

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

In re:

Float Alaska LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 26-10075 (CTG)

(Joint Administration Requested)

**DECLARATION OF THOMAS HSIEH IN SUPPORT OF
CHAPTER 11 PETITIONS AND FIRST DAY RELIEF**

I, Thomas Hsieh, hereby declare under penalty of perjury, pursuant to section 1746 of title 28 of the United States Code, as follows:

1. I am the President, Chief Executive Officer, and a director of New Pacific Airlines, Inc. (“NPA”) formerly known as Northern Pacific Airways, Inc. and formerly known as Corvus Airlines Inc., a Washington corporation, and serve as an officer, manager or director for the following related entities: Corvus Alaska Holdings Inc., a Delaware corporation; FLOAT Alaska Holdings LLC, a Delaware limited liability company; FLOAT Alaska IP LLC, a Delaware limited liability company; FLOAT Alaska, LLC, a Delaware limited liability company; FLOAT Shuttle Inc., a Delaware corporation; and FlyCoin, Inc., a Delaware corporation (collectively, with NPA, the “Debtors” and each a “Debtor”).

2. I graduated from Harvey Mudd College in 1993 with a B.S. in physics. I received an Executive MBA from the Drucker School of Management at Claremont Graduate University in 2003. After college, I worked briefly at Jet Propulsion Laboratory (JPL). In 1996, I joined EarthLink, Inc. At EarthLink, I became a leader of a number of technology and business projects

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal EIN, are: Float Alaska LLC (3705), Corvus Alaska Holdings Inc. (9732), Float Alaska Holdings LLC (8617), Float Alaska IP LLC (1986), New Pacific Airlines, Inc. (7666), FlyCoin, Inc. (2816), and Float Shuttle Inc. (4269). The Debtors’ mailing address is 101 W Mission Blvd, #110-201, Pomona, CA 91766.

including post-merger integrations. In 2006, I left EarthLink and began a career as an entrepreneur, business executive, and board member.

3. I submit this declaration (the “Declaration”) in support of the First Day Motions (as defined below) and to provide information to the Court and parties in interest regarding the Debtors. Except as otherwise indicated herein, all statements set forth in this Declaration are based upon my personal knowledge, information supplied to me by other members of the Debtors’ management or the Debtors’ professionals, discussions with other employees of the Debtors, my review of relevant documents, or my opinion based upon my experience and knowledge of the Debtors’ operations and financial conditions and the industry in which the Debtors operate. If called as a witness, I could and would competently testify to the matters set forth in this Declaration.

4. On January 26, 2026 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), as well as certain motions and other applications (the “First Day Motions”), with the Court, thereby commencing these related chapter 11 cases.

5. I submit this Declaration in support of the First Day Motions.

Overview of the Debtors’ Business and Financial Affairs

A. FLOAT Shuttle

6. In 2019, I co-founded Debtor FLOAT Shuttle Inc. (“Float Shuttle”), a Delaware corporation. The leadership of Float Shuttle included Rob McKinney, the former CEO of a Hawaiian regional airline, and Josh Jones, who was one of Float Shuttle’s seed investors. Float Shuttle was formed to operate a new urban mobility service in Southern California to reduce daily commutes from three plus hour drives to 15-minute flights each way (FLOAT stands for “FLy

Over All Traffic”). Float Shuttle commenced operations in late February of 2020 and operated for two weeks before COVID stay-at-home orders were issued on or about March 15, 2020 in Los Angeles County. The business was created to fly commuters over traffic to work. But, after the outbreak of COVID-19, there were nearly no commuters or traffic.

B. FLOAT Alaska Acquires Certain Assets from Ravn Air Group and Starts Ravn Alaska

7. While Float Shuttle’s operations were indefinitely paused, its founders learned of the chapter 11 filings of Ravn Air Group, Inc. and affiliates (lead case number 1:20-bk-10755-BLS, Bankr. D. Del.), which filed voluntary petitions on April 5, 2020. Approximately 50% of Ravn’s revenue was comprised of medical related travel and cargo. Float Shuttle’s socially minded investment group was interested in this unique opportunity to meet community needs. In light of the pause in Float Shuttle’s operations, Float Shuttle was able to deploy capital for this pursuit.

