

**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> , <sup>1</sup> | § | Case No. 24-90448 (ARP) |
|                                                  | § |                         |
| Debtors.                                         | § |                         |
|                                                  | § |                         |
|                                                  | § | (Jointly Administered)  |
|                                                  | § |                         |

**APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
FOR ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT AND  
RETENTION OF MCDERMOTT WILL & EMERY LLP  
AS COUNSEL, EFFECTIVE AS OF NOVEMBER 23, 2024**

**IF YOU OBJECT TO THE RELIEF REQUESTED, YOU MUST RESPOND IN WRITING. UNLESS OTHERWISE DIRECTED BY THE COURT, YOU MUST FILE YOUR RESPONSE ELECTRONICALLY AT [HTTPS://ECF.TXSB.USCOURTS.GOV/](https://ecf.txsb.uscourts.gov) WITHIN TWENTY-ONE (21) DAYS FROM THE DATE THIS APPLICATION WAS FILED. IF YOU DO NOT HAVE ELECTRONIC FILING PRIVILEGES, YOU MUST FILE A WRITTEN OBJECTION THAT IS ACTUALLY RECEIVED BY THE CLERK WITHIN TWENTY-ONE DAYS FROM THE DATE THIS APPLICATION WAS FILED. OTHERWISE, THE COURT MAY TREAT THE PLEADING AS UNOPPOSED AND GRANT THE RELIEF REQUESTED.**

The Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases (the “Chapter 11 Cases”) of the above-captioned debtors and debtors in possession (the “Debtors”), hereby submits this application (the “Application”) for the entry of an order (the “Proposed Order”), substantially in the form attached hereto as **Exhibit A**, authorizing the employment, retention, and compensation of McDermott Will & Emery LLP (“McDermott”)

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<sup>1</sup> 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.



as counsel to the Committee, effective as of November 23, 2024, pursuant to sections 328 and 1103(a) of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rules 2014-1 and 2016-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the “Local Rules”), and the U.S. Trustee Guidelines (as defined herein). In support of this Application, the Committee submits the *Declaration of Charles R. Gibbs in Support of the Application of the Official Committee of Unsecured Creditors for Entry of an Order Authorizing the Employment and Retention of McDermott Will & Emery LLP as Counsel, Effective as of November 23, 2024* (the “Gibbs Declaration”), attached hereto as **Exhibit B**, and the *Declaration of Cameron Reid in Support of the Application of the Official Committee of Unsecured Creditors for Entry of an Order Authorizing the Employment and Retention of McDermott Will & Emery LLP as Counsel, Effective as of November 23, 2024* (the “Reid Declaration”), attached hereto as **Exhibit C**, both of which are incorporated herein by reference. In further support of this Application, the Committee respectfully represents as follows:

### **JURISDICTION AND VENUE**

1. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over the Chapter 11 Cases and this Application pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of Texas*, dated May 24, 2012. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). The relief requested is consistent with the U.S. Trustee Guidelines. The Committee confirms its consent to the entry of a final order with respect to this Application if it is determined that the Court would lack Article III jurisdiction to enter such final order or judgment absent consent of the parties.

2. Venue of the Chapter 11 Cases in this district is proper under 28 U.S.C. §§ 1408 and 1409.

3. The statutory predicates for the relief sought herein are sections 328 and 1103(a) Bankruptcy Code. Relief is also proper pursuant to Bankruptcy Rules 2014 and 2016, Local Rules 2014-1 and 2016-1, and the *Procedures for Complex Cases in the Southern District of Texas*.

### **BACKGROUND**

4. On August 24 and 29, 2024 (the “Petition Date”), the Debtors commenced the Chapter 11 Cases by filing petitions for relief under chapter 11 of the Bankruptcy Code. The Chapter 11 Cases are being jointly administered pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

5. On November 22, 2024, pursuant to section 1102 of title 11 of the United States Code (the “Bankruptcy Code”), the United States Trustee for Region 7 (the “U.S. Trustee”) appointed the following entities as members of the Committee: (a) Sing Family Enterprise Limited; (b) Proof Capital Alternative Income Fund; (c) SCM Worldwide LLC; (d) C5 Capital LLC; (e) Vesano Ventures LLC; (f) Daniel Garrie; and (g) Joseph Savage. *See* Docket No. 488. On November 23, 2024, the Committee selected McDermott to serve as its counsel in connection with the Chapter 11 Cases, subject to Court approval.

### **RELIEF REQUESTED**

6. By this Application, the Committee requests entry of the Proposed Order, attached hereto as **Exhibit A**, approving the employment and retention of McDermott, effective as of November 23, 2024, which is the date on which the Committee selected McDermott to serve as its counsel and the date that McDermott began rendering services to the Committee. Subject to the

terms set forth herein, the Committee seeks to retain McDermott in accordance with McDermott's normal hourly rates in effect when services are rendered and normal reimbursement policies subject to Local Rule 2016-1.

**THE RETENTION OF MCDERMOTT IS WARRANTED**

7. McDermott possesses extensive knowledge and expertise in the substantive areas of law relevant to the Chapter 11 Cases and is well qualified to represent the Committee in connection with these Chapter 11 Cases. In selecting counsel, the Committee sought attorneys with considerable experience representing the interests of unsecured creditors in chapter 11 cases of this nature. McDermott has represented unsecured creditors' committees and the interests of unsecured creditors in numerous other cases. McDermott also has a broad-based practice in other key areas of law relevant to the Chapter 11 Cases. The Committee believes that McDermott is well qualified to serve as its counsel in the Chapter 11 Cases. Further, employment of McDermott as of November 23, 2024 is warranted under the circumstances of these Chapter 11 Cases. Upon its selection, the Committee requested that McDermott commence work immediately on time-sensitive matters and devote substantial resources to these Chapter 11 Cases prior to the submission and approval of this Application.

**I. Scope of Services**

8. McDermott will render, among other things, the following legal services to the Committee:

- a) Advise the Committee with respect to its rights, powers, and duties in these Chapter 11 Cases;
- b) Participate in in-person and telephonic meetings of the Committee and subcommittees formed thereby, if any;
- c) Assist and advise the Committee in its meetings and negotiations with the Debtors and other parties in interest regarding the Chapter 11 Cases;

- d) Assist the Committee in analyzing claims asserted against, and interests in, the Debtors, and in negotiating with the holders of such claims and interests and bringing, or participating in, objections or estimation proceedings with respect to such claims and interests;
- e) Assist the Committee in analyzing the Debtors' assets and liabilities, including in its review of the Debtors' Schedules of Assets and Liabilities, Statements of Financial Affairs, and other reports prepared by the Debtors, investigating the extent and validity of liens and participating in and reviewing any proposed transfer, sale, or disposition of the Debtors' assets, financing arrangements, and cash collateral stipulations or proceedings;
- f) Assist the Committee in its investigation of the acts, conduct, assets, liabilities, management, and financial condition of the Debtors, the Debtors' historic and ongoing operations of their businesses, and the desirability of the continuation of any portion of those operations, and any other matters relevant to the Chapter 11 Cases;
- g) Assist the Committee in its analysis of, and negotiations with the Debtors or any third party related to, financing, asset disposition transactions, and compromises of controversies, reviewing and determining the Debtors' rights and obligations under leases and executory contracts, and assisting, advising, and representing the Committee in any manner relevant to the assumption and rejection of executory contracts and unexpired leases;
- h) Assist the Committee in its analysis of, and negotiations with, the Debtors or any third party related to, the formulation, confirmation, and implementation of a chapter 11 plan(s) and all documentation related thereto (including the disclosure statement);
- i) Assist, advise, and represent the Committee in understanding its powers and duties under the Bankruptcy Code and the Bankruptcy Rules and in performing other services as are in the interests of those represented by the Committee;
- j) Assist and advise the Committee with respect to communications with the general creditor body regarding significant matters in the Chapter 11 Cases;
- k) Respond to inquiries from individual creditors as to the status of, and developments in, the Chapter 11 Cases;
- l) Represent the Committee at hearings and other proceedings before the Court and other courts or tribunals, as appropriate;
- m) Review and analyze complaints, motions, applications, orders, and other pleadings filed with the Court, and advise the Committee with respect to formulating positions with respect, and filing responses, thereto;

