

**IN THE UNITED STATES BANKRUPTCY COURT
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)
	§	

**DEBTORS' EMERGENCY MOTION FOR ENTRY OF AN ORDER (I) APPROVING
THE ACCELERATED PAYMENT PROCEDURES;
AND (II) GRANTING RELATED RELIEF**

Emergency relief has been requested. Relief is requested not later than 9:00 a.m. (prevailing Central Time) on May 14, 2025.

If you object to the relief requested or you believe that emergency consideration is not warranted, you must appear at the hearing, or file a written response prior to the date that relief is requested in the preceding paragraph. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

A hearing will be conducted on this matter on May 14, 2025 at 9:000 a.m. (Central Prevailing Time) in Courtroom 400, 4th Floor, 515 Rusk Avenue, Houston, Texas 77002.

Audio communication will be by use of the Court's dial-in facility. You may access the facility at 832-917-1510. Once connected, you will be asked to enter the conference room number. Judge Perez's conference code number is 282694. Video communication will be by use of the GoToMeeting platform. Connect via the free GoToMeeting application or click the link on Judge's home page. The meeting code is "JudgePerez." Click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of both electronic and in-person hearings. To make your appearance, click the "Electronic Appearance" link on Judge Perez's home page. Select the case name, complete the required fields and click "Submit" to complete your appearance.

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.



Rhodium Encore LLC, and its affiliates, as debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned chapter 11 cases, hereby file *Debtors’ Motion for Entry of an Order (I) Approving the Accelerated Payment Procedures; and (II) Granting Related Relief* (the “Motion”). In support of the Motion, the Debtors respectfully state as follows:

RELIEF REQUESTED

1. By this Motion, the Debtors seek entry of an order (i) approving the Accelerated Payment Procedures and (ii) granting related relief.

JURISDICTION

2. The statutory basis for the relief requested are §§ 105 and 363 of title 11 of the United States Code (the “Bankruptcy Code”), rule 9019(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Procedures for Complex Cases in the Southern District of Texas (the “Complex Case Procedures”).

3. The United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”) has jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). The Debtors confirm their consent to the Bankruptcy Court’s entry of a final order in connection with this Motion.

4. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

A. General Background

5. On August 24 and August 29, 2024 (collectively, the “Petition Dates”), the Debtors commenced with the Bankruptcy Court a voluntary case under chapter 11 of the Bankruptcy Code. The cases are jointly administered.

6. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On November 22, 2024, the Office of the United States Trustee for the Southern District of Texas (the “U.S. Trustee”) appointed an official committee of unsecured creditors (the “Committee”) (ECF No. 488). No trustee or examiner has been appointed in these Chapter 11 Cases.

7. Additional information regarding the Debtors’ business, capital structure and the circumstances preceding the Petition Date may be found in the *Declaration of David M. Dunn in Support of Chapter 11 Petitions and First Day Relief* (the “First Day Declaration”) (ECF No. 35).

8. On October 15, 2024, the Debtors filed the *Emergency Motion of Debtors for Entry of an Order (I) Setting Bar Dates for Filing Proofs of Claim, (II) Approving the Form of Proofs of Claim and the Manner of Filing, (III) Approving Notice of Bar Dates, and (IV) Granting Related Relief* (ECF No. 269), which the Court granted on October 18, 2024, setting November 22, 2024, as the general bar date for filing proofs of claim. The Debtors promptly served notice of the bar date on all of the creditors (ECF No. 284).

B. The Whinstone Term Sheet

9. On March 21, 2025, the Debtors and Whinstone executed the Whinstone Term Sheet, resolving all existing litigation between the Debtors and Whinstone. The Whinstone Term Sheet also provides for the sale by certain Debtors of all tangible assets located at Whinstone’s Rockdale facility to Whinstone or its designee. The Whinstone Term Sheet resolves years of ongoing litigation between the parties. Moreover, proceeds from the settlement will ensure a full recovery for the estates’ creditors as well as a meaningful distribution to its equity holders.

