

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

In re

Smallhold, Inc.

Debtor.¹

Chapter 11

Case No. 24-10267 (CTG)

Re. D.I. 8 and 34

**SUPPLEMENTAL DECLARATION OF
JAMES DUNN IN SUPPORT OF FIRST DAY RELIEF**

I, James Dunn, hereby declare as follows:

1. Since February 7, 2024, I have been the Chairman of the board of directors (the “Board”) of Smallhold, Inc. (the “Debtor” or “Smallhold”).

2. As the Debtor’s Chairman, I am generally familiar with the Debtor’s business, day-to-day operations, financial affairs, and books and records. Except as otherwise indicated, the statements set forth in this supplemental declaration (the “Supplemental Declaration”) are based upon my personal knowledge of the Debtor’s operations, information learned from my review of relevant documents, information supplied to me from the Debtor’s advisors, or my own opinion based on my knowledge, experience and information concerning the Debtor’s operations and financial condition. I am authorized to submit this declaration on behalf of the Debtor. If called to testify, I could and would testify competently to the matters set forth in the Supplemental Declaration.

3. A detailed description of the Debtor and its business, and the facts and circumstances supporting the Debtor’s chapter 11 case (the “Chapter 11 Case”), are set forth in the *Declaration of James Dunn in Support of First Day Relief* [D.I. 8] (the “First Day Declaration”).

¹ The last four digits of the Debtor’s federal tax identification number are 8880. The Debtor’s mailing is 285 Nostrand Avenue #1066, Brooklyn, NY 11216.

I. FIRST DAY MOTIONS

4. To enable the Debtor to minimize the adverse effects of the commencement of this Chapter 11 Case, the Debtors have requested various relief in its First Day Motions (as defined in the First Day Declaration). The Debtor believes the First Day Motions are necessary to enable it to maximize the value of its estate while the Chapter 11 Case is pending. In addition to the First Day Motions described in my First Day Declaration, the following First Day Motion has been filed contemporaneously with this Supplemental Declaration:

- i. Debtor's Motion for Entry of an Order Authorizing the Payment of Certain Shippers Claims and Granting Related Relief ("Supplemental First Day Motion")*

5. The facts set forth in the Supplemental First Day Motion is incorporated herein in its entirety. The Debtor requests that the Court grant the Supplemental First Day Motion as it provides a critical element in ensuring a smooth transition into, and stabilizing and facilitating the Debtor's operations during, the pendency of this Chapter 11 Case.

6. I have reviewed the Supplemental First Day Motion, and the facts set forth in the Supplemental First Day Motion are true and correct to the best of my knowledge, information, and belief with appropriate reliance on the Debtor's personnel and advisors.

7. It is my belief that the relief sought in the Supplemental First Day Motion is necessary for a successful reorganization and to maximize creditor recoveries. It is my further belief that, with respect to the Supplemental First Day Motion requesting the authority to pay specific prepetition claims, the relief requested is essential to avoid immediate and irreparable harm to the Debtor's estate. The success of this Chapter 11 Case depends upon the Debtor's ability to maintain its operations and maximize estate value while contemplating a plan of reorganization. The relief requested in the Supplemental First Day Motion is a critical component of maintaining

uninterrupted business operations and the confidence of key constituencies necessary to implement a successful chapter 11 process.

CONCLUSION

8. I believe approval of the relief requested in the Supplemental First Day Motion is in the best interests of all stakeholders and respectfully request that the Court grant all relief requested in the Supplemental First Day Motion and such other further relief as may be just.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: February 26, 2024
Brooklyn, NY

/s/ James Dunn
James Dunn