

ENTERED

September 23, 2024

Nathan Ochsner, Clerk

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

In re:	§	Chapter 11
	§	
RHODIUM ENCORE LLC, <i>et al.</i> , ¹	§	Case No. 24-90448 (ARP)
	§	
Debtors.	§	
	§	(Jointly Administered)
	§	

**ORDER GRANTING THE EMERGENCY MOTION OF DEBTORS
FOR ENTRY OF AN ORDER (I) AUTHORIZING DEBTORS TO PAY
PRE-PETITION EMPLOYEES' EXPENSES AND PAYROLL TAXES;
AND (II) GRANTING RELATED RELIEF
(Relates to ECF No. 150)**

Upon the motion, dated September 17, 2024 (the "Motion")² of Rhodium Encore, LLC, and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors"), for entry of an order pursuant to sections 105(a), 363(b), and 507 of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004 authorizing, but not directing, the Debtors to (i) pay all Employee Obligations and related fees, costs, and expenses incident to the foregoing, including amounts owed to third-party service providers and administrators and taxing authorities, and (ii) maintain, and continue to honor and pay amounts with respect to, the Debtors' business practices, programs, and policies for their employees as such were in effect as of the Petition Date and as such may be modified, amended, or supplemented

¹ The Debtors in these chapter 11 cases and the last four digits of their corporate identification numbers are as follows: Rhodium Encore LLC (3974), Jordan HPC LLC (3683), Rhodium JV LLC (5323), Rhodium 2.0 LLC (1013), Rhodium 10MW LLC (4142), Rhodium 30MW LLC (0263), Rhodium Enterprises, Inc. (6290), Rhodium Technologies LLC (3973), Rhodium Renewables LLC (0748), Air HPC LLC (0387), Rhodium Shared Services LLC (5868), Rhodium Ready Ventures LLC (8618), Rhodium Industries LLC (4771), Rhodium Encore Sub LLC (1064), Jordan HPC Sub LLC (0463), Rhodium 2.0 Sub LLC (5319), Rhodium 10MW Sub LLC (3827), Rhodium 30MW Sub LLC (4386), and Rhodium Renewables Sub LLC (9511). The mailing and service address of the Debtors in these chapter 11 cases is 2617 Bissonnet Street, Suite 234, Houston, TX 77005.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



from time to time in the ordinary course of business; and (b) granting related relief, all as more fully set forth in the Motion; and upon consideration of the First Day Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334; and consideration of the Motion and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing to consider the relief requested in the Motion; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is in the best interests of the Debtors and their respective estates and creditors; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT

1. The Debtors are authorized, but not directed, pursuant to sections 105(a), 363(b), and 507 of the Bankruptcy Code, to pay all pre-petition Employee Expenses and Payroll Taxes and any related fees, costs, and expenses incident to the foregoing.

2. The Banks are authorized to receive, process, honor, and pay any and all checks issued, or to be issued, and electronic funds transfers requested, or to be requested, by the Debtors relating to such obligations, to the extent that sufficient funds are on deposit in available funds in the applicable bank accounts to cover such payments. The Banks are authorized to accept and rely on all representations made by the Debtors with respect to which checks, drafts, wires, or

automated clearing house transfers should be honored or dishonored in accordance with this or any other order of this Court, whether such checks, drafts, wires, or transfers are dated prior to, on, or subsequent to the Petition Date, without any duty to inquire otherwise.

3. The Debtors are authorized, but not directed, to issue new post-petition checks, or effect new electronic funds transfers, and to replace any pre-petition checks or electronic fund transfer requests that may be lost or dishonored or rejected as a result of the commencement of the Debtors' chapter 11 cases with respect to any pre-petition amounts that are authorized to be paid pursuant to this Order.

4. Nothing contained in the Motion or this order or any payment made pursuant to the authority granted by this Order is intended to be or shall be deemed as (a) an admission as to the validity of any claim against the Debtors; (b) a waiver of the Debtors' or any party in interest's rights to dispute the amount of, basis for, or validity of any claim; (c) a waiver of the Debtors' or any party in interest's rights under the Bankruptcy Code or any other applicable non-bankruptcy law; (d) an agreement or obligation to pay any claims; (e) a waiver of any claims or causes of action which may exist against any creditor or interest holder; (f) an admission as to the validity of any liens satisfied pursuant to this Motion; or (g) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code.

5. Notwithstanding anything contained in the Motion or this Order, any payment to be made, and any relief or authorization granted herein, shall be subject to, and must be in compliance with, the terms and conditions in any interim or final order entered by the Court approving the Debtors' entry into any post-petition debtor in possession financing facility and authorizing the Debtors' use of cash collateral, including any approved budget in connection therewith (as may be updated and approved from time to time in accordance with the terms of any

such interim or final order) (each such order, a “DIP Order”). To the extent there is any inconsistency between the terms of a DIP Order and any action taken or proposed to be taken hereunder, the terms of the DIP Order shall control.


6. Notice of the Motion is adequate under Bankruptcy Rule 6004(a).

7. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Order shall be immediately effective and enforceable upon its entry.

8. The Debtors are authorized to take all actions necessary or appropriate to carry out the relief granted in this Order.