10. This Court entered the Settlement Authorization Order on April 8, 2025, approving the Whinstone Settlement. (ECF No. 921). The parties closed the Whinstone Settlement on April 28, 2025.

C. Accelerated Payment Procedures for Unsecured Claims

11. Based on their books and records, the Debtors have identified 34 holders of allowed unsecured claims (“Unsecured Claims” or “Claims”) against the Debtors’ estates for which no party has expressed an objection to their allowance and payment. The Unsecured Claims, in the aggregate, total approximately \$10,265,754. Following the Petition Dates, the Claims have accrued interest at the federal rate of four percent or their contract rate, resulting in a current daily accrual of \$903, or \$233,840 from the Petition Date through May 15, 2025. Thus far, Committee Professionals have reported approximately \$2.5 million in fees and expenses billed from November 15, 2024, to February 28, 2025.

12. Through their settlement with Whinstone as approved by the Court at ECF No. 921, the Debtors have sold assets resulting in sufficient proceeds to pay both secured and unsecured creditors in full. Therefore, the Debtors have determined in their reasonable business judgment to accelerate payment of Unsecured Claims in exchange for the Claimants’ agreement to accept payment without further interest after May 15, 2025, to be followed by the Debtors seeking dissolution of the Committee.

13. Through the Accelerated Payment Procedures, the Debtors intend to establish a schedule for accelerated payment of the Unsecured Claims, in full and final satisfaction of the amounts that would otherwise be remitted through a chapter 11 plan. The terms of the Accelerated Payment Procedures are as follows:

- **Service of Accelerated Payment Procedures:** As soon as practicable following entry of the Order, the Debtors will send a copy of the Order to each known holder of an Unsecured Claim via mail and/or electronic mail.
- **Participation:** Participants in the Accelerated Payment Procedures will include each holder of an Unsecured Claim that provides written notice (email being sufficient) of their decision to opt into the Accelerated Payment Procedures to the Debtors (the “Participating Claimants”).

- **Allowance of Unsecured Claims:** The Debtors will inform each Participating Claimant of the amount of their Unsecured Claim according to the Debtors' books and records. In the event a Participating Claimant disputes such amount, the Debtors and the respective Participating Claimant will work in good faith to reconcile the amount of the Claim. Only amounts that are ultimately reconciled shall be eligible to receive a distribution as part of the Accelerated Payment Procedures.
- **Payment Procedures:** Each Participating Claimant shall receive within (10) days of the earlier of (i) the Opt-In Deadline (as defined below); or (ii) the date of their affirmative consent to opt into the Accelerated Payment Procedures herein (the "Payment Effective Date"), an amount equal to a hundred percent (100%) of the principal of their Unsecured Claim plus interest through May 15, 2025. Parties shall be entitled to opt in to the Accelerated Payment Procedures at any point on or before the Opt-In Deadline. For the avoidance of doubt, distributions made pursuant to the Accelerated Payment Procedures shall waive any additional interest accrued after May 15, 2025.
- **Opt-In Procedures:** Claimants who wish to participate in the Accelerated Payment Procedures may opt in to the Accelerated Payment Procedures by notifying the Debtors of their decision to opt in on or before **4:00 p.m. (prevailing Central Time) on May 19, 2025** (the "Opt-In Deadline").

Claimants who do not wish to participate in the Accelerated Payment Procedures need not take any action at this time.

- **Waiver of Post Petition Interest:** Upon the Payment Effective Date, Participating Claimants shall waive any right to collect any interest on their Unsecured Claim that accrued after the Petition Dates.
- **Mutual Release:** Each of the Participating Claimants shall grant a release of all claims and causes of action relating to the Debtors, which shall become effective upon the Payment Effective Date; *provided* that the Participating Claimants' release shall only be in their capacity as holders of Unsecured Claims.