- n) Assist the Committee in its review and analysis of, and negotiations with the Debtors and their non-Debtor affiliates related to intercompany claims and transactions;
- o) Review and analyze third-party analyses and reports prepared in connection with the Debtors' potential claims and causes of action, advise the Committee with respect to formulating positions thereon, and perform such other diligence and independent analysis as may be requested by the Committee;
- p) Advise the Committee with respect to applicable federal and state regulatory issues, as such issues may arise in the Chapter 11 Cases;
- q) Assist the Committee in preparing pleadings and applications, and pursuing or participating in adversary proceedings, contested matters, and administrative proceedings as may be necessary or appropriate in furtherance of the Committee's duties;
- r) Take all necessary or appropriate actions as may be required in connection with the administration of the Debtors' estates, including with respect to a chapter 11 plan and related disclosure statement; and
- s) Perform such other legal services as may be necessary or as may be requested by the Committee in accordance with the Committee's powers and duties as set forth in the Bankruptcy Code.

9. McDermott will coordinate with all other estate professionals, including the Debtors' professionals, and other appointed committees, if any, to avoid duplication of efforts.

## **II. McDermott's Disinterestedness and Disclosure Concerning Conflicts of Interest**

10. Section 328(a) authorizes a committee appointed under Bankruptcy Code section 1102, with the court's approval, to employ "a professional person under section 327 or 1103 of this title, as the case may be, on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis." 11 U.S.C. § 328(a). Section 1103, in turn, requires that an attorney employed to represent a committee "may not, while employed by such committee, represent any other entity having an adverse interest in connection with the case." 11 U.S.C. § 1103.

11. As more fully set forth in the Gibbs Declaration attached hereto as **Exhibit B**, McDermott reviewed the list of interested persons and entities annexed to the Debtors' retention applications and ran the list of relevant parties in interest included on **Schedule 1** to the Gibbs Declaration through its conflicts system consistent with the U.S. Trustee's requirements. McDermott does not represent, or have any other connection with, any of the parties in interest listed on **Schedule 1**, subject to the disclosures set forth below and in the Gibbs Declaration. While employed by the Committee, McDermott will not represent any entity having an adverse interest to the Committee in connection with these Chapter 11 Cases. McDermott's conflict search resulted in the disclosures set forth on **Schedule 2** to the Gibbs Declaration.

12. The Committee is aware that McDermott currently represents certain interested parties in matters unrelated to the Chapter 11 Cases, as further identified in the Gibbs Declaration and listed on **Schedule 2**. McDermott does not and will not represent any such interested parties in any matter related to the Debtors. The Committee hereby waives any conflict of interest that exists or may exist due to McDermott's representation of such interested parties in matters unrelated to the Debtors.

13. The Committee does not believe McDermott's representation of any interested party or its affiliate(s) in unrelated matters will impair McDermott's ability to represent the Committee as counsel in connection with these Chapter 11 Cases. The Committee has been informed that McDermott will conduct an ongoing review of its files to ensure that no disqualifying circumstances arise. To the extent that McDermott discovers any connection with any interested party or enters into any new relationship with any interested party, McDermott will promptly supplement its disclosures to the Court.

14. Based on the Gibbs Declaration, the Committee submits that McDermott is a “disinterested person” as that term is defined in Bankruptcy Code section 101(14), and neither represents nor holds an interest materially adverse to the interests of the Committee, or the Debtors or their estates with respect to the matters on which McDermott is to be employed.

### **III. Professional Compensation**

15. The Committee requests that all legal fees and related costs and expenses incurred by the Committee on account of services rendered by McDermott in the Chapter 11 Cases be paid as administrative expenses of the Debtors’ estates pursuant to Bankruptcy Code sections 328, 330(a), 331, 503(b), and 507(a). Subject to the Court’s approval, McDermott will charge the Committee for its legal services on an hourly basis in accordance with its ordinary and customary hourly rates in effect on the date such services are rendered.

16. McDermott intends to apply to this Court for allowance of compensation and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the U.S. Trustee Guidelines, and any further orders of this Court for all services performed and expenses incurred since November 23, 2024.

17. McDermott’s standard hourly rates for work of this nature for attorneys and paraprofessionals that may work on this matter, subject to annual adjustment each January to reflect economic and other conditions, are set forth below.

| <b>Title</b>             | <b>2024 Standard Rates</b> | <b>2025 Standard Rates</b> |
|--------------------------|----------------------------|----------------------------|
| Partners                 | \$1,325 - \$2,150          | \$1,500 - \$2,365          |
| Associates               | \$645 - \$1,335            | \$895 - \$1,485            |
| Non-Lawyer Professionals | \$250 - \$1,275            | \$300 - \$1,320            |

18. Pursuant to Bankruptcy Code section 328(a), the Committee may retain McDermott on reasonable terms and conditions. The hourly rates set forth above are the firm’s standard hourly

rates for work of this nature. The firm's standard rates are set at a level designed to compensate the firm fairly for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses.

19. McDermott has advised the Committee that the hourly rates set forth above are subject to annual increases in the normal course of McDermott's business. In the event of any such increase, McDermott will provide the Committee, the U.S. Trustee, and the Debtors with written notice of any such increase and file a supplemental affidavit (a "Supplemental Affidavit") with the Court. Any Supplemental Affidavit will explain the basis for the requested rate increase in accordance with Bankruptcy Code section 330(a)(3)(F). Pursuant to section B(2)(d) of the U.S. Trustee Guidelines, McDermott will provide justification of the reasonableness of any rate increase.

20. McDermott will charge for expenses in a manner and at rates consistent with charges made generally to its other clients and in accordance with the Bankruptcy Rules, the Local Rules, the U.S. Trustee Guidelines, and any applicable orders of this Court. Such expenses include, among other things, mail and express mail charges, special or hand delivery charges, travel expenses, expenses for computerized research, and transcription costs.

#### **IV. Statement Regarding U.S. Trustee Guidelines**

21. In 2013, the Executive Office for the United States Trustee ("EOUST") adopted the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* (the "Appendix B Guidelines"). By their terms, the Appendix B Guidelines "apply to the [U.S. Trustee's] review of applications for compensation filed by attorneys in larger chapter 11 cases," and are intended as an update to the original *Guidelines for Reviewing Applications for Compensation filed under 11 U.S.C. § 330*,

adopted by the EOUST in 1996 (the “Appendix A Guidelines” and, together with the Appendix B Guidelines, the “U.S. Trustee Guidelines”). The Committee and McDermott will make a reasonable effort to comply with the U.S. Trustee’s requests for information and additional disclosures as set forth in the U.S. Trustee Guidelines, both in connection with this Application and the interim and final fee applications to be filed by McDermott.

**RELIEF EFFECTIVE AS OF NOVEMBER 23, 2024 IS WARRANTED**

22. The Committee requests approval of the employment of McDermott effective as of November 23, 2024. Such relief is warranted by the circumstances presented by the Chapter 11 Cases. The Committee’s selection of McDermott as its counsel on November 23, 2024, necessitated that McDermott immediately commence work on time-sensitive matters and promptly devote substantial resources to the Chapter 11 Cases pending submission and approval of this Application.