9. This Court retains jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Signed: September 23, 2024


Alfredo R Pérez
United States Bankruptcy Judge

United States Bankruptcy Court
Southern District of Texas

In re:
Rhodium Encore LLC
Debtor

Case No. 24-90448-arp
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0541-4
Date Rcvd: Sep 23, 2024

User: ADIuser
Form ID: pdf002

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Total Noticed: 9

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Sep 25, 2024:

Recip ID	Recipient Name and Address
db	+ Rhodium Encore LLC, c/o Quinn Emanuel Urquhart & Sullivan, c/o Patricia B. Tomasco, 700 Louisiana, Suite 3900, Houston, TX 77002 UNITED STATES 77002-2841
aty	+ Robert Trust, Orrick, Herrington & Sutcliffe, LLP, 51 West 52nd Street, New York, NY 10019-6142
cr	+ Christopher H Stadlin Group Investments LLC, c/o Nuti Hart LLP, 6232 La Salle Avenue, Suite D, Oakland, CA 94611, UNITED STATES 94611-2847
cr	+ Shane M. Blackmon, c/o Chamberlain Hrdlicka, Attention: Bankruptcy Dept., 1200 Smith Street, Suite 1400, Houston, TX 77002-4496
cr	+ Temple Green Data, LLC, c/o Jennifer F. Wertz, Jackson Walker LLP, 100 Congress Avenue, Suite 1100 Austin, TX 78701-4042

TOTAL: 5

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
intp	+ Email/Text: lemaster@slollp.com	Sep 23 2024 20:19:00	Imperium Investments Holdings, LLC, c/o Streusand Landon Ozburn & Lemmon LLP, 1801 S. Mopac Expressway, #320, Austin, TX 78746-9817
op	+ Email/Text: kccnoticing@kccllc.com	Sep 23 2024 20:21:00	Kurtzman Carson Consultants, LLC dba Verita Global, 222 N Pacific Coast Highway, Suite 300, El Segundo, CA 90245, UNITED STATES 90245-5614
cr	Email/Text: julie.parsons@mvalaw.com	Sep 23 2024 20:20:00	Tax Appraisal District of Bell County, McCreary Veselka Bragg & Allen PC, Attn: Julie Anne Parsons, PO Box 1269, Round Rock, TX 78680-1269
cr	Email/Text: julie.parsons@mvalaw.com	Sep 23 2024 20:20:00	The County of Milam, Texas, c/o McCreary, Veselka, Bragg & Allen, P.O. Box 1269, Round Rock, TX 78680-1269

TOTAL: 4

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID	Bypass Reason	Name and Address
intp		Arkady Goldinstein
intp		DLT Data Center 1 LLC (DLT 1)
cr		GR Fairbairn Family Trust
cr		GRF Tiger Trust
intp		Galaxy Digital, LLC
cr		Grant Fairbairn Revocable Trust
cr		NC Fairbairn Family Trust
cr		NCF Eagle Trust
cr		Nina Claire Fairbairn Revocable Trust
cr		Private Investor Club Feeder Fund 2020-G LLC
cr		Private Investor Club Feeder Fund 2020-H LLC
cr		Transcend Partners Legend Fund LLC

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cr Valley High LP
cr Whinstone US, Inc.

TOTAL: 14 Undeliverable, 0 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Sep 25, 2024

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on September 23, 2024 at the address(es) listed below:

Name	Email Address
Amber Michelle Carson	on behalf of Creditor Private Investor Club Feeder Fund 2020-G LLC acarson@grayreed.com
Amber Michelle Carson	on behalf of Creditor Private Investor Club Feeder Fund 2020-H LLC acarson@grayreed.com
Brandon Batzel	on behalf of Interested Party Galaxy Digital LLC bbatzel@orrick.com
Brandon Christopher Marx	on behalf of Creditor Whinstone US Inc. bmarx@foley.com
Christopher H Hart	on behalf of Creditor Christopher H Stadlin Group Investments LLC chart@nutihart.com
Christopher Ross Travis	on behalf of U.S. Trustee US Trustee C.Ross.Travis@usdoj.gov
Colin M Bernardino	on behalf of Creditor Transcend Partners Legend Fund LLC cbernardino@ktslaw.com
Colin M Bernardino	on behalf of Creditor NC Fairbairn Family Trust cbernardino@ktslaw.com
Colin M Bernardino	on behalf of Creditor GRF Tiger Trust cbernardino@ktslaw.com
Colin M Bernardino	on behalf of Creditor GR Fairbairn Family Trust cbernardino@ktslaw.com
Colin M Bernardino	on behalf of Creditor Grant Fairbairn Revocable Trust cbernardino@ktslaw.com
Colin M Bernardino	on behalf of Creditor Valley High LP cbernardino@ktslaw.com
Colin M Bernardino	on behalf of Creditor NCF Eagle Trust cbernardino@ktslaw.com
Colin M Bernardino	on behalf of Creditor Nina Claire Fairbairn Revocable Trust cbernardino@ktslaw.com
Evan Gershbein	on behalf of Other Prof. Kurtzman Carson Consultants LLC dba Verita Global ECFpleadings@kccllc.com, ecfpleadings@kccllc.com
Ha Minh Nguyen	on behalf of U.S. Trustee US Trustee ha.nguyen@usdoj.gov

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Jonathan Koevary

on behalf of Interested Party DLT Data Center 1 LLC (DLT 1) jkoevary@olshanlaw.com

Jonathan Michael Thomas

on behalf of Creditor Whinstone US Inc. jmthomas@foley.com

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TOTAL: 59