

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

In re:

Nikola Corp., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-10258 (TMH)

(Jointly Administered)

**Re: Docket No. 811**

**DECLARATION OF GABRIEL FRIED IN SUPPORT OF THE DEBTORS’  
EXPEDITED MOTION FOR ENTRY OF AN ORDER (I) APPROVING THE PRIVATE  
SALE OF CERTAIN OF THE DEBTORS’ ASSETS FREE AND CLEAR OF LIENS,  
CLAIMS AND ENCUMBRANCES, WITH SUCH INTEREST TO ATTACH TO SALE  
PROCEEDS, (II) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF  
CERTAIN EXECUTORY CONTRACTS, AND (III) GRANTING RELATED RELIEF**

I, Gabriel Fried, hereby declare that the following is true and correct to the best of my knowledge, information, and belief:

1. I am Chief Executive Officer of Hilco IP Services, LLC d/b/a Hilco Streambank (“Hilco Streambank”), an intangible asset advisory firm based in New York, New York, with offices in Massachusetts and the United Kingdom. I am authorized to submit this declaration (this “Declaration”) on behalf of Hilco Streambank. Hilco Streambank was retained by the above-captioned debtors and debtors in possession (collectively, the “Debtors”) as their intangible asset disposition consultant in connection with the Debtors’ Chapter 11 Cases. *See* Docket No. 607.

2. I submit this Declaration in support of the *Debtors’ Expedited Motion for Entry of an Order (I) Approving the Private Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims and Encumbrances, with Such Interests to Attach to Sale Proceeds, (II) Authorizing the*

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<sup>1</sup> The Debtors in these chapter 11 cases, together with the last four digits of each Debtor’s federal tax identification number, are: Nikola Corporation (registered to do business in California as Nikola Truck Manufacturing Corporation) (1153); Nikola Properties, LLC (3648); Nikola Subsidiary Corporation (1876); Nikola Motor Company LLC (0139); Nikola Energy Company LLC (0706); Nikola Powersports LLC (6771); Free Form Factory Inc. (2510); Nikola H2 2081 W Placentia Lane LLC (N/A); 4141 E Broadway Road LLC (N/A); and Nikola Desert Logistics LLC (N/A). The Debtors’ mailing address is PO Box 27028, Tempe, AZ 85285.

*Assumption and Assignment of Certain Executory Contracts, and (III) Granting Related Relief* [Docket No. 811] (the “Sale Motion”), filed on July 31, 2025.<sup>2</sup>

**Qualifications**

3. Hilco Streambank and its professionals have extensive experience in, and a reputation for, providing high quality intellectual property disposition services to large and complex companies in bankruptcy proceedings and other distressed situations. Hilco Streambank and its principals have coordinated the marketing and sale of intellectual property assets for numerous companies in the United States and globally. As part of those engagements, Hilco Streambank was responsible for, among other things, marketing intangible assets, identifying and negotiating terms with bidders, identifying potential buyers, and negotiating the terms of sales.

4. I have personally led the marketing and sale of intellectual property assets in a variety of bankruptcy cases in multiple jurisdictions, including in Delaware. In those cases, I was responsible for the marketing and sale of intangible assets on behalf of debtors and trustees, including valuable software, domain names, trademarks, patents, know-how and enabling materials, and related data and assets. I have over twenty-five years of experience advising financially distressed companies, their creditors, equity holders, and other stakeholders. I have enabled estates and creditors to maximize value for the debtor’s intellectual property and associated tangible assets in a variety of cases and contexts.

5. Except as otherwise stated, all statements in this Declaration are based upon my review of relevant documents, my discussions with the Debtors and their professionals, including

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Sale Motion.

other members of Hilco Streambank, and my personal knowledge and experience. If I were called to testify, I would testify competently to the facts set forth herein.

**The Debtor's Marketing Efforts**

6. Hilco Streambank was engaged by the Debtors, effective May 16, 2025, with respect to the marketing and sale of the Debtors' interests in its patents, proprietary software, trade secrets, know-how, designs, methods, research and development data, tests and test results, brands and trademarks, domain names, data, copyrights, license agreements, IP addresses, and the like (the "Intangible Assets"), as approved in the *Order Authorizing the Retention and Employment of Hilco IP Services, LLC d/b/a Hilco Streambank as Intellectual Property Disposition Consultant to the Debtors, Effective as of May 16, 2025 and Waiving Certain Reporting Requirements Pursuant to Local Rule 2016-1(H)* [Docket No. 607] (the "Hilco Streambank Retention Order").