14. The Accelerated Payment Procedures set forth streamlined procedures for the payment of the Unsecured Claims and establish a fair and equitable manner for Participating Claimants to receive payment on their claims promptly, without incurring the additional expense of hiring counsel and/or filing and prosecuting litigation before this Court. The Accelerated Payment Procedures will also create value for the Debtors' estates by eliminating the cash burn resulting from accrual of post-petition interest on Unsecured Claims, preserving resources for the

benefit of all parties in interest. Moreover, resolution of a significant majority of more than sixty percent of Unsecured Claims would oblivate the need for the Committee, preserving millions of dollars in value for the estate.

BASIS FOR RELIEF

A. The Accelerated Payment Procedures Satisfy the Standards of Bankruptcy Rule 9019 and Should Be Approved

15. Pursuant to Bankruptcy Rule 9019(a), a bankruptcy court may, after appropriate notice and a hearing, approve a compromise or settlement so long as the proposed settlement is fair, reasonable, and in the best interest of the estate. *See* Fed. R. Bankr. P. 9019(a); *In re Age Refin. Inc.*, 801 F.3d 530, 540 (5th Cir. 2015). Settlements are considered a “normal part of the process of reorganization” and “a desirable and wise method[] of bringing to a close proceedings otherwise lengthy, complicated and costly.” *In re ASARCO LLC*, 2009 WL 8176641, at *9 (Bankr. S.D. Tex. June 5, 2009) (quoting *In re Jackson Brewing Co.*, 624 F.2d 599, 602 (5th Cir. 1980)). Ultimately, approval of a compromise is within the sound discretion of the bankruptcy court. *See In re AWECO, Inc.*, 725 F.2d 293, 297-98 (5th Cir. 1984).

16. In determining whether to approve a settlement, the Fifth Circuit directs bankruptcy courts to apply a three-factor test with a focus on comparing “the terms of the compromise with the likely rewards of litigation.” *In re Age Refining, Inc.*, 801 F.3d 530, 540 (5th Cir. 2015). A bankruptcy court should evaluate: (a) the probability of success in the litigation, with due consideration for the uncertainty in fact and law; (b) the complexity and likely duration of the litigation and any attendant expense, inconvenience, and delay; and (c) all other factors bearing on the wisdom of the compromise. *See id.* at 540 (citing *Jackson Brewing Co.*, 624 F.2d at 602); *In re Cajun Elec. Power Coop., Inc.*, 119 F.3d 349, 356 (5th Cir. 1997) (citing same); *In re Superior Offshore Int’l, Inc.*, 2009 WL 1507135, at *2 (S.D. Tex. May 28, 2009). The Fifth Circuit has

additionally specified two factors that bear on the wisdom of the compromise: (a) “the best interest of creditors, with proper deference to their reasonable views;” and (b) “the extent to which the settlement is truly the product of arms-length bargaining, and not of fraud or collusion.” *In re Age Refining*, 801 F.3d at 540 (quoting *In re Cajun Elec. Power Coop.*, 119 F.3d at 356).

17. “In evaluating a Rule 9019 settlement, a bankruptcy court need not conduct a mini-trial to determine the probable outcome of any claims waived in the settlement.” *Id.* Instead, the court should determine whether the settlement as a whole is fair and equitable. *Protective Comm. for Indep. S’holders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968); *see also In re Cajun Elec. Power Coop.*, 119 F.3d at 356 (“[t]he judge need only apprise himself of the relevant facts and law so that he can make an informed and intelligent decision.”); *TMT Trailer Ferry*, 390 U.S. at 425 (noting that a court should “compare the terms of the compromise with the likely rewards of litigation”). Courts should canvas the issues and determine only whether the settlement “falls below the lowest point in the range of reasonableness.” *See In re Alice Prop., LLC*, 637 B.R. 465, 477 (Bankr. E.D. La. 2021); *In re W.T. Grant Co.*, 699 F.2d 599, 608 (2d Cir. 1983).

18. In addition to the general authority granted in Bankruptcy Rule 9019(a), Bankruptcy Rule 9019(b) authorizes the streamlining of settlements in the manner proposed herein: “[a]fter a hearing on such notice as the court may direct, the court may fix a class or classes of controversies and authorize the trustee to compromise or settle controversies within such class or classes without further hearing or notice.” Fed. R. Bankr. P. 9019(b).