**NOTICE**

23. Notice of this Application has been given to (i) the U.S. Trustee; (ii) counsel for the Debtors; and (iii) those persons who have requested notice pursuant to Bankruptcy Rule 2002. The Committee submits that, in light of the nature of the relief requested, no other or further notice need be given. No prior application for the relief requested herein has been presented to this Court or any other court.

*[Remainder of page intentionally left blank]*

**CONCLUSION**

**WHEREFORE**, the Committee requests that the Court enter the Proposed Order substantially in the form attached hereto as **Exhibit A**: (i) granting the Application; (ii) authorizing the Committee to retain, employ, and compensate McDermott as counsel to the Committee in connection with these Chapter 11 Cases, effective as of November 23, 2024; and (iii) granting such other and further relief as the Court may deem just and proper.

Dated: December 21, 2024

Respectfully submitted,

THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF RHODIUM ENCORE LLC, *et al.*

By: /s/ Cameron Reid  
Cameron Reid

Solely in his capacity as Chair of the  
Official Committee of Unsecured Creditors  
of Rhodium Encore LLC, *et al.*, and not in  
any other capacity

**EXHIBIT A**

**Proposed Order**

**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> , <sup>1</sup> | § | Case No. 24-90448 (ARP) |
| Debtors.                                         | § | (Jointly Administered)  |
|                                                  | § |                         |
|                                                  | § |                         |
|                                                  | § |                         |

**ORDER AUTHORIZING THE EMPLOYMENT AND  
RETENTION OF MCDERMOTT WILL & EMERY LLP AS  
COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,  
EFFECTIVE AS OF NOVEMBER 23, 2024**

Upon the application (the “Application”)<sup>2</sup> of the Official Committee of Unsecured Creditors (the “Committee”) appointed in these Chapter 11 Cases for entry of an order authorizing the Committee to employ and retain McDermott Will & Emery LLP (“McDermott”) as its counsel, effective as of November 23, 2024, pursuant to Bankruptcy Code sections 105(a), 328(a), 330, and 1103(a), Bankruptcy Rules 2014(a) and 2016, and Bankruptcy Local Rules 2014-1 and 2016-1; and upon the Gibbs Declaration attached to the Application as **Exhibit B**; and upon the Reid Declaration attached to the Application as **Exhibit C**; and the Court having jurisdiction pursuant to 28 U.S.C. §§ 157 and 1334 to consider the Application and the relief requested therein; and venue being proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court being

<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Application.

satisfied that notice of the Application and the opportunity for a hearing on the Application was appropriate under the particular circumstances and no further or other notice need be given; and the Court being satisfied, based on the representations made in the Application, the Gibbs Declaration, and the Reid Declaration that McDermott does not represent or hold any interest materially adverse to the Debtors or their estates as to the matters upon which McDermott has been and is to be employed, and that McDermott is a “disinterested person” as such term is defined in Bankruptcy Code section 101(14); and that while employed by the Committee, McDermott will not represent any other person or entity having an adverse interest in connection with the Chapter 11 Cases; and this Court having determined that the legal and factual bases set forth in the Application, the Gibbs Declaration, and the Reid Declaration establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED as follows:

1. The Application is APPROVED as set forth herein.
2. Pursuant to Bankruptcy Code sections 328 and 1103(a), Bankruptcy Rules 2014 and 2016, and Local Rules 2014-1 and 2016-1, the Committee is authorized to employ and retain McDermott as its counsel, effective as of November 23, 2024, as modified by the terms of this Order.
3. McDermott shall maintain time records in one tenth hour increments and apply for compensation and professional services rendered and reimbursement of expenses incurred in connection with the Debtors’ Chapter 11 Cases in compliance with Bankruptcy Code sections 330 and 331, and applicable provisions of the Bankruptcy Rules, the Local Rules, and such other procedures as may be fixed by order of this Court. McDermott also intends to make a reasonable effort to comply with the U.S. Trustee’s requests for information and additional disclosures as set

forth in the U.S. Trustee Guidelines, both in connection with the Application and the interim and final fee applications to be filed by McDermott in the Chapter 11 Cases.

4. McDermott will provide ten business days' written notice of any rate increases to the Committee, the United States Trustee, and the Debtors, and will file a Supplemental Affidavit detailing any such increases with the Court. The Committee, the Debtors, the U.S. Trustee, and all parties in interest retain all rights to object to any rate increase on all grounds including, but not limited to, the reasonableness standard provided for in Bankruptcy Code section 330, and the Court retains the right to review any rate increase pursuant to Bankruptcy Code section 330.

5. McDermott shall not be entitled to reimbursement for fees and expenses in connection with any objection to its fees, without further order of the Court.

6. McDermott shall use its best efforts and coordinate with the Committee and its other retained professionals, to avoid any duplication of services provided by any of the Committee's other retained professionals in these Chapter 11 cases.

7. McDermott will review its files periodically during the pendency of these Chapter 11 Cases to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, McDermott will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration, as required by Bankruptcy Rule 2014(a).

8. To the extent the Application, the Gibbs Declaration, or the Reid Declaration is inconsistent with this Order, the terms of this Order shall govern.

9. The Committee and McDermott are authorized and empowered to take all actions they deem necessary and appropriate to effectuate the relief granted pursuant to this Order in accordance with the Application.

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

11. This Court has and shall retain exclusive jurisdiction to hear and determine all matters arising from the implementation, interpretation, or enforcement of this Order.

Dated: \_\_\_\_\_, 2025

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ALFREDO R. PÉREZ  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT B**

**Declaration of Charles R. Gibbs**

**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> , <sup>1</sup> | § | Case No. 24-90448 (ARP) |
|                                                  | § |                         |
| Debtors.                                         | § |                         |
|                                                  | § | (Jointly Administered)  |
|                                                  | § |                         |

**DECLARATION OF CHARLES R. GIBBS IN SUPPORT OF THE  
APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS FOR ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT  
AND RETENTION OF MCDERMOTT WILL & EMERY LLP  
AS COUNSEL, EFFECTIVE AS OF NOVEMBER 23, 2024**

I, Charles R. Gibbs, hereby declare that the following statements are true and correct to the best of my knowledge after due inquiry as described herein:

1. I am an attorney at law admitted to practice before the Supreme Court of Texas, the United States District Courts for the Northern, Southern, Eastern, and Western Districts of Texas and the United States Courts of Appeals for the First, Third, Fourth, Fifth, Eighth, and Eleventh Circuits. I am a partner of the law firm of McDermott Will & Emery LLP (“McDermott”), which maintains offices at, among other places, 2501 North Harwood Street, Suite 1900, Dallas, Texas 75201.

2. I am familiar with the matters set forth herein and make this declaration in support of the *Application of the Official Committee of Unsecured Creditors for Entry of an Order*

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<sup>1</sup> 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.

*Authorizing the Employment and Retention of McDermott Will & Emery LLP as Counsel, Effective as of November 23, 2024 (the “Application”).*<sup>2</sup>

3. On November 22, 2024, pursuant to section 1102 of title 11 of the United States Code (the “Bankruptcy Code”), the United States Trustee for Region 7 (the “U.S. Trustee”) appointed the following entities as members of the Committee: (a) Sing Family Enterprise Limited; (b) Proof Capital Alternative Income Fund; (c) SCM Worldwide LLC; (d) C5 Capital LLC; (e) Vesano Ventures LLC; (f) Daniel Garrie; and (g) Joseph Savage. *See* Docket No. 488. On November 23, 2024, the Committee selected McDermott to serve as its counsel in connection with the Chapter 11 Cases, subject to Court approval.

