

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

In re:	)	
	)	Chapter 11
WHEEL PROS, LLC, <i>et al.</i> , ¹	)	
	)	Case No. 24-11939 (JTD)
Debtors.	)	
	)	(Jointly Administered)

**DECLARATION OF CARI TURNER,
MANAGING DIRECTOR OF ALVAREZ & MARSAL NORTH
AMERICA, LLC, IN SUPPORT OF THE DEBTORS' DISCLOSURE
STATEMENT FOR, AND CONFIRMATION OF, THE AMENDED JOINT
PREPACKAGED PLAN OF REORGANIZATION OF WHEEL PROS, LLC AND ITS
DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

I, Cari Turner, hereby declare under penalty of perjury as follows:

Background and Qualifications

1. I am a Managing Director at Alvarez & Marsal North America LLC ("A&M"), the proposed financial advisor to the above-captioned debtors and debtors in possession (collectively, the "Debtors").

2. I have more than 20 years of financial advisory experience, with a diverse background in financial and operational restructuring. Since joining A&M, I have been involved in numerous chapter 11 restructurings including QualTek Services Inc. (where I served as Chief Restructuring Officer), Seadrill Limited, Valaris plc, Windstream Communications, Toys R Us, Exide Technologies, and Visteon Corporation. Prior to my work with A&M, I served as Director of Finance for Home Interiors & Gifts, a Highland Capital Management company, from 2004

¹ The last four digits of Debtor Wheel Pros, LLC's federal tax identification number are 5738. A complete list of each of the Debtors in these chapter 11 cases and each such Debtor's federal tax identification number may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.stretto.com/WheelPros>. The location of Debtor Wheel Pros, LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 5347 S Valentia Way, Suite 200, Greenwood Village, Colorado 80111.

through January 2009, as Director of Finance for Homemade Gourmet, a start-up direct-selling company, from 2002 through 2003, and as Director of Financial Reporting for Allied Riser Communications, a start-up telecommunications company, from 1998 through 2002. I hold a Master of Business Administration and bachelor's degree from the University of Texas at Dallas. I am a member of the Association of Insolvency and Restructuring Advisors.

3. A&M is a leading restructuring consulting firm with extensive experience providing high quality, specialized management and restructuring advisory services to debtors and distressed companies. Specifically, A&M's core services include turnaround advisory services, interim and crisis management, revenue enhancement, claims management, and creditor and risk management advisory services. A&M provides a wide range of debtor advisory services targeted at stabilizing and improving a company's financial position, including: (a) developing or validating forecasts, business plans, and related assessments of strategic positions; (b) monitoring and managing cash, cash flow, and supplier relationships; (c) assessing and recommending cost reduction strategies; and (d) designing and negotiating financial restructuring packages. In addition, A&M provides advice on specific aspects of the turnaround process and helps manage complex constituency relations and communications. A&M is known for its ability to work alongside company management and key constituents during chapter 11 restructurings to develop a feasible and executable plan of reorganization.

4. I submit this declaration (this "Declaration") in support of approval of the *Disclosure Statement Relating to the Joint Prepackaged Plan of Reorganization of Wheel Pros, LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 8] (as may be modified, amended, or supplemented from time to time in accordance with its terms, the "Disclosure Statement") and confirmation of the *Amended Joint Prepackaged Plan of*

Reorganization of Wheel Pros, LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 214] (as may be modified, amended, or supplemented from time to time in accordance with its terms, the “Plan”).²

5. The Debtors initially retained A&M in October 2023, primarily to provide interim financial management support services but also to assist with liquidity management. The Debtors have since engaged A&M in connection with these Chapter 11 Cases. A&M has assisted with the negotiation of the RSA, preparing the Disclosure Statement, negotiating the Plan, and developing the Restructuring Transactions contemplated thereunder. A&M has worked with the Debtors to evaluate operations and near-term liquidity requirements for potential strategic alternatives and, subsequently, for the debtor-in-possession financing process. A&M, under my supervision, has worked with the Debtors’ restructuring professionals and key members of the Debtors’ business—including, but not limited to, members of the finance, legal, and operations leadership teams—to evaluate and understand the Debtors’ cashflows, financial reporting, and general operations and has become well-acquainted with the Debtors’ capital structure, liquidity needs, and business operations.

6. I am generally familiar with the Debtors’ day-to-day operations, business and financial affairs, and books and records. The statements in this Declaration are, except where specifically noted or otherwise stated herein, based on my personal knowledge or opinion, information that I have received from the Debtors’ employees or advisors, or employees of A&M working directly with me or under my supervision or direction, or from the Debtors’ books and

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the *Debtors’ Memorandum of Law in Support of an Order Approving the Debtors’ Disclosure Statement for, and Confirming, the Amended Joint Prepackaged Chapter 11 Plan of Reorganization of Wheel Pros, LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, filed contemporaneously herewith, or the Plan, as applicable.

records. In making my statements based on documents and other information prepared or collected by the Debtors' employees or my conversations with the Debtors' counsel or other advisors, I have relied upon the accuracy of such documentation and other information. If called to testify, I would testify to the facts set forth herein on that basis. I am authorized to submit this Declaration on behalf of the Debtors.

7. Neither A&M nor I am being specifically compensated for this testimony other than pursuant to A&M's engagement letter with the Debtors, subject to approval by this Court.