19. Finally, Section 105(a) of the Bankruptcy Code grants the Court further authority to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a).

20. The Accelerated Payment Procedures constitute a settlement of the Unsecured Claims and a fair and reasonable compromise that is in the best interest of the Debtors' estates. The proposed distribution to Participating Claimants is "fair and reasonable" as they allow holders of Unsecured Claims an opportunity to receive an immediate payment of their Claims and avoid attorney's fees and other expense associated with continued involvement in these cases. Notably, agreement to the Accelerated Payments Procedures is voluntary, and each holder of an Unsecured Claim may determine for themselves whether to settle their Claim in accordance with these terms. The Debtors will benefit from the waiver of post-petition interest on the Claims and take a necessary step towards resolution of these cases and dissolution of the Committee that no longer serves a cognizable purpose. The Debtors further anticipate that resolution of the Unsecured Claims will preserve for the estate funds that would otherwise be lost to superfluous Committee fees. For these reasons, the Accelerated Payment Procedures present a fair and reasonable compromise.

RESERVATION OF RIGHTS

21. Nothing contained herein or any action taken pursuant to relief requested is intended to be or shall be construed 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 or interest under applicable law or non-bankruptcy law; (c) a promise or requirement to pay any claim; (d) a waiver of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; (e) a request for or granting of approval for assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code; or (f) an admission as to the validity, priority, enforceability, or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors'

estates. Likewise, if the Court grants the relief sought herein, any payment made pursuant to the Court's order is not intended to be and should not be construed as an admission to the validity of any claim or a waiver of the Debtors' or any party in interest's rights to subsequently dispute such claim.

EMERGENCY CONSIDERATION

22. Under Local Rule 9013-1, the Debtors respectfully request emergency consideration of this Motion because relief is necessary to avoid immediate and irreparable harm caused by continuous accrual of interest and fees associated with the Unsecured Claims.

NOTICE

23. Notice of this Motion will be served on any party entitled to notice pursuant to Bankruptcy Rule 2002 and any other party entitled to notice pursuant to Local Rule 9013-1(d).

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WHEREFORE the Debtors respectfully request entry of an order granting the relief requested herein and such other and further relief as the Court may deem just and appropriate.

Respectfully submitted this 5th day of May, 2025.

**QUINN EMANUEL URQUHART &
SULLIVAN, LLP**

/s/ Patricia B. Tomasco

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***Counsel to the Debtors and
Debtors-In-Possession***

Certificate of Accuracy

I certify that the foregoing statements are true and accurate to the best of my knowledge. This statement is being made pursuant to Bankruptcy Local Rule 9013-1(i).

/s/ Patricia B. Tomasco

Patricia B. Tomasco

Certificate of Service

I, Patricia B. Tomasco, hereby certify that on the 5th day of May, 2025, a copy of the foregoing Motion was served via the Clerk of the Court through the ECF system to the parties registered to receive such service.

