IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	:	Chapter 11
FAT BRANDS INC., *et al.*,	:	Case No. 26-90126 (ARP)
Debtors.[1]	:	(Jointly Administered)

JOINDER OF STEPTOE LLP TO STATEMENT OF PACHULSKI STANG ZIEHL & JONES LLP IN PARTIAL OPPOSITION TO THE DEBTORS' EMERGENCY MOTION OF THE DEBTORS FOR ENTRY OF INTERIM AND FINAL ORDERS (I) AUTHORIZING THE DEBTORS TO USE CASH COLLATERAL AND OBTAIN SECURED POSTPETITION FINANCING; (II) GRANTING LIENS AND SUPERPRIORITY ADMINISTRATIVE CLAIMS; (III) PROVIDING ADEQUATE PROTECTION; (IV) SCHEDULING A FINAL HEARING; AND (V) GRANTING RELATED RELIEF
[Relates to Docket Nos. 454, 462]

Steptoe LLP ("***Steptoe***") hereby files this joinder ("***Joinder***") to the Statement ("***Statement***") filed by Pachulski Stang Ziehl and Jones LLP ("***Pachulski***") in partial opposition to *Debtors' Emergency Motion of the Debtors For Entry of Interim and Final Orders (I) Authorizing the Debtors to Use Cash Collateral and Obtain Secured Postpetition Financing, (II) Granding Liens and Superpriority Administrative Claims; (III) Providing Adequate Protection; (IV) Scheduling a Final Hearing and (V) Granting Related Relief* [Docket No. 454] (the "***DIP Motion***")[2] and respectfully states as follows:

[1] A complete list of the Debtors in the Chapter 11 Cases and the last four digits of each Debtor's taxpayer identification number (if applicable) may be obtained on the website of the Debtors' claims and noticing agent at https://omniagentsolutions.com/FATBrands-TwinHospitality. The Debtors' mailing address for purposes of the Chapter 11 Cases is 9720 Wilshire Blvd., Suite 500, Beverly Hills, CA 90212.

[2] All capitalized terms used but not defined herein have the meanings given to them in the DIP Motion.

BACKGROUND

1. As explained more fully in the Pachulski Statement, FAT Brands, Inc. ("***FAT Brands***") and Twin Hospitality Group, Inc. ("***Twin Hospitality***" and with FAT Brands, the "***Parent Entities***" or "***Managers***") manage a large number of "Securitization Entities," often referred to as the Managers' subsidiaries.

2. Prepetition, the Managers entered into Management Agreements with the "Securitization Entities" (as defined in the respective Management Agreements). Pursuant to that Management Agreement, the Managers were defined as the "Manager" and had certain obligations to the Securitization Entities. The Managers were also permitted to make advances ("Manager Advances") for the benefit of the Securitization Entities. The Securitization Entities were obligated to pay the Managers a contractual "Management Fee" as well as reimburse the Managers for any Manager Advances made by the Manager. Prior to the petition date, the Managers asserted the right to repayment of approximately $255M in Manager Advances.

3. The Managers asserted that, pursuant to the prepetition credit documents with the Securitization Entities' noteholders, including the Base Indentures, the Manager Advance have priority over the repayment of the noteholders. Thus, the alleged Manager Advances would make the Managers the senior creditor of the Securitization Entities, ahead of the noteholders.

4. To pursue those claims, the Managers' would need to pursue claims against their subsidiaries, the Securitization Entities. As noted in the Pachulski statement, this results in a conflict between the Managers and Securitization Entities that they own and manage.

5. Moreover, the FAT Brands board included the FAT Brands Independent Directors as well as insiders and other directors who also sat on boards or were officers or employees of subsidiaries of FAT Brands (other than Twin Hospitality). Similarly, the Twin Hospitality board

included insiders and other directors who also sat on boards or were officers or employees of subsidiaries of Twin Hospitality.

6. To ensure that the members of the Manager boards that only sat in one position, on the board of the Manager, and did not hold conflicting positions at other entities, were adequately represented and received advice from counsel free from conflicts of interest, on January 8, 2026, Steptoe was retained to represent (i) the independent members of the Board of Directors of FAT Brands, who for the sake of clarity are not officers or employees of FAT Brands and are not members of the Board of Directors or managers of any subsidiary of FAT Brands other than Twin Hospitality (the "***FAT Brands Independent Directors***") and (ii) the independent members of the Board of Directors of Twin Hospitality who for the sake of clarity are not officers or employees of Twin Hospitality and are not members of the Board of Directors or managers of any subsidiary of Twin Hospitality (the "***Twin Hospitality Independent Directors***" and collectively with the FAT Brands Independent Directors, the "***Independent Directors***"), to represent them in connection with the workout of the debt of FAT Brands, Inc.

7. Since January 8, Steptoe has represented the Independent Directors. To be clear, Steptoe has not represented, and does not represent, any of the directors who are not Independent Directors.