8. Ravn Air Group underwent a comprehensive sale process under section 363 of the Bankruptcy Code. Ravn Air Group was highly leveraged and was unable to sell substantially all of its assets to a single buyer as a going concern, so it liquidated in chapter 11 through the sale of multiple lots of aircraft, real estate, equipment and other assets. Float Shuttle was ultimately successful in our bid to acquire the stock of Corvus Airlines Inc. dba Ravn Alaska (“Corvus Airlines”), the Ravn affiliate which held the FAA 121 certificate operating regional flights throughout Alaska. With a small number of initial aircraft purchased from the Ravn Air Group bankruptcy, Float Shuttle was able to restart the airline on a more limited scale than the former Ravn Air Group. While Float Shuttle was the original bidder, before closing we created the new entity FLOAT Alaska LLC (“Float Alaska”) to acquire the stock of Corvus Airlines through the purchase and sale under section 363 of the Bankruptcy Code.

9. Float Alaska's purchase of Corvus Airlines from the Ravn Air Group bankruptcy closed on or about August 5, 2020. Rob McKinney, the new CEO of Float Alaska, and I, as President, moved with our families to Alaska to restart Ravn as "Ravn Alaska." Float Alaska rehired approximately 350 former Ravn Air Group employees and was able to restart Ravn Alaska's operations in about three months after the sale closed. Float Alaska delivered the first COVID-19 vaccines to a number of rural counties. Float Alaska achieved its initial goal of resuming essential air services to hard-to-reach Alaska communities.

C. New Pacific Airlines formerly known as Northern Pacific Airways formerly known as Corvus Airlines

10. The Anchorage International Airport is the third busiest cargo airport in the world because it lies directly on a great circle path between major cities in Asia and major cities in North America. Cargo freighters therefore save significant amounts by refueling in Anchorage. Float Alaska developed a business plan for a transpacific passenger operation utilizing narrow body jets to connect Asia and North America after establishing its base in Anchorage. Float Alaska planned to apply Icelandair's successful model to the north pacific region. Float Alaska sought to achieve a similar impact for Alaska tourism that Icelandair had for Iceland, and utilize the synergy of the Ravn Alaska regional network to help tourists reach remote Alaska communities. Narrow body Boeing 757s were suddenly inexpensive after being unused during the pandemic, and Float Alaska sought to capitalize on the resumption of post-pandemic transpacific travel. Float Alaska renamed Corvus Airlines, the holder of the Part 121 certificate, to "Northern Pacific Airways." Float Alaska Holdings LLC purchased the airline's first Boeing 757 aircraft in October of 2021 for use by the airline. Float Alaska also invested \$6,000,000 into a new lounge and terminal remodel in the Anchorage International Terminal.

11. Later, in 2022, Northern Pacific Airways received a legal challenge from BNSF for the use of the mark “Northern Pacific.” After a period of litigation and negotiation, Float Alaska settled the dispute by changing the name of the airline to New Pacific Airlines, Inc. (“New Pacific Airlines” or “NPA”).