4. McDermott began rendering services to the Committee immediately following its selection by the Committee.

#### **MCDERMOTT’S DISCLOSURE PROCEDURES**

5. To prepare this declaration, I, or someone under my supervision, reviewed the names set forth on a list of parties in interest identified by the Debtors. From this list, McDermott created a search list (the “Search List”) of relevant parties consistent with the U.S. Trustee’s requirements, a copy of which is attached hereto as **Schedule 1**. McDermott then compared the Search List with the information contained in the conflicts check systems and indexes of adverse parties currently maintained by McDermott (the “Conflicts System”).

6. The Conflicts System is designed to include every matter on which the firm is now engaged, as well as previous matters on which the firm was engaged that were closed over the last approximately five (5) years, sorted by the entity which has engaged the firm and, in each instance,

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<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Application.

listing the identity of the clients, related parties and adverse parties, and the attorneys in the firm who are knowledgeable about each matter. It is McDermott's policy that a new matter may be opened within the firm only after completing and submitting to those charged with maintaining the Conflicts System the information necessary to check each such matter for conflicts, including the identity of the prospective client and related adverse parties. McDermott maintains and systematically updates the Conflicts System in the regular course of the firm's business, and it is the regular practice of the firm to make and maintain these records.

7. Further, an e-mail was sent to the entire firm requesting that individuals disclose whether they (a) hold stock or any options to purchase stock in the Debtors or their affiliates, (b) hold a claim of any kind against the Debtors or their affiliates, (c) were a director, officer, or employee of the Debtors or their affiliates within the past three years, (d) are a close relative of a director or officer of the Debtors or their affiliates, or (e) have a close personal relationship with or are related to (i) any of the Judges of the United States Bankruptcy Court for the Southern District of Texas, or (ii) any employee of the Office of the United States Trustee for the Southern District of Texas or the United States Bankruptcy Court for the Southern District of Texas.

**MCDERMOTT'S CONNECTIONS WITH PARTIES IN  
INTEREST IN MATTERS UNRELATED TO THE CHAPTER 11 CASES**

8. I, or a person under my supervision, reviewed any client connections to the Chapter 11 Cases to determine whether McDermott has an adverse interest to the Debtors' estates. McDermott ran the names of all parties in interest on **Schedule 1** hereto through its Conflicts System, and McDermott does not represent, or have any other connection with, any of the parties in interest listed on **Schedule 1**, subject to the disclosures set forth on **Schedule 2**, which is incorporated herein by reference.

9. McDermott's conflicts search resulted in the disclosures set forth on **Schedule 2** to this declaration. The Committee is aware that McDermott has previously represented or currently represents certain creditors or parties in interest and/or their affiliates in matters unrelated to the Debtors and, unless noted otherwise, the Chapter 11 Cases.

10. McDermott currently represents BDO USA, P.C. ("**BDO**") in matters unrelated to the Debtors or the Chapter 11 Cases. BDO or one of its affiliates provides services to the Debtors. Representation of BDO accounted for greater than 1% of McDermott's collected revenue for 2021, 2022, 2023, and 2024 to date. McDermott has not, does not, and will not represent BDO or any of its affiliates in any matter related to the Debtors.

11. To the best of my knowledge and information, the annual fees for each of the last three years paid to McDermott by any party on **Schedule 1** or its affiliates, other than BDO, did not exceed 1% of McDermott's annual gross revenue. To the extent that issues arise that would cause the Committee to be adverse to any of McDermott's clients such that it would not be appropriate for McDermott to represent the Committee with respect to any such matters, the Committee will retain conflicts counsel to represent the Committee with respect to those matters.

12. I believe the connections disclosed on **Schedule 2** and herein have not and will not affect McDermott's representation of the Committee in the Chapter 11 Cases. McDermott's representation of these parties does not comprise a material component of McDermott's practice, nor does McDermott currently represent such parties on any issue relating to the Debtors.

13. McDermott does not currently directly represent the Debtors or any of their affiliates, partners or subsidiaries in the Chapter 11 Cases, and McDermott will not undertake any such representation during this engagement.

14. Based upon the information available to me, McDermott is a “disinterested person” as that term is defined in Bankruptcy Code section 101(14), and neither represents nor holds an interest materially adverse to the interests of the Committee, the Debtors, or their estates with respect to the matters on which McDermott is to be employed. To the extent McDermott discovers any connection with any party or enters into any new relationship with any party that otherwise would have been required to be disclosed in this Application, McDermott will promptly supplement its disclosures to the Court.

15. While employed by the Committee, McDermott will not represent any other entity having an adverse interest in connection with the Chapter 11 Cases.

16. Insofar as I have been able to ascertain, neither I, McDermott, nor any McDermott attorneys:

- (a) are creditors, equity security holders, or insiders of the Debtors;
- (b) are, or were within two years before the date of the filing of the petition, a director, officer, or employee of the Debtors; or
- (c) have an interest materially adverse to the interests of the estates or of any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with or interest in, the Debtors or for any other reason.

17. Except as otherwise set forth herein, insofar as I have been able to ascertain, the partners, counsel, and associates of McDermott do not have any connection with the Debtors, the Debtors’ officers and directors, the Debtors’ creditors, the Debtors’ equity security holders, and other known parties in interest or their respective attorneys and accountants, or the members of the Committee. To the best of my knowledge, information and belief formed after reasonable inquiry, neither I, nor any partner, counsel, associate, paraprofessional, or staff member of McDermott,

insofar as I have been able to ascertain, is related to the bankruptcy judge assigned to the Chapter 11 Cases.

### **MCDERMOTT'S RATES AND BILLING PRACTICES**

18. No promises have been received by McDermott or any McDermott attorney as to payment or compensation in connection with the Chapter 11 Cases other than in accordance with the provisions set forth herein. McDermott has no agreement with any other entity to share with such entity any compensation received by McDermott or by such entity. McDermott has received no retainer in these cases to represent the Committee.

19. McDermott intends to apply to this Court for allowance of compensation and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the U.S. Trustee Guidelines (as defined herein), and any further orders of this Court for all services performed and expenses incurred since November 23, 2024. McDermott expressly reserves the right to seek compensation for services and reimbursement of expenses incurred by defending challenge(s) to this Application and/or any fee applications filed by McDermott in the Chapter 11 Cases.

20. McDermott's standard hourly rates for work of this nature for attorneys and paraprofessionals that may work on this matter, subject to annual adjustment each January to reflect economic and other conditions, are set forth below.

| <b>Title</b>             | <b>2024 Standard Rates</b> | <b>2025 Standard Rates</b> |
|--------------------------|----------------------------|----------------------------|
| Partners                 | \$1,325 - \$2,150          | \$1,500 - \$2,365          |
| Associates               | \$645 - \$1,335            | \$895 - \$1,485            |
| Non-Lawyer Professionals | \$250 - \$1,275            | \$300 - \$1,320            |

21. The Application requests, pursuant to Bankruptcy Code section 328(a), approval of the Committee's retention of McDermott as its counsel. The hourly rates set forth above and in the

Application are the firm's standard hourly rates for work of this nature. The firm's standard rates are set at a level designed to compensate the firm fairly for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses.

22. McDermott has advised the Committee that the hourly rates set forth above are subject to annual increases in the normal course of McDermott's business. In the event of any such increase, McDermott will provide the U.S. Trustee and the Committee with written notice of any such increase and file a supplemental affidavit (a "Supplemental Affidavit") with the Court. Any Supplemental Affidavit will explain the basis for the requested rate increase in accordance with Bankruptcy Code section 330(a)(3)(F). Pursuant to section B(2)(d) of the U.S. Trustee Guidelines, McDermott will provide justification of the reasonableness of any rate increase.