The Plan Satisfies the Best Interests Test

8. Relying on information from the Debtors' advisors and my own personal knowledge, I have reviewed the classification of Claims and Interests under the Plan and the proposed distributions to each class of Claims or Interests. My testimony below is informed by this knowledge. Specifically, I believe that the Plan satisfies the requirements under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") regarding the "best interests of creditors" test.

9. It is my understanding that section 1129(a)(7) of the Bankruptcy Code requires that each holder of an impaired claim or interest either accept the plan or receive or retain under the plan property of a value that is not less than the value such holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. This requirement is commonly known as the "best interests" test. The best interests test applies to each non-consenting member of an impaired class, and is generally satisfied through a comparison of the estimated recoveries for a debtor's stakeholders in a hypothetical chapter 7 liquidation of that debtor's estate against the estimated recoveries under that debtor's plan of reorganization. For the reasons described below, the projected recoveries for the Impaired Claims and Interests under the Plan are equal to or in excess of the recoveries estimated in a hypothetical chapter 7 liquidation.

10. To determine whether the Plan satisfies the best interests test, the Debtors, with the assistance of their advisors, prepared a liquidation analysis, which is attached to the Disclosure Statement as Exhibit E (the “Liquidation Analysis”). I oversaw the preparation of the Liquidation Analysis, and worked closely with a team of A&M professionals in its development.

11. The Liquidation Analysis estimates the projected recoveries that would result from the liquidation of the Debtors in a hypothetical conversion to chapter 7 of the Bankruptcy Code on or about October 31, 2024 (the “Conversion Date”), which is then compared with the estimated recoveries to Holders of Allowed Claims and Interests under the Plan. The Liquidation Analysis was completed following due diligence performed by the A&M team, including a review of the Debtors’ books and records and discussions with the Debtors’ management, and was based on a variety of assumptions that I believe are reasonable. The Liquidation Analysis is based on the estimated value of the Debtors’ assets and liabilities as of the Conversion Date, and incorporates various estimates and assumptions that are customarily used in chapter 11 cases similar to this one, including the projected costs associated with the administration of the estate and the support required to wind down the Debtors’ operations in a hypothetical conversion to a chapter 7 liquidation. Further, the assumptions contained within the Liquidation Analysis are subject to potentially material changes, including with respect to economic and business conditions as well as legal rulings.

12. Estimated Plan recoveries were determined, where applicable, based on the valuation analysis prepared by Houlihan Lokey Capital, Inc., which is attached to the Disclosure Statement as Exhibit D (the “Valuation Analysis”) and described in the *Declaration of Matthew Braun, Managing Director of Houlihan Lokey Capital, Inc., in Support of the Debtors’ Disclosure Statement for, and Confirmation of, the Amended Joint Prepackaged Plan of Reorganization of*

Wheel Pros, LLC and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code, filed contemporaneously herewith. The Valuation Analysis estimates a range of total enterprise and equity value of the Reorganized Debtors. Informed by the Valuation Analysis, the projected recoveries under the Plan and the results of the Debtors' Liquidation Analysis for all Holders of Claims and Interests are as follows:

Class	Claims and Interests	Estimated Plan Recovery	Estimated Liquidation Recovery³
Superpriority	DIP ABL Facility	100%	71%
Superpriority	DIP Term Loan Facility	100%	71%
Class 1	Other Secured Claims	100%	0%
Class 2	Other Priority Claims	100%	0%
Class 3	ABL Claims	100%	0%
Class 4	FILO Claims	100%	0%
Class 5	First Lien Claims	53%	0%
Class 6	Junior Funded Debt Claims	0.1%	0%
Class 7	General Unsecured Claims	100%	0%
Class 8	Intercompany Claims	N/A	0%
Class 9	Intercompany Interests	N/A	0%
Class 10	Existing Equity Interests	0%	0%
Class 11	Section 510(b) Claims	0%	0%

13. Comparing the range of projected recoveries under the Liquidation Analysis to the estimated Plan recoveries indicates that each Holder of an Impaired Claim or Interest will receive

³ The percentages reflect the mid-point of the projected recoveries under the Liquidation Analysis.

or retain under the Plan property of a value, as of the Effective Date, that equals or exceeds the value such Holder would receive if the Debtors were liquidated under chapter 7 of the Bankruptcy Code. This is true even at the high end of the range of projected recoveries under the Liquidation Analysis. Crucially, in a hypothetical chapter 7 liquidation, creditors who stand to recover after the holders of funded debt claims, *i.e.*, Holders of General Unsecured Claims—which are paid in full under the Plan—would receive zero recovery. Holders of First Lien Claims and Junior Funded Debt Claims would not recover anything, which would constitute less than what they are recovering under the Plan. Based on the Debtors’ and their advisors’ Plan valuation and recoveries set forth in the Plan, the Disclosure Statement, the Liquidation Analysis, and the Valuation Analysis—as well as the estimates and assumptions used therein—the liquidation recoveries are substantially lower than the recoveries provided by the Plan.

14. Accordingly, I believe that the Plan satisfies the requirements of section 1129(a)(7) of the Bankruptcy Code.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the facts set forth in the foregoing Declaration are true and correct to the best of my knowledge, information, and belief.

Dated: October 13, 2024

/s/ *Cari Turner*

Cari Turner

Managing Director

Alvarez & Marsal North America LLC