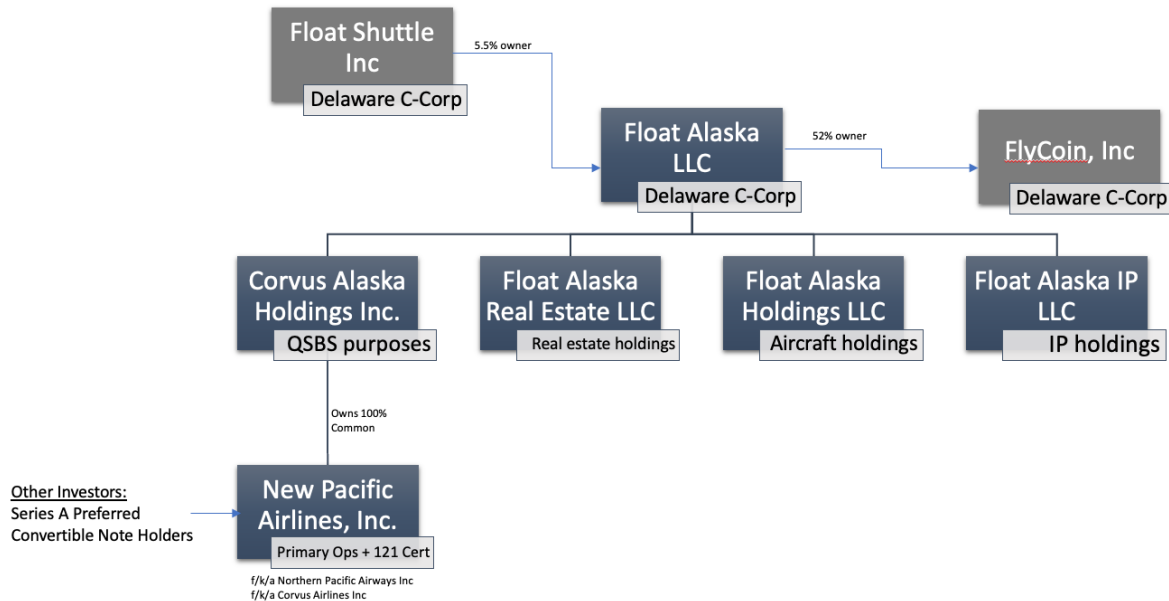
D. FlyCoin

12. New Pacific Airlines collaborated in the development of a new blockchain based airline loyalty platform. This project reimaged loyalty rewards as cryptocurrency tokens, owned directly by customers in their own crypto wallets, rather than reward “points” owned by the airline. At the time, there was a surge of interest in blockchain and cryptocurrency. Moreover, cryptocurrency was in need of real-world use cases that went beyond the novelty of NFTs. In October, 2021 Float Alaska established FlyCoin, Inc. with the go-to-market strategy of partnering with New Pacific Airlines (then still called Northern Pacific Airways) and Ravn Alaska as anchor airlines to accelerate distribution and adoption. FlyCoin lent \$28,000,000 of funds raised from FlyCoin investors to Northern Pacific Airways to help accelerate and launch its transpacific operation, thereby introducing and distributing FlyCoin internationally.

E. The Debtors’ Ownership and Corporate Structure

13. Except for Float Shuttle, all of the Debtors are direct or indirect subsidiaries of Float Alaska LLC. Debtor Float Alaska LLC is owned 5.5% by Debtor Float Shuttle, Inc. and the remainder is owned by individuals and other non-public entities. Debtor Float Alaska LLC wholly owns Debtors Corvus Alaska Holdings Inc., Float Alaska Holdings LLC, and Float Alaska IP LLC. Debtor FlyCoin, Inc., is owned 52.818% by Debtor Float Alaska LLC and the remainder is owned by individuals and other non-public entities. The following chart depicts the Debtors’ organizational structure:

New Pacific Airlines et al. Organizational Structure



F. The Debtors' Prepetition Debt Obligations

14. The primary secured creditor of the Debtors is Josh Jones and his entities, primarily Jones Holding LLC (“Jones Holding”).

15. As elaborated below, Debtors New Pacific Airlines and Float Alaska Holdings are borrowers under a May 2025 term loan agreement from NFS Capital, LLC secured by the three Boeing 757 aircraft and four engines (collectively, the “Boeings” or the “Aircraft”).² NFS Capital is a private lender that had no known relationships with the Debtors or its insiders prior to the Term Loan Agreement. As of January 16, 2026, the total amount of the debt claimed by NFS Capital was approximately \$22.4 million. As discussed below, Jones Holding has acquired the rights of NFS Capital under the NFS Capital term loan agreement.

16. Between December 2024 and January 2026, Jones Holding (as “Prepetition Lender”), served as a lender to certain of the Debtors under several secured promissory notes and

² One of the Boeings had leased engines which were repossessed by their owner in December 2025.

related loan agreements (collectively, the “Jones Loan Documents” and the loans thereunder, the “Jones Prepetition Loans”), providing funds necessary to maintain the Debtors’ business operations, including payroll, and goods and services required for regular flight operations. From December 2024 to August 2025, the Debtors had about 245 employees, and from August 2025 until November 26, 2025, the Debtors had between 120 and 130 employees. Those operations, including the funding needed to pay the salaries and benefits for the Debtors’ workforce, would not have been possible absent the Jones Prepetition Loans. As of the Petition Date, the total principal amount due under the Jones Prepetition Loans was \$11,327,786.69.

17. The Prepetition Lender is the proposed DIP Lender as described below and the contemporaneously filed DIP Motion.

18. In addition to secured debt, the Debtors owe in excess of \$10,000,000 to non-insider general unsecured creditors comprised primarily of trade creditors and convertible note holders with respect to New Pacific Airlines. Josh Jones, or his family trusts, also hold nearly \$22 million in convertible notes in New Pacific Airlines.

