the Post-Effective Date Debtors and the Claims Ombudsman or pursuant to a Court order. *Id.*

15. To the extent the GUC Reserve is insufficient to pay all Allowed General Unsecured Claims in full with interest, claimants may recover “any deficiency” from “all Assets of the Post-Effective Date Debtors.” *Id.* Art. V.C.3; *see also id.* Art. V.E; D.I. 1016-7, n. 1.

ARGUMENT

16. Since the Effective Date, the Post-Effective Date Debtors and the Claims Ombudsman have been working side-by-side to reconcile claims and make distributions on account of Allowed claims. In the aggregate, the amount needed to pay out all Allowed claims to date has proven to be significantly lower than the amounts reserved for such claims. After the automatic reductions contemplated in the Plan, the GUC Reserve was \$21.8 million as of June 30, 2025. Only Disputed claims remain to be paid; those that are fully liquidated have a face amount of approximately \$3.5 million (exclusive of claims with pending settlement payments). The Post-Effective Date Debtors and the Claims Ombudsman have therefore agreed, pursuant to the Plan, that the GUC Reserve should be reduced to \$3.5 million.

17. The Court has broad authority under sections 1142(b) and 105(a) of the Bankruptcy Code over the property of the estates administered under the Plan and to issue any order necessary to implement the provisions of the Plan and the Bankruptcy Code. *See* 11 U.S.C. § 1142(b) (“The court may direct the debtor and any other necessary party . . . to perform any other act . . . necessary to the consummation of the plan.”); 11 U.S.C. § 105(a) (“The court may issue any order, process or judgment that is necessary or appropriate to carry out the provisions of this title.”).

18. Section 1142(b) provides the Court with the authority to issue orders necessary to implement the terms of a confirmed plan. *See Binder v. Price Waterhouse & Co., LLP (In re Resorts Int'l, Inc.)*, 372 F. 3d 154, 165 (3d Cir. 2004) (finding that, notwithstanding the entry of a confirmation order, bankruptcy courts may issue any order necessary to administer the estate); *United States Trustee v. Gryphon at the Stone Mansion*, 166 F.3d 552, 556 (3d Cir. 1999) (“Section 1142(b) provides that the bankruptcy court may take action to ensure the consummation of a confirmed plan.”); *In re Intermet Corp.*, 2009 Bankr. LEXIS 2613, *13 (Bankr D. Del. 2009) (“[Section 1142(b)] provide[s] courts with broad authority to order parties to comply with reorganization plans . . . It is incumbent upon the Court to make certain that the Plan which the creditors overwhelmingly supported is given effect.”). Reducing the GUC Reserve implements the terms of the Plan. D.I. 1016-7; *see* D.I. 1016-12.

19. Further, this reduction in the GUC Reserve will not prejudice the rights of claimants, given that (i) as of the most recently filed quarterly report dated June 30, 2025, the Post-Effective Date Debtors had \$49.2 million in cash on hand (including the GUC Reserve); (ii) pursuant to the Plan, holders of Allowed claims can recover from all of the Post-Effective Date Debtors’ assets in the event of a deficiency in the GUC Reserve, and the Post-Effective Date Debtors are a publicly traded company meeting all reporting and other obligations; and (iii) in any event, the Post-Effective Date Debtors believe they have strong defenses to remaining claims (which are largely claims for indemnification), including (but not limited to) contractual defenses and defenses under Delaware law, disallowance pursuant to 11 U.S.C. § 502(e)(1)(B), subordination pursuant to 11 U.S.C. §510(b)⁴, and public policy strongly disfavoring indemnification for securities violations.

⁴ If reclassified as Class 8 Section 510(b) Claims, such claims would receive equity in the Post-Effective Date Debtors rather than cash. Plan Art. III.B.8.

NOTICE

20. Notice of this Motion has been provided to the following parties, or, in lieu thereof, their counsel: (i) the Claims Ombudsman; (ii) all parties entitled to receive notice pursuant to Bankruptcy Rule 2002 and Local Rule 2002-1(b) and (iii) any party affected by the Motion. The Post-Effective Date Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

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WHEREFORE, the Post-Effective Date Debtors respectfully request that the Court grant the relief requested in the Motion and such other or further relief as the Court deems just and proper.

Dated: October 30, 2025
Wilmington, Delaware

MORRIS JAMES LLP

/s/ Tara C. Pakrouh

Eric J. Monzo (DE Bar No. 5214)
Brya M. Keilson (DE Bar No. 4643)
Tara C. Pakrouh (DE Bar No. 6192)
3205 Avenue North Blvd., Suite 100
Wilmington, DE 19803
Telephone: (302) 888-6800
E-mail: emonzo@morrisjames.com
ekeilson@morrisjames.com
tpakrouh@morrisjames.com

-and-

BROWN RUDNICK LLP

Robert J. Stark (admitted *pro hac vice*)
Bennett S. Silverberg (admitted *pro hac vice*)
Alexander F. Kasnetz (admitted *pro hac vice*)
Seven Times Square, 47th Floor
New York, NY 10036
Telephone: (212) 209-4800
Email: rstark@brownrudnick.com
bsilverberg@brownrudnick.com
akasnetz@brownrudnick.com