23. McDermott will charge for expenses in a manner and at rates consistent with charges made generally to its other clients in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the U.S. Trustee Guidelines and any other applicable orders of this Court. Such expenses include, among other things, mail and express mail charges, special or hand delivery charges, travel expenses, expenses for computerized research, and transcription costs.

24. The foregoing constitutes the verified statement of the person to be employed, required under Bankruptcy Rule 2014.

#### **STATEMENT REGARDING U.S. TRUSTEE GUIDELINES**

25. In 2013, the Executive Office for the United States Trustee ("EOUST") adopted the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* (the "Appendix B Guidelines"). By their terms, the Appendix B Guidelines "apply to the [U.S. Trustee's] review of applications

for compensation filed by attorneys in larger chapter 11 cases,” and are intended as an update to the original *Guidelines for Reviewing Applications for Compensation filed under 11 U.S.C. § 330*, adopted by the EOUST in 1996 (the “Appendix A Guidelines” and, together with the Appendix B Guidelines, the “U.S. Trustee Guidelines”). McDermott will make a reasonable effort to comply with the U.S. Trustee’s requests for information and additional disclosures as set forth in the U.S. Trustee’s Guidelines, both in connection with the Application and the interim and final fee applications to be filed by McDermott in the Chapter 11 Cases.

**ATTORNEY STATEMENT PURSUANT TO APPENDIX B GUIDELINES**

26. The following is provided in response to the request for additional information set forth in ¶ D.1 of the Appendix B Guidelines.

- (a) McDermott has not agreed to a variation of its standard or customary billing arrangements for this engagement, except as disclosed herein;
- (b) none of McDermott’s professionals included in this engagement have varied their rates based on the geographic location of the Chapter 11 Cases;
- (c) McDermott did not represent the Committee before the Petition Date; and
- (d) McDermott expects to develop a budget and staffing plan to comply with the U.S. Trustee’s requests for information and additional disclosures, and any orders of the Court. Recognizing that unforeseeable fees and expenses may arise in large chapter 11 cases, McDermott may need to amend the budget as necessary to reflect changed circumstances or unanticipated developments.

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

Executed on this 21st day of December 2024

/s/ Charles R. Gibbs

Charles R. Gibbs

**SCHEDULE 1**

**LIST OF INTERESTED PARTIES**

**Bankruptcy Judges and Staff for  
Southern District of Texas**

Judge Marvin Isgur  
Judge Christopher M. Lopez  
Judge Jeffrey P. Norman  
Judge Eduardo V. Rodriguez  
Judge Alfredo R. Perez  
Tyler Laws  
Akeita House  
Peter Bray  
Jason Marchand  
Sierra Thomas-Anderson  
Rosario Saldana  
Zilde Martinez  
Tracey Conrad  
Shannon Holden  
Christina Bryan  
Melissa Morgan-Faircloth  
Aaron Jackson  
Mario Rios  
Yvonne Ho  
Samantha Warda  
Dena Hanovice Palermo  
Carol Felchak  
Jeannie Chavez  
Ana Castro  
Sam S. Sheldon  
Shannon Jones

**US Trustee**

Ha Minh Nguyen  
Christopher Ross Travis

**Client Corporate Group**

Rhodium Enterprises, Inc.  
Rhodium Technologies LLC  
Rhodium Renewables LLC  
Rhodium 2.0 LLC  
Rhodium Encore LLC  
Rhodium 30MW LLC  
Rhodium 10MW LLC

Rhodium JV LLC  
Air HPC LLC  
Jordan HPC LLC  
Rhodium Industries LLC  
Rhodium Shared Services LLC  
Rhodium Ready Ventures LLC  
Rhodium Renewables Sub LLC  
Rhodium 2.0 Sub LLC  
Rhodium Encore Sub LLC  
Rhodium 30MW Sub LLC  
Rhodium 10MW Sub LLC  
Jordan HPC Sub LLC

**Adverse Party and Potentially Adverse  
Party/Creditor of Rhodium Technologies  
LLC Rhodium 2.0 LLC, Rhodium  
Technologies LLC, & Rhodium Encore  
LLC**

Proof Capital Alternative Growth Fund  
Proof Capital Alternative Income Fund  
Proof Proprietary Investment Fund Inc.  
C5 Capital LLC  
Sing Family Enterprise Limited  
Abundance 2021, LLC  
Imperium Investments Holdings LLC  
SCM Worldwide LLC  
Michael Garrie  
Chang Living Trust  
Vesano Ventures LLC  
Daniel Garrie  
Limitless Advisors LLC  
Del Papa Ventures Ltd  
Fellowship Management Group, LLC  
Yang, Patty  
Pepper Grove Holdings Limited  
Alfred Murray Capital, LLC  
AnnMarie Fornaro Trust dated January 9, 2017  
Blain, Derek  
Brown, Michael  
BT Real Estate LLC  
Bullfrog Investment Group Inc.  
Celsius Core LLC

Coroneos, Paul A  
 GenGlobal RIG LLC  
 Gilbert, Sean Michael  
 Hibble, Adam  
 Infinite Mining, LLC  
 J. Blue Company, LLC  
 Jennings, Brett  
 JWS QRP HOLDINGS LLC  
 Karl, Philip  
 Kessner, Matthew J  
 Laczko, Zoltan  
 Lau, James  
 LIQUID MINING FUND I LLC  
 Magic Circle Trust  
 Mcbee, Christopher  
 Mettlehead Capital, LLC  
 Moorhead, Jordan  
 Noble Crest Capital, LLC  
 Orr, Douglas  
 Philip M. Fornaro Trust dated January 9, 2017  
 Precint Holdings, LLC  
 Private Investor Club Feeder Fund 2021-H LLC  
 RH Fund III, a series of Telegraph Treehouse,  
 LP  
 RH Fund I, a series of Permit RH, LP  
 Ranger Private Investment Partners, L.P.  
 RKS Investments LLC  
 Salvadori, Alexander Matthew  
 Shoemaker, Robert  
 Solo Sessions, LLC Profit Sharing Plan  
 Brennan M. Nacol 2015 Irrevocable Trust  
 Smith, Jeffrey  
 Stefkov, Emil  
 Ten R Ten, LLC  
 Thakur, Neil Kumar  
 The Kirk A. Blackmon 2013 Family Trust  
 Thunder Mountain Holdings LLC  
 Permit Ventures, LLC  
 TZ SOLO401K TRUST  
 Vantage FBO Amber Wimberly IRA  
 Weber, Brad  
 Winchester Partners, LP  
 Ethos Investments XV, LLC  
 AFC Development LLC  
 Arctos Credit LLC (\*I believe this is n/k/a  
 NYDIG or owned by NYDIG)