19. The amounts still owed to Josh Jones, personally or through entities or trusts, do not include over \$50 million in secured and unsecured debt that was owed by New Pacific Airlines, but which the Prepetition Lender forgave as of December 31, 2024.

Events Leading to Filing of the Chapter 11 Cases

20. In 2022, the Debtors’ business plans encountered several severe challenges. On February 24, 2022, Russia initiated its full-scale invasion of Ukraine. Thereafter, Russian airspace was closed for US commercial flights. As such, the Debtors were no longer able to conduct the Pacific flights because they did not have a certification for Extended-range Twin-engine

Operations Performance Standards (“ETOPS”), a certification requiring a minimum of 24 months to obtain.

21. 2022 was also a turbulent year for cryptocurrency, as several major platforms collapsed amid highly publicized financial scandals. Before this turn, FlyCoin was actively pursuing deals with multiple airlines to form a new alliance of low-cost carriers worldwide based on FlyCoin’s platform. Suddenly, despite our entirely different, utilitarian and non-speculative use of blockchain technology, all of the airlines pulled back, no longer wanting to be associated with or promoting a blockchain project. As the crisis in cryptocurrency unfolded, several crypto-serving financial institutions failed, including institutions FlyCoin banked with. With the downturn in the industry and the inability to secure customers, FlyCoin executed a reduction in force and retained just a few employees that supported the software development and support needs of New Pacific Airlines and Ravn Alaska.

22. In Fall of 2022 a new competitor in Alaska, Aleutian Airways, launched with service to Ravn Alaska’s most lucrative market, Dutch Harbor, adversely affecting the Debtors’ profitability.

23. Between 2022 and 2023, with the world emerging from COVID isolation, and the resurgence of air travel, the major airlines began re-establishing their former operations and recruiting pilots and crew members from regional airlines. In some cases, the Debtors’ pilots were offered twice their salary and \$150,000 signing bonuses. As a result, in one year, the Debtors lost 80% of their pilot positions, including unfilled positions. Alaska is a seasonal market with the majority of the revenue earned during the brief summer months. The Debtors began feeling the impact of the pilot shortage in the summer of 2022. By the summer of 2023, due to pilot shortages, the Debtors were only able to fly one quarter of the number of their originally planned flights for

the Debtors' busiest route, Anchorage-Kenai. The station cost for Kenai could not sustain such low frequencies of flights. In Fall 2023, the Debtors were forced to make the difficult business decision to close down the Debtors' Kenai and King Salmon routes and implement a reduction in force. The reduction of force included 23 employees initially, and then another 83 employees a few months later, and the elimination of 49 vacant positions.

24. In the summer of 2023, New Pacific Airlines launched Boeing 757 operations with domestic scheduled service out of Ontario, California (less than 40 miles east of Downtown Los Angeles). The service started with Ontario to Las Vegas, then added Ontario to Reno and then Ontario to Nashville. After several months, the routes began to improve, with Ontario to Nashville hitting a 90% load factor during spring break. However, the Debtors calculated that, in order to break even while maintaining a stable domestic network, New Pacific Airlines still needed to expand into at least five additional markets and to sustain strong metrics in each of those markets. That would entail finding five new untapped markets and investing in each new market for about six months at a loss before the possibility of breaking even. But the Debtors did not have the funds to implement that plan. The Debtors were losing money on both the former Ravn Alaska business and the new Boeing 757 business operated by New Pacific Airlines. The Debtors were burning about \$5 Million of cash each month and required monthly cash infusions to stay operational.

25. Meanwhile, the war in Ukraine raged on, and the Debtors continued to burn through cash with no clear path to become profitable.

26. In early 2024, NPA ceased scheduled operations for the Boeing 757s and pivoted to operating charter flights in an attempt to reduce the losses at New Pacific Airlines. Additionally, the Debtors further reduced Ravn Alaska's route map and ceased flights to the Aleutian Islands.

The closure of the Aleutian Islands flights caused many stations to close and further reductions in force.