-and-

Sharon I. Dwoskin (admitted *pro hac vice*)
Matthew A. Sawyer (admitted *pro hac vice*)
One Financial Center
Boston, MA 02111
Telephone: (617) 856-8200
E-mail: sdwoskin@brownrudnick.com
msawyer@brownrudnick.com

Counsel to the Post-Effective Date Debtors

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

In re:

NU RIDE INC., *et al.*,¹

Reorganized Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

Objection Deadline: November 6, 2025 at 4:00 p.m. (ET)
Hearing Date: November 13, 2025 at 11:30 a.m. (ET)

**NOTICE OF POST-EFFECTIVE DATE DEBTORS' MOTION
FOR ENTRY OF AN ORDER (I) AUTHORIZING THE REDUCTION
OF THE GUC RESERVE AND (II) GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE that on October 30, 2025, Nu Ride Inc. and its affiliated reorganized debtors in the above-captioned proceeding (the “Post-Effective Date Debtors”), filed the *Post-Effective Date Debtors’ Motion for Entry of an Order (I) Authorizing the Reduction of the GUC Reserve and (II) Granting Related Relief* (“Motion”) with the United States Bankruptcy Court for the District of Delaware (“Bankruptcy Court”).

PLEASE TAKE FURTHER NOTICE that responses, if any, to the Motion must be in writing, in conformity with the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court, and filed with the Bankruptcy Court, so as to be received on or before **November 6, 2025 at 4:00 p.m. (ET)** (“**Objection Deadline**”). At the same time, you must also serve a copy of the response upon the Post-Effective Date Debtors’ undersigned counsel.

PLEASE TAKE FURTHER NOTICE THAT a hearing on the Motion will be held on **November 13, 2025 at 11:30 a.m. (ET)** (the “**Hearing Date**”) before the Honorable Mary F. Walrath, United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 5th Floor, Courtroom #4, Wilmington, Delaware 19801.

IF NO OBJECTIONS ARE TIMELY FILED, SERVED, AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN CONNECTION WITH SUCH PLEADINGS WITHOUT FURTHER NOTICE OR HEARING.

¹ The Reorganized Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Reorganized Debtors’ service address is: Nu Ride Inc. c/o Alex Matina, CEO, M 3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019.

Dated: October 30, 2025
Wilmington, Delaware

MORRIS JAMES LLP

/s/ Tara C. Pakrouh

Eric J. Monzo (DE Bar No. 5214)
Brya M. Keilson (DE Bar No. 4643)
Tara C. Pakrouh (DE Bar No. 6192)
3205 Avenue North Blvd., Suite 100
Wilmington, DE 19803
Telephone: (302) 888-6800
Facsimile: (302) 571-1750
E-mail: emonzo@morrisjames.com
bkeilson@morrisjames.com
tpakrouh@morrisjames.com

-and-

BROWN RUDNICK LLP

Robert J. Stark (admitted *pro hac vice*)
Bennett S. Silverberg (admitted *pro hac vice*)
Alexander F. Kasnetz (admitted *pro hac vice*)
Seven Times Square, 47th Floor
New York, NY 10036
Telephone: (212) 209-4800
Email: rstark@brownrudnick.com
bsilverberg@brownrudnick.com
akasnetz@brownrudnick.com

-and-

Sharon I. Dwoskin (admitted *pro hac vice*)
Matthew A. Sawyer (admitted *pro hac vice*)
One Financial Center
Boston, MA 02111
Telephone: (617) 856-8200
Facsimile: (617) 856-8201
E-mail: sdwoskin@brownrudnick.com
msawyer@brownrudnick.com

Counsel to the Post-Effective Date Debtors

EXHIBIT A

Proposed Order

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

In re:

NU RIDE INC., *et al.*,¹

Reorganized Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

Re: Docket No. _____

**ORDER (I) AUTHORIZING THE REDUCTION
OF THE GUC RESERVE AND (II) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the Post-Effective Date Debtors, for the entry of an order (this “Order”) authorizing the reduction of the GUC Reserve; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; venue being proper before this Court; consideration of the Motion and the relief requested being a core proceeding pursuant to 28 U.S.C. § 157(b); due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; the Court having found and determined that the relief sought in the Motion is in the best interests of the Post-Effective Date Debtors’ estate, its creditors and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT:

1. That the Motion is GRANTED as set forth herein

¹ The Reorganized Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Reorganized Debtors’ service address is: Nu Ride Inc. c/o Alex Matina, CEO, M 3 Partners, 1700 Broadway, 19th Floor, New York, NY 10019.

² Capitalized terms used, but not otherwise defined herein, shall have the meanings ascribed to such terms in the Motion.

2. The Post-Effective Date Debtors are hereby authorized to reduce the GUC Reserve to \$3.5 million.

3. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.