Christopher Blackerby  
 Clark and Laurie Kemble  
 Colin Hutchings  
 Equity Trust Company Custodian FBO Valentin  
 Angelkov IRA  
 ERC Capital LLC  
 Guarav Parikh 2020 Revocable Trust  
 Jacquelyn B. Nacol 2015 Irrevocable Trust  
 KeekBC LLC  
 LNW Family II LP  
 Omega Capital Ventures S R L  
 Pat C. Hawkins  
 Printing Capital I LP  
 Private Investor Club Feeder Fund 2020-G LLC  
 Private Investor Club Feeder Fund 2020-H LLC  
 R2BMNI LLC  
 Resolutions Real Estate Services LLC  
 Robert M. and Nancy T. Spencer  
 Rossano N. Wlodawsky and Marnie S.  
 Wlodawsky Joint Revocable Living Trust  
 Ryan Nacol 2015 Irrevocable Trust  
 Scott A. Thurman  
 Shane M. Blackmon  
 Stadlin Group Investments LLC  
 The Goodman Family Trust  
 Thomas Lienhart  
 Upgradeya Investments LLC  
 Chase Blackmon  
 Cameron Blackmon  
 Nathan Nichols  
 DROip3 LLC  
 The Trudo T. M. Letschert, II Revocable Trust  
 Solo Sessions LLC  
 345 Partners SPV2 LLC  
 Brian Cullinan  
 GR Fairbairn Family Trust  
 GRF Tiger Trust  
 Jacob Rubin  
 Jerald and Melody Howe Weintraub Revocable  
 Living Trust  
 Kintz Family Trust  
 Moore Revocable Trust Dated July 31, 2014  
 NC Fairbairn Family Trust  
 Nina Claire Fairbairn Revocable Trust  
 Paul Schwarz  
 Richard Fullerton

Transcend Partners Legend Fund LLC  
 Valley High Limited Partnership  
 Wilkins-Duignan 2009 Revocable Trust  
 Jerald M Weintraub/Jerald and Melody Howe  
 Weintraub Revocable Living Trust DTD  
 02/05/98, as amended  
 Grant Fairbairn Revocable Trust  
 NCF Eagle Trust  
 Jonathan E Aborn  
 Ers Captial LLC  
 James M. Farrar & Adda B.D. Farrar (JWROS)  
 Morrison Park Capital LLC/Anthony E Ausiello  
 ELYSIUM MINING, LLC  
 RH Fund II, a series of Telegraph Treehouse,  
 LP/Benefit of Angel list  
 Gaurav Parikh 2020 Revocable Trust  
 TYLER BOSSERMAN/Vida Kick LLC  
 Whinstone US, Inc.  
 Riot Platforms, Inc.  
 Temple Green Data LLC  
 NetZero Energy LLC  
 Rowan Green Data LLC  
 Quinbrook Infrastructure Partners  
 Midas Green Technologies LLC  
 RC Enterprises, LLC dba Electronic Cleaners  
 Gunn Restoration, LLC  
 Blackmon Mooring of Austin, LLC  
 Richard Camara  
 Justin Camara  
 Dick Camara  
 Trine Mining, LLC  
 Cross The River, LLC  
 Celsius Network LLC  
 Celsius KeyFi LLC  
 Celsius Lending LLC  
 Celsius Mining LLC  
 Celsius Network, Inc.  
 Celsius Network Limited  
 Celsius Networks Lending LLC  
 Celsius US Holding LLC

**Hosting Customer of Rhodium Renewables  
 LLC**

TX 3 Mining LLC

**Directors, Officers, and Employees**

Nathan Nichols  
 Chase Blackmon  
 Cameron Blackmon  
 Kevin Hays  
 Charles Topping  
 Caleb VanZooeren  
 Morgan Soule  
 Alex Peloubet  
 Alicia Catatao  
 Matt Smith  
 Zach Kerr  
 Renata Szkoda  
 Jonas Lauren Norr  
 David L. Eaton  
 L. Spencer Wells  
 Imperium Investments Holdings LLC

**Former Directors and Officers**

Nicholas Cerasuolo  
 James Calvin  
 Bartholomew Mallon  
 Anthony Ausiello  
 Jared Melillo  
 Marshall Long  
 John Lewis Zoeckler

**Top Shareholders**

Malcolm P and Emily T Fairbairn 2021  
 Charitable Remainder  
 DLT Data Center 1 LLC  
 Private Investor Club Feeder Fund 2020- G LLC

**Vendors/Service Providers**

Proof Corporate Advisory Inc.  
 Byline Bank  
 U.S. Bank  
 Vantage Bank  
 First Republic Bank  
 Assured Partners  
 Lockton Companies  
 Sprung Instant Structures Inc.  
 EdgarAgents LLC  
 Bobcat

Adobe  
 Fiberlight LLC  
 Carruth-Doggett Inc  
 Cambridge Viscosity LLP  
 Amplified Containers, LLC  
 Equiniti Trust Company LLC  
 Hmtech Asic Repair  
 Relevant Industrial LLC  
 S&P Global Market Intelligence LLC  
 Modis  
 BMS Management  
 Collaborative Office Interiors  
 East TX Fencing and Fabrication  
 Prolim Corporation  
 Virginia Ewing  
 Industrial Shelving Systems  
 DSI Ventures Inc.  
 Tetty's Tees  
 Carl Richardson  
 Kirkland & Ellis LLP  
 Melodie Zoeckler Photography  
 2Way Supply  
 Titan IO, Inc  
 Texas Blockchain Council  
 Rowan Green Data LLC  
 Munters Corporation  
 Asana Inc  
 Goodwin Procter LLP  
 Ellenoff Grossman  
 Amplified Electric  
 Armanino  
 Kelvion  
 PRM Filtration  
 Dell Technologies  
 Dry Coolers Inc  
 ChemFoundry Inc  
 H&K Electrical Contractor Inc  
 ThermoSystems Inc  
 Air Filters Inc  
 Whinstone US Inc  
 Ameritex Machine & Fabrication  
 Peregrine Prime Inc  
 Big Johnson Plumbing, Inc  
 Marcum LLP  
 CDW Direct LLC  
 Philip M. Fornaro & Associates Ltd.

Blockchain Tax Partners  
 Efani  
 JFDI Consultants LLC  
 Harrington Industrial Plastics LLC  
 Blue HG LLC  
 K&L Gates LLP  
 Lucent Point, LLC  
 McDonnell Boehnen Hulbert & Berghoff LLP  
 A60 ES LLC  
 Rolland Safe and Lock Company  
 The BVA Group LLC  
 Bray International Inc  
 Producers Video Corporation  
 Magnetic Mill LLC  
 FNK IR, LLC  
 Southern Petroleum Laboratories, Inc  
 Whispli  
 Baer Engineering  
 Coinbase Inc.  
 DeWitt Law Firm  
 Leinart Cleaning LLC  
 Mechanical Reps Inc.  
 XT-Shanghai Fengy Cable Technology Co. Ltd.  
 Mettler Toledo LLC  
 Industrial Builders Inc.  
 Adventure Pictures  
 Overhead Door Co. of Central Texas/Ideal Slate  
 LLC  
 Susan Butenhoff  
 Prime Controls  
 Leppo Rents  
 Optex Solutions  
 Net Solutions LLC  
 Potter Anderson & Corroon LLP  
 PFS Financing Corporation  
 Woodway Builders LLC  
 Simply Rack Warehouse Equipment  
 CICB  
 Chain Solutions Ltd.  
 Sessions, Israel, & Shartle  
 Cardinal Intellectual Property  
 Connect Discovery  
 Hot Corner Food  
 Moffitt Services  
 CHAPMAN SPINGOLA LLP  
 DOCUMATION OF SAN ANTONIO

Twisted L BBQ  
Advanced Crypto Services LLC  
Henry Horelica  
CSP Safety  
AED Professionals  
Standon Pipe Supports  
Salary.com  
Kane Russell Coleman Logan PC  
One Stop Mining  
McMaster-Carr Supply  
Queue Associates Inc.  
Asset Hound LLC  
Mothership Incubator, LLC  
Upstreamdata  
Hawk Chain Solutions  
Johnson Equipment Company  
Acorn Waste Solutions  
Kelly Hart & Hallman LLP  
Grapnel Tech Services  
Bartlett Electric Co-Op Inc  
Sunbelt Rentals  
K2 Discovery  
JMS Southeast Inc.  
Intuit Quickbooks  
Portico Apartments  
Byron Gossett  
Reliant Energy  
Texas Mutual Insurance Company  
Zochnet LLC  
Kynge Energy Investments  
Shell Technology Center  
Blue Cross Blue Shield  
Bill.com  
American Express  
Canaan US Inc.  
AsicXchange Inc.  
Waste Management Inc.  
AJX Group Inc  
T Fulton Trucking  
Guntner US LLC  
Beam Dental Insurance  
Guardian Insurance  
Okta Inc.  
Riveron LLC  
StrongDM  
Giga Energy Inc.