27. In 2024, Rob McKinney departed New Pacific Airlines and Float Alaska, and I was appointed Chief Executive Officer.

28. In an effort to stabilize Float Alaska's business, the Debtors worked with the four remaining Alaska communities they still served to garner their support for our application to the U.S. Department of Transportation ("DOT") for Essential Air Service ("EAS") subsidies and other subsidies to continue servicing their communities. All of these communities were designated EAS communities. However, the Debtors were servicing three of these communities without any subsidies, and the fourth community provided subsidies that did not cover the Debtors' costs. The Debtors issued notices that they would discontinue service, which was necessary so that the DOT could issue a new request for EAS bids for servicing each community. Thereafter, beginning in July 2024, DOT reopened bidding for such EAS subsidies and the Debtors began the bidding process. Around the same time, the Debtors were negotiating with Aleutian Airways for a potential sale with respect to the Debtors' Alaska regional airline business, an alternative that the Debtors thought they might avoid if they were awarded adequate EAS subsidies. On October 14, 2024, Aleutian Airways sent a letter to DOT informing the DOT that Aleutian Airways would fly one of the routes without subsidies (and the Debtors believed Aleutian Airways intended to do the same for the other EAS subsidized routes). The Debtors were unable to compete financially with such an offer.

29. Shortly thereafter, in October 2024, the Debtors entered into an agreement with Aleutian Airways, attempting to transfer their regional Alaska business to Aleutian Airways. The agreement provided, among other terms, that the Debtors would transfer leased Dash-8 (propellor)

aircraft, routes, and certificates associated with the regional business, as well as \$2 million cash, in exchange for New Pacific Airlines' receipt of common shares in Aleutian Airways, representing a minority membership interests in Aleutian Airways. On October 31, 2024, Aleutian Airways retracted their letter to the DOT regarding flying one of the routes without subsidies. By November 2025, Aleutian Airways was able to secure subsidized DOT EAS contracts to fly three of the four communities Ravn Alaska serviced in 2024. However, Aleutian Airways did not follow through on the assumption of the Debtors' Dash-8 aircraft and routes associated with the Debtors' regional business.

30. In the first quarter of 2025, the Canadian lessor of several of the Debtors' Dash-8 aircraft suddenly decided not to renew the lease and repossessed their aircraft. The Debtors attempted to continue limited and reduced service to the communities with the remaining aircraft (which had limited life and cycles left) as long as the Debtors could maintain them to give the communities and the DOT a chance to find replacement service providers. However, in August of 2025, the Debtors were forced to cease their regional operations.

31. In August, 2024, New Pacific Airlines signed an exclusive agreement with Elevate Aviation Group's Private Jet Services (PJS) to fly six NHL teams and additional ad hoc charter services using our refurbished Boeing 757s. The Debtors had three weeks to convert the three Boeing 757 aircraft from high-density 181 seat configuration into VIP configuration with 78 seats in three club seating areas. Normally, an aircraft interior reconfiguration takes 6-8 weeks per aircraft for this type of reconfiguration. However, the Debtors accomplished this reconfiguration in three weeks to meet the tight timeline.

32. The Debtors hoped that charter flights for professional sports teams would be a sustainable business. Unfortunately, however, the PJS agreement pushed many incidental costs

(such as extra handling fees, and additional repositioning costs) and sometime extraordinary costs (such as airport special event fees, and additional de-icing fees) back onto the airline, with the result being that the Debtors lost money on every flight under the PJS contract. The Debtors negotiated an amendment to the contract in May, 2025 to address the unsustainable losses, but the NHL season ended and there were few charter flights booked in the summer of 2025. Additionally, two of the Debtors' three 757s were due for heavy maintenance ("C-checks"). Such maintenance is expensive and takes the aircraft out of commission for a month. The Debtors had to furlough many employees and a number of executives, including myself, took voluntary pay-cuts to make it through the summer of 2025. The Debtors attempted to fund operations by liquidating Alaska based assets, including selling the remaining Dash-8 aircraft, which took longer than expected. When the 2025 NHL season commenced in the fall, the Debtors continued to have serious liquidity challenges. The Debtors engaged in M&A discussions with a number interested parties resulting in numerous parties executing NDAs.

33. Additionally, the Debtors continued to negotiate with PJS in an attempt to increase charter flight rates to make the contract profitable. Yet the Debtors and PJS were unable to reach agreement of new terms. PJS failed to make a payment of \$315,187.50 on November 25, 2025, which resulted in the Debtors being unable to meet future payroll obligations. The Debtors therefore ceased operations and laid off 115 employees on or about November 26, 2025. The Debtors have still not received the final PJS payment due.