/s/ Patricia B. Tomasco

Patricia B. Tomasco

Exhibit A

\$USD	Petition Date		Present				
Claim Holder	Claim Amount	Accrued Interest Date	Accrued Interest Rate	Accrued Interest	Total Debt Amount	Interest Accruing Daily	
2022 Rhodium Technologies LLC Unsecured Promissory Notes							
Abundance 2021 LLC	\$ 363,200	5/15/2025	3.05%	\$ 7,970	\$ 371,169	\$ 30.77	
Anthony Ausiello	72,648	5/15/2025	3.05%	1,594	74,242	6.15	
C5 Capital LLC	726,485	5/15/2025	3.05%	15,941	742,426	61.55	
Del Papa Ventures Ltd	145,297	5/15/2025	3.05%	3,188	148,485	12.31	
Limitless Advisors LLC	72,648	5/15/2025	3.05%	1,594	74,242	6.15	
Michael Garrie	147,096	5/15/2025	3.05%	3,228	150,324	12.46	
SCM Worldwide LLC	1,452,970	5/15/2025	3.05%	31,883	1,484,853	123.10	
Sing Family Enterprise Limited	5,812,359	5/15/2025	3.05%	127,541	5,939,900	492.44	
Vesano Ventures LLC	72,654	5/15/2025	3.05%	1,594	74,249	6.16	
Chang Living Trust	72,648	5/15/2025	3.05%	1,594	74,242	6.15	
Daniel Garrie	72,654	5/15/2025	3.05%	1,594	74,249	6.16	
Total 2022 Rhodium Technologies LLC Unsecured Promissory Notes	\$ 9,010,659			\$ 197,721	\$ 9,208,381	\$ 763	
Remaining General Unsecured Claims							
EEA Consulting Engineers - ANV Engineering	6,400	5/15/2025	4.00%	184	6,584	0.71	
Marcum LLP	1,900	5/15/2025	4.00%	55	1,955	0.21	
CDW Direct LLC	356	5/15/2025	4.00%	10	367	0.04	
City of Temple AR	1,158	5/15/2025	4.00%	33	1,192	0.13	
Documation of San Antonio	13	5/15/2025	4.00%	0	14	0.00	
Donnelley Financial LLC	8,320	5/15/2025	4.00%	239	8,559	0.92	
Equinity Trust Company, LLC	244	5/15/2025	4.00%	7	251	0.03	
Kelvion	1,034,381	5/15/2025	4.00%	29,767	1,064,148	114.93	
Lindie Gas and Equipment	10	5/15/2025	4.00%	0	10	0.00	
McDonnell Boehnen Hulbert & Berghoff LLP	2,668	5/15/2025	4.00%	77	2,745	0.30	
Potter Anderson & Corroon LLP	70,303	5/15/2025	4.00%	2,023	72,326	7.81	
Queue Associates Inc.	30,188	5/15/2025	4.00%	869	31,057	3.35	
Sessions, Israel, & Shartle	3,088	5/15/2025	4.00%	89	3,177	0.34	
Southern Petroleum Laboratories, Inc	1,620	5/15/2025	4.00%	47	1,667	0.18	
Stoel Rives, LLP	13,746	5/15/2025	4.00%	396	14,142	1.53	
Sunbelt Rentals	4,990	5/15/2025	4.00%	144	5,134	0.55	
Brandon and Clark, Inc.	4,249	5/15/2025	4.00%	122	4,371	0.47	
RC Enterprises LLC DBA Court Electronic Cleaners and Gunn's Restoration, LLC	50,000	5/15/2025	4.00%	1,439	51,439	5.56	
Philip M. Fornaro & Associates, Ltd. d/b/a Fornaro Law	5,391	5/15/2025	4.00%	155	5,546	0.60	
McMillan James Equipment Co.	3,802	5/15/2025	4.00%	109	3,911	0.42	
Riveron Consulting, LLC	1,540	5/15/2025	4.00%	44	1,584	0.17	
Acorn Waste Solutions	4,009	5/15/2025	4.00%	115	4,124	0.45	
Upstream Data, Inc.	6,716	5/15/2025	4.00%	193	6,909	0.75	
Remaining Unsecured Debt	\$ 1,255,093			\$ 36,119	\$ 1,291,212	\$ 139	
Total Unsecured Debt	\$ 10,265,753			\$ 233,840	\$ 10,499,593	\$ 903	

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

In re: RHODIUM ENCORE LLC, <i>et al.</i> , ¹ Debtors.	§ § § § § §	Chapter 11 Case No. 24-90448 (ARP) (Jointly Administered)
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**ORDER GRANTING DEBTORS' MOTION FOR ENTRY OF AN ORDER (I)
APPROVING THE ACCELERATED PAYMENT PROCEDURES;
AND (II) GRANTING RELATED RELIEF
(Relates to ECF No. ____)**

Upon the motion (the "Motion")² of the above-captioned debtors and debtors-in-possession (collectively, the "Debtors") for entry of an order (this "Order") (a) approving the Accelerated Payment Procedures and (b) granting related relief, all as more fully described in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; and this Court