Alerus Financial, N.A.  
Temple Bolt Supply  
Bearden Creek Advisors LLC  
Ray Barrett  
One LLP  
Marsh USA LLC  
Stris & Maher LLP  
CNA Insurance  
Hash House Tech Inc  
Net Sync  
Unum Group  
UHC  
Consilio LLC  
Rippling Inc.  
KMC Equipment  
Expensify  
Delaware State Government  
Ernst & Young LLP  
Lehotsky Keller LLP  
Gillam & Smith LLP  
Malone Bailey LLP  
Bloomberg Industry Group  
Texas Disposal Systems  
Auradine  
Liebherr USA Co.  
Ochsner Interests  
Access Retirement Solutions  
Lancium LLC  
Dawson Van Orden Inc.  
Unfinished Projects LLC  
SHANDONG TAIAN HIKING  
INTERNATIONAL COMMERCE GROUP  
CO. LTD  
Stylus Jinn Repair  
MESO  
Swisher Acquisitions  
SecureW2  
NTX Mechanical and Welding LLC  
Checkr Inc  
Lonestar Taproot LLC  
MicroBT  
DHL Analytical  
Westguard Insurance Company  
AF Group Inc.  
Artemis Power Tech LLC  
B. Riley Securities Inc.

City of Temple  
Elevate  
Puerto Rico Tax Department  
NYDIG LLC  
HKA Global LLC  
Keating and Son's Tire  
Mark Grams  
Texas Comptroller of Public Accounts  
New Pig Corporation  
Schneider Freight Power  
Magruder Executive Search  
Summit Fire and Security  
MongoDB Inc.  
Progressive Insurance  
Alamo Prism Communications Inc.  
Bitmain Technologies Delaware Limited  
First Insurance  
Milam County Courthouse  
McMillan James Equipment Company  
Northeast Series of Lockton Companies  
DLR Plumbing  
Three Way Logistics Inc  
3A General Contractors LLC  
The TASA Group Inc.  
American Arbitration Association  
Stoel Rives LLP  
Milam County Tax Assessor  
Quinn Emanuel Urquhart & Sullivan LLP  
ExpertLink LLC  
Victor Martinez  
Gregg Law PC  
National Benefits Services LLC  
The Cleaning Guys LLC  
Aerotek Inc.  
Barnes & Thornburg LLP  
Alternative Environmental & Recycling  
Services Inc.  
ClearVue Landscapes  
JND eDiscovery  
Logic Systems Inc.  
Gunns Restoration  
Greg Riley Professional Engineer  
Propour, LLC  
Donnelley Financial LLC  
John Dees  
Brandon and Clark, Inc.

Kurtzman Carson Consultants d/b/a Verita  
Global  
BDO USA, P.C.  
EEA Consulting Engineers – ANV Engineering

**Lenders - Post-Petition**

First Insurance Funding, a Div. of Lake Forest  
Bank & Trust Co.  
Galaxy Digital LLC

**Additional Professionals**

Akin Gump Strauss Hauer & Feld LLP  
Chamberlain Hrdlicka White Williams &  
Aughtry  
Cokinos Young  
Foley & Lardner  
Gray Reed  
Jackson Walker LLP  
Kean Miller LLP  
McCreary Veselka Bragg & Allen, P.C.  
Munsch Hardt Kopf & Harr, P.C.  
Olshan Frome Wolosky LLP  
Orrick Herrington & Sutcliffe LLP  
Province  
Ross Barbash

**SCHEDULE 2**

**CURRENT, FORMER, AND CLOSED CLIENTS**

**Current<sup>1</sup> Clients<sup>2</sup>**

| <b>Name of Entity Searched</b>     | <b>Name of Entity and/or Affiliate of Entity that is a McDermott Client</b> |
|------------------------------------|-----------------------------------------------------------------------------|
| American Express                   | American Express Company                                                    |
| Assured Partners                   | Assured Healthcare Partners                                                 |
| BDO USA, P.C.                      | BDO USA, P.C.                                                               |
| Blue Cross Blue Shield             | Blue Cross BlueShield Association                                           |
| CDW Direct LLC                     | CDW Limited                                                                 |
|                                    | CDW Corporation                                                             |
| Dell Technologies                  | Dell, Inc. (IP)                                                             |
| Elevate                            | ElevatePFS                                                                  |
|                                    | Elevate ENT Partners                                                        |
|                                    | Mad Rose Company, LLC                                                       |
| Ernst & Young LLP                  | Ernst & Young, Inc.–Pride Group Monitor                                     |
| Galaxy Digital LLC                 | Galaxy Digital LP                                                           |
| Intuit Quickbooks                  | Intuit                                                                      |
| Logic Systems Inc.                 | Accenture Global Solutions Limited                                          |
| Marcum LLP                         | Marcum LLP                                                                  |
| Marsh USA LLC                      | Marsh & McLennan Companies                                                  |
| Reliant Energy                     | NRG Energy, Inc.                                                            |
| Riveron LLC                        | H.I.G. Capital, LLC                                                         |
| S&P Global Market Intelligence LLC | S&P Global Inc.                                                             |
| U.S. Bank                          | U.S. Bank                                                                   |
| Waste Management Inc.              | Waste Management Inc.                                                       |

<sup>1</sup> The term “current client” means a client to whom time was posted in the 12 months preceding November 23, 2024, the date that the Committee selected McDermott as its proposed counsel.

<sup>2</sup> McDermott may currently represent or have previously represented certain affiliates of the entities disclosed herein, and the disclosure is accordingly broad in scope.

**Former<sup>1</sup> Clients**

| <b>Name of Entity Searched</b>   | <b>Name of Entity and/or Affiliate of Entity that is a McDermott Client</b> |
|----------------------------------|-----------------------------------------------------------------------------|
| American Arbitration Association | American Arbitration Association                                            |
| CNA Insurance                    | CNA Holdings LLC                                                            |
| Goodwin Procter LLP              | Goodwin Procter (UK) LLP                                                    |

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<sup>1</sup> The term “former client” means a client to whom time was posted between 12 and 36 months preceding November 23, 2024, the date that the Committee selected McDermott as its proposed counsel, but for whom no time has been posted in the 12 months preceding November 23, 2024.

**Closed<sup>1</sup> Clients**

| <b>Name of Entity Searched</b> | <b>Name of Entity and/or Affiliate of Entity that is a McDermott Client</b> |
|--------------------------------|-----------------------------------------------------------------------------|
| AF Group Inc.                  | Great American Insurance Group                                              |
| Alerus Financial               | Alerus Financial                                                            |
| B. Riley Securities, Inc.      | B. Riley Securities, Inc.                                                   |
|                                | B. Riley Principal 150 Merger Corp                                          |
| Brown, Michael                 | Michael Peter Brown                                                         |
| CNA Insurance                  | CNA Insurance Company Limited and CNA Insurance Company (Europe) S.A.       |
| Coinbase Inc.                  | Coinbase, Inc.                                                              |
| Elevate                        | Elevate Wireless                                                            |
| Kirkland & Ellis LLP           | The GI Alliance Management, LLC                                             |
| Marsh USA LLC                  | Marsh USA, Inc.                                                             |
| Progressive Insurance          | Progressive Casualty Insurance Company                                      |
| Victor Martinez                | Victor H. Martinez                                                          |
| Westguard Insurance Company    | Berkshire Hathaway Guard Insurance Company                                  |
| Winchester Partners, L.P.      | Olin Corporation                                                            |

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<sup>1</sup> The term “closed client” means a client to whom time was posted in the 36 months preceding November 23, 2024, the date the Committee selected McDermott as its proposed counsel, but for which the client representation has been closed.