34. In late November 2025, the Debtors appointed Thomas Allison as an independent director to the Debtors' boards, serving as one of three board members, along with Josh Jones and me. Mr. Allison has over 40 years of professional experience in financial and restructuring advisory services, and since 2013 serves as a board member and independent director, often for

companies experiencing financial challenges. In his capacity as independent director for the Debtors, Mr. Allison has been appointed as the sole member of a special committee of the Debtors' boards with exclusive authority over any matters regarding transactions with insiders, including, but not limited, a loan or sale involving an insider. As such, Mr. Allison, as independent director and sole member of the special committee, had and retains exclusive oversight over the Debtors' negotiations with Jones Holding as DIP Lender and with respect to the Debtors' negotiations concerning the NFS transaction.

35. Throughout December of 2025, the Debtors continued to pursue opportunities for sales, in or out of court, while also seeking DIP financing to support the chapter 11 process.

36. As discussed below, and in the separate Declaration of Jarod Wada in support of the DIP Motion, after extensive efforts by the Debtors and their advisors to find alternative sources of funding, the DIP Lender is the only party willing to finance the chapter 11 process.

37. The Debtors are presently in default with respect to a number of obligations. Certain parties have filed lawsuits, made collection demands, attempted to perfect liens, or otherwise pursue claims against the Debtors. Bankruptcy is the Debtors' only alternative to a piecemeal liquidation resulting from judgment enforcement and collection activities, the proverbial "race to the courthouse," that bankruptcy stops. The Debtors will benefit from the automatic stay to prevent value destruction, and to allow for an orderly liquidation.

38. The Debtors' largest assets are their three Boeings, including four engines discussed above. Title to the Boeings is held by Float Alaska Holdings. Until shortly before this filing, the Boeings were encumbered by a first priority lien in favor of NFS Capital, under which New Pacific Airlines and Float Alaska Holdings are borrowers and Float Alaska is guarantor. Josh Jones was a guarantor of such debt under a deficiency guaranty, limited to the principal amount of

debt. NFS Capital asserted various defaults and that the Debtors' secured debt was, as of January 16, 2026, approximately \$22.4 million comprised of \$14.7 million in principal, \$5.6 million in future interest, \$1.75 million in prepayment fee, in addition to default interest and other charges. The Debtors disputed the amount of the NFS Capital claim beyond principal and non-default interest. NFS threatened foreclosure on the Boeings.

39. Shortly before the Debtors' bankruptcy filings, the DIP Lender, certain of the Debtors and Jones Holding, the DIP Lender, entered into an agreement with NFS Capital. The material terms of such transaction include an assignment of NFS Capital's loan to the DIP Lender, a sharing arrangement between the DIP Lender and NFS Capital of sale proceeds from the sale of the Boeings, and conclusion of a sale process with respect to the Boeings within the later of 75 days after the Petition Date or 90 days after the execution date of the NFS agreement. As part of the transaction, the Debtors entered into a side letter agreement with Jones Holding and NFS Capital resolving a dispute concerning the total amount due under the NFS Capital loan document. The parties agreed to a fixed NFS claim amount to resolve such dispute. The DIP Lender's acquisition of the NFS loan provides a benefit to the Debtors because, I am informed and believe that the DIP Lender's ability to enter into this transaction with NFS Capital is a material reason for the DIP Lender's decision to provide financing for this chapter 11 process. Further, while NFS threatened foreclosing on the Boeings, the DIP Lender has agreed to forbear from exercising its remedies with respect to the Boeings to allow the Debtors to run a sale process in chapter 11 without the threat of a secured creditor immediately seeking relief from the automatic stay or exercising their rights under section 1110 of the Bankruptcy Code. This allows the Debtors enough time to do a value maximizing sale process for the Boeings which is in the best interests of the estate. For these reasons, the Debtors have signed and accepted those terms.

The Debtors' Objectives

40. The Debtors filed for chapter 11 to complete a sale of substantially all of their assets free and clear of liabilities under section 363. The Debtors remain hopeful that they may find a buyer interested in a going concern sale that would allow the continued use of the Company's Part 121 certificate. Therefore, a reorganization is a possible avenue to restart operations if the right plan sponsor appears in which the Debtors' liabilities can be effectively resolved. Nevertheless, the Debtors are focused on using the process afforded by section 363 of the Bankruptcy Code to maximize recovery to their creditors.