7. Gordon Brothers Commercial & Industrial LLC ("Gordon Brothers"), was engaged by the Debtors, effective May 13, 2025, with respect to the marketing and sale of certain fuel cell electric vehicle (FCEV) inventory and other inventory, machinery, equipment related to the fuel cell electric vehicle inventory, and other assets (the "Tangible Assets"), as approved in the *Order (I) Approving Agency Agreement with Gordon Brothers Commercial & Industrial LLC; (II) Authorizing the Sale of Certain Remaining Assets Free and Clear of Liens, Claims, Interests, and Encumbrances; and (III) Granting Related Relief* [Docket No. 514] (the "Gordon Brothers Retention Order").

8. Our engagement followed significant efforts by the Debtors to pursue alternative financing and M&A opportunities throughout 2024 and 2025, which efforts included prepetition and post-petition processes, including the sale process led by Houlihan Lokey, which culminated in the sale of certain of the Debtors' assets, as approved in the *Order (A) Approving the Sale of Certain of The Debtors' Assets Free and Clear of Liens, Claims, Interests, and Encumbrances,*

*(B) Authorizing the Debtors to Enter Into and Perform Their Obligations Under the Asset Purchase Agreement, (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection therewith, and (D) Granting Related Relief [Docket No. 408] (the “Lucid Sale Order”).*

9. From the beginning of our sale process, we believed there could be a potential sale outcome involving the sale of the Intangible Assets separate from the Tangible Assets. We similarly believed there could be a sale outcome that capitalized on the synergies between the Debtors’ proprietary cloud platform and the Debtors’ remaining truck fleet, given the cloud platform and mobile and web applications enable the fullest operability of the trucks. Given this, we coordinated closely with Gordon Brothers to align our respective sale processes, thereby creating maximum optionality for potential buyers interested in some, all, or combinations of the Intangible Assets and the Tangible Assets.

10. Following Hilco Streambank’s engagement, we worked with the Debtors and their professionals to identify and assemble relevant data concerning the Intangible Assets, and to market the Intangible Assets to potential buyers. Hilco Streambank’s activities included:

- a. Working with the Debtors and their advisors to identify, collect, and secure all of the available information and data concerning the Intangible Assets;
- b. Developing marketing materials, including an information sheet and website landing page, which described the Intangible Assets, the history of their use and their availability for sale;
- c. Working with the Debtors to secure administrative credentials for assets such as code repositories, related systems, domain registrars, and the like;
- d. Synthesizing information concerning the Debtors’ Intangible Assets;

- e. Drafting and disseminating a press release via *PR Newswire* describing the Intangible Assets and their availability for sale;
- f. Developing a contact list of potential buyers for the Intangible Assets;
- g. Having direct contact by phone or email with approximately 344 potential buyers, including potential buyers expressing interest in the Debtors' prior sales efforts as well as new potential buyers;
- h. Disseminating email marketing materials to Hilco Streambank's proprietary contact database, which email communications were opened by more than 13,000 unique contacts;
- i. Advertising the Intangible Assets on Hilco Streambank's LinkedIn page;
- j. Establishing and populating a virtual data room (the "VDR") and arranging for the admission of approximately 28 parties to the VDR who executed a form of non-disclosure agreement acceptable to the Debtors, approximately 17 of which represented new parties as compared to the prior Houlihan Lokey-led sale process;
- k. Developing a form of non-binding form of Indication of Interest ("IOI") to allow interested parties to submit offers for the Intangible Assets;
- l. Working with the Debtors, Gordon Brothers, and interested parties who submitted IOIs ("IOI Parties") to document deliverables and terms of a sale or sales; and
- m. Continuing to work with Gordon Brothers, the Debtors, and their professionals to close the sale or sales.

11. Hilco Streambank and the Debtors notified interested parties that any IOIs to acquire the Intangible Assets were required to be submitted in writing on or before June 18, 2025 (the "IOI Submission Deadline"). The Debtors set no minimum offer. Ultimately, the Debtors received IOIs from thirteen (13) interested parties (the "IOI Parties"), which IOIs variously

contemplated the acquisition of all or subsets of the Intangible Assets, some of which further contemplated the acquisition of various of the Tangible Assets.

**Preservation of the Debtors' Intangible Assets and Preparation of Delivery Mechanics**

12. Concurrently with Hilco Streambank's and Gordon Brothers' combined sale efforts, Hilco Streambank worked with the Debtors' limited remaining technical personnel, the Debtors' advisors, and various former employees of the Debtors, re-hired on a 1099 basis, to better understand interdependencies, and to secure administrative credentials to third-party platforms such as AWS, domain registrar accounts, SharePoint and Azure Files, Atlassian, and the like, and physical devices and virtual machines containing enabling materials such as computer-aided design (CAD) files, electrical engineering specifications, test materials, and the like.

13. Throughout these efforts, Hilco Streambank confirmed with the Debtors the existence of dependencies upon the primary NikolaMotor.com domain name embedded within the codebases enabling the cloud-based software architecture, web applications, and mobile application. While a fully staffed software engineering department could possibly reengineer the platform to remove these dependencies, the time and expense and the Debtors' limited remaining technical personnel informed the conclusion that such a redevelopment effort would be impractical. Therefore, the brand-related and software-related Intangible Assets would need to be bundled together.