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 have the meanings ascribed to them in the Motion.

having reviewed the Motion and having heard the statements in support of the relief requested therein; 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 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 to enter into, perform, execute, and deliver all documents, and take all actions necessary to timely and fully implement and consummate the Accelerated Payment Procedures, which procedures are as set forth below:

- **Service of Accelerated Payment Procedures:** As soon as practicable following entry of the Order, the Debtors will send a copy of the Order to each known holder of an Unsecured Claim via mail and/or electronic mail.
- **Participation:** Participants in the Accelerated Payment Procedures will include each holder of an Unsecured Claim that provides written notice (email being sufficient) of their decision to opt into the Accelerated Payment Procedures to the Debtors (the “Participating Claimants”).
- **Allowance of Unsecured Claims:** The Debtors will inform each Participating Claimant of the amount of their Unsecured Claim according to the Debtors’ books and records. In the event a Participating Claimant disputes such amount, the Debtors and the respective Participating Claimant will work in good faith to reconcile the amount of the Claim. Only amounts that are ultimately reconciled shall be eligible to receive a distribution as part of the Accelerated Payment Procedures.
- **Payment Procedures:** Each Participating Claimant shall receive within (10) days of the earlier of (i) the Opt-In Deadline (as defined below); or (ii) the date of their affirmative consent to opt into the Accelerated Payment Procedures herein (the “Payment Effective Date”), an amount equal to a hundred percent (100%) of the principal of their Unsecured Claim. Parties shall be entitled to opt in to the Accelerated Payment Procedures at any point on or before the Opt-In Deadline. For the avoidance of doubt, distributions made pursuant to the Accelerated Payment Procedures shall exclude any and all interest accrued after the Petition Dates.
- **Opt-In Procedures:** Claimants who wish to participate in the Accelerated Payment Procedures may opt in to the Accelerated Payment Procedures by notifying the Debtors of their decision to opt in on or before **4:00 p.m. (prevailing Central Time) on May 19, 2025** (the “Opt-In Deadline”). Parties wishing to opt-

in should inform Debtors counsel through email to the following addresses: pattytomasco@quinnemanuel.com and chucktopping@rhdm.com.

Claimants who do not wish to participate in the Accelerated Payment Procedures need not take any action at this time.

- **Waiver of Post Petition Interest:** Upon the Payment Effective Date, Participating Claimants shall waive any right to collect any interest on their Unsecured Claim that accrued after the Petition Dates.
- **Mutual Release:** Each of the Debtors and the Participating Claimants shall grant each other a mutual release of all claims and causes of action relating to the Debtors, which shall become effective upon the Payment Effective Date; *provided* that the Participating Claimants' release shall only be in their capacity as holders of a Unsecured Claim.

2. The Debtors may solicit participation in the Accelerated Payment Procedures according to the terms herein. Those creditors that affirmatively opt-in to the Accelerated Payment Procedures by the Opt-In Deadline shall be irrevocably bound by the terms of the Accelerated Payment Procedures.

3. Failure to opt in by the Opt-In Deadline will result in the claimant not being eligible for any payment under the Accelerated Payment Procedures.

4. Payment under the Accelerated Payment Procedures shall be in full and final satisfaction of any Unsecured Claim, and each Participating Claimant shall waive any right to recovery in these chapter 11 cases other than as set forth in the Accelerated Payment Procedures.

5. Nothing in this Order constitutes (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 or interest under applicable law or nonbankruptcy law; (c) a promise or requirement to pay any claim; (d) a waiver of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; (e) a request for or granting of approval for assumption of any agreement, contract, program, policy, or lease under section 365 of the Bankruptcy Code; or (f) an admission as to the validity, priority, enforceability,

or perfection of any lien on, security interest in, or other encumbrance on property of the Debtors' estates.

6. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion under the circumstances and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

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

8. The contents of this Motion satisfy the requirements of Bankruptcy Rule 6003(b).

9. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

10. The Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: _____, 2025

Alfredo R Pérez
United States Bankruptcy Judge