**EXHIBIT C**

**Declaration of Cameron Reid**

**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> , <sup>1</sup> | § | Case No. 24-90448 (ARP) |
|                                                  | § |                         |
| Debtors.                                         | § |                         |
|                                                  | § | (Jointly Administered)  |
|                                                  | § |                         |

**DECLARATION OF CAMERON REID IN SUPPORT OF THE  
APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS FOR ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT  
AND RETENTION OF MCDERMOTT WILL & EMERY LLP  
AS COUNSEL, EFFECTIVE AS OF NOVEMBER 23, 2024**

I, Cameron Reid, hereby declare that the following statements are true and correct to the best of my knowledge after due inquiry as described herein:

1. I am over the age of 21, and I am the Chair of the Committee. I am, in all respects, competent to make this declaration in support of the *Application of the Official Committee of Unsecured Creditors for Entry of an Order Authorizing the Employment and Retention of McDermott Will & Emery LLP as Counsel, Effective as of November 23, 2024* (the “Application”) filed contemporaneously herewith.<sup>2</sup>

2. This declaration is provided pursuant to ¶ D.2 of the Appendix B Guidelines. I am informed by Committee counsel that the Appendix B Guidelines request that any application for

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<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Application.

employment of an attorney under Bankruptcy Code sections 327, 328, 330, and 1103(a) be accompanied by a verified statement from the client that addresses the following:

- (a) The identity and position of the person making the verification.
- (b) The steps taken by the client to ensure that the applicant's billing rates and material terms for the engagement are comparable to the applicant's billing rates and terms for other non-bankruptcy engagements and to the billing rates and terms of other comparably skilled professionals.
- (c) The number of firms the client interviewed.
- (d) If the billing rates are not comparable to the applicant's billing rates for other non-bankruptcy engagements and to the billing rates of other comparably skilled professionals, then the circumstances warranting the retention of that firm.
- (e) The procedures the client has established to supervise the applicant's fees and expenses and to manage costs. If the procedures for the budgeting, review and approval of fees and expenses differ from those the client regularly employs in non-bankruptcy cases to supervise outside general counsel, explain how and why. In addition, describe any efforts to negotiate rates, including rates for routine matters, or in the alternative to delegate such matters to less expensive counsel.

**I. Identity of the Declarant**

3. On November 22, 2024, I was appointed to the Committee. I was subsequently elected Chair of the Committee. Under the *Bylaws of the Official Committee of Unsecured Creditors of Rhodium Encore LLC, et al.*, (the "Bylaws"), the Chair of the Committee, by and through its representative, is authorized to implement decisions of the Committee in accordance with the Bylaws.

4. I, though my counsel, was directly involved in the Committee's decision to retain McDermott as the Committee's counsel in the Chapter 11 Cases and participated in negotiating the terms of McDermott's employment together with the other members of the Committee.

## **II. Steps Taken to Ensure Comparability of Engagement Terms**

5. I have confirmed with McDermott that, while McDermott's billing rates vary from attorney to attorney based on such facts as the attorney's seniority and position with the firm (*e.g.*, partner, counsel, or associate), years of experience, and the demand for services in the attorney's particular area of expertise, their billing rates do not vary as a function of whether the services performed relate to a bankruptcy engagement or a non-bankruptcy engagement.

6. The Committee has been informed that McDermott endeavors to set the hourly rates for its attorneys and paraprofessionals at levels competitive to those charged by firms with which it competes.

## **III. Number of Firms Interviewed**

7. On November 22 and 23, 2024, the Committee evaluated the breadth of certain firms' experience and particular areas of expertise, the firms' prior history of representing committees in chapter 11 cases, and the anticipated attorneys' fees to be billed in connection with the Chapter 11 Cases. At the time of the Committee's formation, these Chapter 11 Cases had already been proceeding at an accelerated pace for several months and the Committee believed its constituency would be best served by the quick retention of a law firm with significant experience in cases similar to the Chapter 11 Cases. Although the Committee did not formally interview the firms, the Committee considered the submitted materials of several firms.

## **IV. Other Circumstances Warranting Retention of McDermott**

8. The Committee has determined that McDermott's attorneys' billing rates are set each year to ensure that their rates are in line with or lower than the billing rates of other comparably skilled professionals at law firms in McDermott's peer group. This, coupled with McDermott's

previous experience as committee counsel in numerous chapter 11 cases, makes McDermott the appropriate choice for Committee counsel in the Chapter 11 Cases.

**V. Procedures Established to Supervise Fees and Expenses and Manage Costs**

9. I understand that McDermott's fees and expenses (a) will be subject to review, comment, and objection (if warranted), and Court approval pursuant to any further orders of this Court, and (b) will be subject to the periodic review on an interim and final basis during the course of the Chapter 11 Cases by the U.S. Trustee, the Debtors, and the Committee.

10. During the Chapter 11 Cases, I and/or the other members of the Committee, will monitor McDermott's interim fee applications to ensure that the fees and expenses requested therein are reasonable in nature and correspond to necessary or beneficial services rendered on behalf of the Committee. To the extent the Committee has an objection to the fees and expenses requested by McDermott in any interim fee statement that cannot be resolved to the Committee's satisfaction informally, McDermott has informed me that it will file a notice of objection on the Committee's behalf pursuant to any further orders of the Court. In so doing, I understand that McDermott reserves all rights to contest any such objection raised to the allowance or payment of its requested fees and expenses, and the Committee reserves the right to retain conflicts counsel to prosecute any such objection to the extent it cannot be resolved informally by the parties.

11. Nothing contained in the foregoing is intended either to limit McDermott's ability to request allowance and payment of fees and expenses pursuant to Bankruptcy Code sections 330 and 331, or to restrict McDermott's right to defend against any objection with respect to the allowance or payment of such fees or retain conflicts counsel to prosecute any such fee objection to the extent it is not resolved informally by the parties or raised by another party in interest, such as the U.S. Trustee.

**VI. Other Matters**

12. McDermott's hourly rates are subject to annual adjustments in January of each year to reflect economic and other conditions. I have been advised by Committee counsel that, pursuant to ABA Formal Ethics Opinion 11-458, "[p]eriodic, incremental increases in a lawyer's regular hourly billing rates are generally permissible if such practice is communicated clearly to and accepted by the client at the commencement of the client-lawyer relationship and any periodic increases are reasonable under the circumstances." I have also been specifically advised by Committee counsel that, pursuant to ABA Formal Ethics Opinion 11-458, "the client need not agree to pay the modified fee to have the lawyer continue the representation." McDermott disclosed to the Committee its rates in effect as of January 1, 2024 and January 1, 2025. To the extent McDermott seeks to make any adjustments to its rate structure, the Committee expressly reserves the right to reject any such modification to the extent the Committee deems it reasonable.

*[Remainder of page intentionally left blank]*

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 and belief.

Executed on December 21, 2024

By: /s/ Cameron Reid  
Cameron Reid

Solely in his capacity as Chair of the Official  
Committee of Unsecured Creditors of Rhodium  
Encore LLC, *et al.*, and not in any other capacity

**CERTIFICATE OF SERVICE**

I certify that on December 21, 2024, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Charles R. Gibbs

Charles R. Gibbs