8. Following the petition date, on February 25, 2026, Debtors FAT Brands and Twin Hospitality on behalf of the FAT Brands Independent Directors and the Twin Hospitality Independent Directors, filed the *Application of Debtors for Entry of an Order Authorizing the Employment and Retention of Steptoe LLP to Serve as Counsel to the Independent Members of the Board of Directors of FAT Brands Inc. and the Independent Members of the Board of Directors of Twin Hospitality Group Inc. Effective as of the Petition Date* [Docket No. 305] (the "***Steptoe***

Retention Application").[3] The deadline for parties-in interest to object to the Steptoe Retention Application was March 18, 2026 (the "***Objection Deadline***"). As of the date of this filing, no objection to the Steptoe Retention Application has been filed.[4]

9. Following the petition date, Steptoe was repeatedly informed, and reviewed budgets that included Steptoe in the budget.

10. Although Steptoe was excluded from participating in the mediation, Steptoe continued to advise the Independent Directors with respect to their interests and the interests of the Managers to whom they owed fiduciary duties. The Independent Directors were interested in reaching consensus on how the Managers would be funded and operated, their creditors paid, the operating companies managed and decisions made. Ultimately, with the help of Judge Isgur, the Pachulski firm and other professionals, key governance changes were made that resulted in, among other things, the formation of the Special Committee, the CRO and a division of responsibility between the Special Committee and the full Boards. This set the stage for continued operations during these chapter 11 cases and, ultimately, the 9019 motion to approve the Stipulation and Agreed Order Regarding Mediation ("Stipulation") that the Court has before it.

11. Although neither Steptoe nor the Independent Directors were involved in the mediation directly, the proposed Stipulation required certain actions by the Independent Directors and the Managers to which they owed duties. Steptoe represented the Independent Directors in revising and negotiating the terms of the Stipulation, including to address the proposed resignation

[3] A sealed version of the Steptoe Retention Application was filed at Docket No. 306. 1. On March 6, 2026, the First Supplemental Declaration of Jeffrey M. Reisner In Support of Application of Debtors for Entry of an Order Authorizing the Employment and Retention of Steptoe LLP to Serve as Counsel to the Independent Members of the Board of Directors of FAT Brands Inc. and the Independent Members of the Board of Directors of Twin Hospitality Group Inc. Effective as of the Petition Date [Docket No. 381] (the "Supplemental Reisner Declaration") was filed. A sealed version of the Supplemental Reisner Declaration was filed at Docket No. 380.

[4] Steptoe did grant the WBS Ad Hoc Group an extension of the deadline until Friday at 5:00 p.m. CT to file their objection in the hope that resolution could be reached.

of the Independent Directors and terms to ensure preservation of the potentially valuable Manager Advances on behalf of the Managers. During the course of that process, the WBS Ad Hoc Group removed Steptoe from the DIP Budget and changed the terms of the proposed DIP Order to prevent payment of Steptoe's fees and expenses.[5]

JOINDER AND RESERVATION OF RIGHTS

12. Steptoe hereby joins in and incorporates by reference the arguments set forth in Pachulski's Statement for the reasons asserted therein.

13. As set forth more fully in Pachulski's Statement, notwithstanding the fact that Steptoe has performed its work in representing the Independent Directors and as a result achieved tangible benefits conferred upon the Debtors' estates and stakeholders, the WBS Ad Hoc Group has inexplicably targeted Steptoe, Pachulski, and Moelis, by requiring that the DIP Budget by revised to remove the line entries to cover Steptoe's fees, and proposing a DIP, that intentionally lacks reserves and carve-outs necessary to pay the group of professionals that has played a significant role in addressing critical issues underpinning these Chapter 11 Cases, while providing for payment in full of other professionals' fees.

14. As set forth more fully in Pachulski's Statement, all estate professionals should be treated equally and the DIP should provide appropriate reserves to pay all fees, expenses, and administrative claims approved by this Court. The DIP should not be approved to the extent it would permit the WBS Ad Hoc Group to discriminate and pick and choose which professionals it wants to pay. The precedent created would undermine the entire chapter 11 process. It cannot be that a secured creditor can dictate which counsel have "put up too much of a fight" or dared to say

[5] Steptoe has been given no explanation for this change. It has been suggested that Steptoe may have "carried water" for Mr. Wiederhorn, the Debtors' CEO, but this is patently false. Mr. Wiederhorm is not an Independent Director and negotiated his own terms for his leave of absence. Those terms were known to Steptoe after he completed the negotiations with the WBS ad hoc group.

"no" and thereby control a case through intimidation. The standard for fee allowance is not pleasing the secured creditor and the proper method for contesting fees is the Court-supervised fee objection process. If what is sought to be done here becomes the norm, many cases will be lost before the Court ever sees the filing.

15. Steptoe reserves all rights, claims, defenses, remedies, and objections, including the right to amend, modify or supplement this Joinder, and to assert additional arguments regarding the DIP Motion, the Statement, and any related matters.

CONCLUSION

WHEREFORE, for the reasons set forth in the Objection, Steptoe requests that the Court deny the DIP Motion and grant such other relief as may be just and proper.

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Dated: March 19, 2026
Houston, Texas

Respectfully submitted,

/s/ Jeffrey M. Reisner

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CERTIFICATE OF SERVICE

I certify that on March 19, 2026, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas on those parties registered to receive electronic notices.

/s/ Jeffrey M. Reisner
Jeffrey Reisner