14. Further, based on available resources and administrative access of the Debtors, Hilco Streambank devised possible delivery options with respect to various of the Intangible Assets. For example, the Debtors' software production environment and mobile application are hosted in the cloud at AWS. Live truck sensory data was similarly ingested and stored at AWS. The Debtors maintained administrative access to AWS. The Debtors do not have full

administrative access or control over, or viable delivery mechanisms for, certain systems including SharePoint, Azure Files, virtual machines at phoenixNAP, and various other systems.

**The Debtors' Sale Process and Transaction**

15. Hilco Streambank worked with the Debtors, in consultation with its advisors, including Gordon Brothers, to negotiate with the IOI Parties that submitted the highest consideration as of the IOI Submission Deadline. The highest offers required either a subset or all of the trucks to be included in their IOIs for the Intangible Assets. Given this, and stemming from ongoing negotiations, it became clear that, on a net recovery basis, the structure most likely to maximize recovery value would be a combined transaction that contemplated the acquisition of all of the Intangible Assets and all of the Debtors' trucks.

16. In addition to economic consideration, we had to weigh risk factors that could impact a closing. Numerous of the IOI Parties, including the highest as of the IOI Submission Deadline, were unable to present evidence of wherewithal sufficient to consummate a transaction. Others were unable to obtain internal approvals to allow a transaction to move forward. Still others expressed requirements to acquire and have delivered various of the Intangible Assets described further above, which we have determined with the Debtors cannot practically be delivered, and which was communicated to the IOI Parties.

17. After these extensive negotiations with the IOI Parties since the IOI Submission Deadline (June 18, 2025) and the Debtors' filing of the Sale Motion—more than a month later—only one IOI Party, Simoneta, Ltd., a Delaware corporation, d/b/a Hyroad Energy (the “Purchaser”) submitted a signed asset purchase agreement (the “APA”) agreeable to the debtors, a 10% good faith deposit, evidence of wherewithal to consummate the transaction, and aggregate

consideration acceptable to the Debtors for all of the Intangible Assets and some of the Tangible Assets. The terms are summarized at a high level below:

- a. Cash Consideration: \$3,850,000;
- b. Acquired assets: all of the Intangible Assets and a subset of the Tangible Assets (including all of the FCEV trucks), which allows Gordon Brothers to further monetize the remaining Tangible Assets for the Debtors' estates; and
- c. Agreement and acknowledgement that various of the undeliverable Intangible Assets described above, and more fully described as the "Specified Assets" in the Purchaser's APA are not within the Debtors' ability to deliver.

### **Conclusion**

18. The Intangible Assets and the Tangible Assets have been extensively marketed both prepetition and post-petition. Numerous parties, both domestic and foreign have had substantial opportunity to diligence the Debtors, their assets, and this opportunity. With respect to the Intangible Assets, the further passage of time will only serve to deteriorate those assets, namely the software, which relies on periodic updating and reengineering, costly third-party cloud hosting and development sites, third-party platform integrations, and the like. Further, under the terms of the sale transaction with Lucid, approved in the Lucid Sale Order, the Debtors will only have access to their former headquarters at the Coolidge manufacturing locations only through September 15, 2025, necessitating an expedient removal of the acquired Tangible Assets under Purchaser's APA.

19. Given all of this, I believe it is likely that all potentially interested and capable buyers have been contacted and given an adequate opportunity to conduct diligence and submit an offer on the Intangible Assets, and the offer from the Purchaser is the highest and best offer for the Intangible Assets. Further, upon information and belief, I believe the offer from the Purchaser

with regard to the specified Tangible Assets described in the APA is the highest and best offer for those assets, and that the net recovery values for the Debtors' estates will be higher when bundled together with the Intangible Assets as contemplated hereunder.

20. I believe that the APA described above and in the Sale Motion was negotiated, proposed, and entered into by the Debtors and the Purchaser without collusion and in good faith, and resulted from arm's length bargaining positions. Moreover, to the best of my knowledge, no common identity of directors or controlling shareholders exists between the Debtors and the Purchaser.

21. The Sale Hearing to consider entry of an order approving the Sale Motion is scheduled before the Court on August 6, 2025. At the Sale Hearing, the Debtors will seek approval of the APA with the Purchaser.

22. I believe that the Purchaser's offer, in the aggregate amount of \$3,850,000.00, represents the highest and best offer available for the assets after the reasonable and thorough marketing process conducted by Hilco Streambank, Gordon Brothers, and the Debtors. Accordingly, in my opinion, granting the relief requested in the Sale Motion is in the best interests of the Debtors' estates and creditors.

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I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct. Executed this 4th day of August, 2025, in Quincy, Massachusetts.

*/s/ Gabriel Fried*  
Gabriel Fried