41. To help execute this strategy, the Debtors have engaged Sage Popovich, Inc. as their sales agent to maximize the recovery from the Aircraft. Sage Popovich is an experienced aircraft liquidator that conducted the sale of aircraft in the prior Ravn bankruptcy case. The Debtors' financial advisor, Sherwood Partners, Inc. will coordinate the sale with respect to all assets and particularly to evaluate potential going concern sales for some or all of the assets in addition, or in the alternative to, sales of the physical assets. With the aid of these experienced professionals, the Debtors will execute a comprehensive marketing strategy with respect to all of their material assets.

First Day Motions

42. The following motions (the "First Day Motions") are being filed contemporaneously herewith:

- a. Debtors' Motion for Entry of an Order Directing Joint Administration of Chapter 11 Cases for Procedural Purposes Only and Granting Related Relief
- b. Debtors' Motion for Entry of an Order Authorizing the Debtors to (I) File (A) a Consolidated Creditor Matrix and (B) a Consolidated List of the Debtors' Top Thirty Creditors; and (II) Redact Certain Personally Identifiable Information for Individuals

- c. Debtors' Application to Appoint Stretto, Inc. as Claims and Noticing Agent
- d. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Continue Insurance Policies and Related Agreements, (B) Honor Certain Prepetition Obligations in Respect Thereof, and (C) Renew, Revise, or Enter into New Insurance Coverage and Insurance Premium Financing as Needed in Their Business Judgement, and (II) Granting Related Relief
- e. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Pay Prepetition Employee Wages, Benefits, and Other Compensation Obligations and (B) Maintain Their Compensation and Benefits Programs, and (II) Granting Related Relief
- f. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing Continued Use of Existing Cash Management System, Bank Accounts, and Business Forms and Payment of Related Prepetition Obligations, (II) Authorizing Continuation of Intercompany Transactions, (III) Extending Time to Comply With 11 U.S.C. § 345(b); and (IV) Granting Related Relief
- g. Debtors' Motion 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 ("DIP Motion")

43. Approval of the relief requested in the First Day Motions is critical to the Debtors' ability to continue preserving the value of their assets. I have reviewed each of the First Day Motions, and I believe that the relief sought herein is necessary to permit an effective transition into chapter 11. The facts set forth in the First Day Motions are true and correct to the best of my knowledge and belief with appropriate reliance on the Debtors' management and the Debtors' advisors, and I can attest to such facts. I believe that the Debtors' estates would suffer immediate and irreparable harm absent the ability to make certain essential payments, and otherwise continue their business operations as sought in the First Day Motions.

The Debtors' Professionals

44. The Debtors have engaged and will be seeking the Court's approval of the employment of the following professionals as expenses of their estates:

- a. Saul Ewing LLP as general bankruptcy counsel;
- b. Sherwood Partners, Inc. as financial advisor;
- c. Sage Popovich, Inc. as sales agent; and
- d. Stretto, Inc. as claims agent and administrative agent.

Funding for this Bankruptcy Case

45. The Debtors require debtor in possession (DIP) financing to support the chapter 11 liquidation. The Debtors have obtained terms for a DIP loan from Jones Holding LLC (“DIP Loan” and “DIP Lender”), an entity owned by Josh Jones. The DIP Motion and associated papers include a budget requiring the post-petition financing of approximately \$3,230,000 by the DIP Lender to fund the chapter 11 liquidation process. The order approving the DIP Motion describes sale milestones that the Debtors will pursue through a motion for approval of bidding procedures to be filed shortly after the Petition Date. Among other material terms of the DIP Loan, described in detail in the DIP Motion supported by the separate declaration of Jarod Wada, the DIP Loan provides for a dollar-for-dollar roll-up of prepetition secured debt, as well as the pledge of real estate collateral of a non-debtor guarantor, FLOAT Alaska Real Estate, LLC, which is a subsidiary of Debtor Float Alaska LLC.

Conclusion

46. The goal of the Debtors in these cases is to maximize the value of their assets. Based on my business judgment, the recommendations of the Debtors' advisors, and my own extensive efforts in attempting to address the Debtors' liabilities, I believe that the path that the Debtors have selected through the chapter 11 process is the most clear and efficient to pursue this goal.

Dated: January 26, 2026

Respectfully submitted,

/s/ Thomas Hsieh

Thomas Hsieh