

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

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

SAFE AHG MOTION TO QUASH

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/> within twenty-one days from the date this motion 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 motion was filed. Otherwise, the Court may treat the pleading as unopposed and grant the relief requested.

The Ad Hoc Group of SAFE Parties (the “**SAFE AHG**”)² in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”) of Rhodium Encore LLC and its affiliated debtors and debtors in possession (collectively, the “**Debtors**”), by and through its undersigned counsel, respectfully submits this Motion to Quash (the “**Motion**”) the Debtors’ Document Request to Ad Hoc Group of SAFE Parties [Docket No. 1260] (the “**Rule 2004 Request**”). In support of this Motion, the SAFE AHG respectfully represents as follows:

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), Jordan HPC Sub LLC (0463), Rhodium 2.0 Sub LLC (5319), Rhodium 10MW Sub LLC (3827), Rhodium 30MW Sub LLC (4386), Rhodium Encore Sub LLC (1064), Rhodium Enterprises, Inc. (6290), Rhodium Industries LLC (4771), Rhodium Ready Ventures LLC (8618), Rhodium Renewables LLC (0748), Air HPC LLC (0387), Rhodium Renewables Sub LLC (9511), Rhodium Shared Services LLC (5868), and Rhodium Technologies LLC (3973). The mailing and service address of the Debtors in these chapter 11 cases is 2617 Bissonnet Street, Suite 234, Houston, TX 77005.

² As defined in the *Second Supplemental Verified Statement of Ad Hoc Group of SAFE Parties Pursuant to Bankruptcy Rule 2019* [Docket No. 1264].



PRELIMINARY STATEMENT

1. The Debtors' Rule 2004 Request is patently improper and should, accordingly, be quashed. First, the Debtors' Rule 2004 Request was filed in violation of the applicable local rules, which require the parties to meet and confer. The scope of the Rule 2004 Request is also overly broad – seeking “all Communications between [the SAFE Parties, which is defined to include each individual member of the SAFE AHG] and any Person Concerning the above-captioned bankruptcy cases or the Debtors”– and was clearly intended to harass the SAFE AHG and its members. For these reasons, the SAFE AHG respectfully requests that the Court quash the Rule 2004 Request in its entirety.

JURISDICTION AND VENUE

2. This Court has jurisdiction with respect to this matter pursuant to 28 U.S.C. §§ 157(b)(1) and 1334. This Motion is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue is proper in this district pursuant to 28 U.S.C. § 1408.

3. The bases for the relief requested herein are sections 105(a) of the Bankruptcy Code, Rule 2004 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 2004-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “**Local Rules**”).

ARGUMENT

4. The Debtors seek to propound what can only be characterized as harassing discovery. The Debtors' 2004 notice calls for “all Communications between [the SAFE Parties] and any Person Concerning the above-captioned bankruptcy cases or the Debtors.” In addition to its manifest overbreadth, the Debtors' notice also should be quashed because of the Debtors' conflicts and non-compliance with applicable local and other rules.

5. Although Rule 2004 is broad, “it is not limitless;” Debtors must demonstrate good cause for the documents sought in the Rule 2004 Request. *In re Buccaneer Res., LLC*, No. 14-

60041, 2015 WL 8527424, at *6 (Bankr. S.D. Tex. Dec. 10, 2015); see also *In re Express One Intern., Inc.*, 217 B.R. 215, 217 (Bankr. E.D. Tex. 1998) (“[T]he one seeking to conduct a 2004 examination has the burden of showing good cause for the examination which it seeks.” (quoting *In re Eagle-Picher Indus., Inc.*, 169 B.R. 130, 134 (Bankr. S.D. Ohio 1994))). “Generally good cause requires a showing that the examination sought is necessary to establish the claim of the party seeking the examination, or the denial of such request would cause the proposed examiner due hardship or injustice.” *In re Express One Intern., Inc.*, 217 B.R. at 217. Examinations under Rule 2004 “cannot be used to harass or oppress” a party. *Snyder v. Society Bank*, 181 B.R. 40, 42 (S.D. Tex. 1994). But that is exactly what Debtors have done here.

6. **First**, as this Court is aware, in this jurisdiction, in an effort to “avoid a motion and court order for a 2004 unless an objection is filed and to encourage agreements on an examination schedule,” Local Rule 2004-1 has been adopted. L.R. BANKR. PRO. 2004-1(a). A cornerstone of this Local Rule requires the parties to meet and confer regarding an agreeable examination schedule. *Id.* at 2004-1(c). A party’s failure to comply with this obligation is “grounds for a motion to quash.” *Id.* In the instant case, the Debtors never even tried to contact the SAFE AHG concerning their 2004 request – either before or after it was filed – or otherwise seek to comply with their obligation to meet and confer. The 2004 notice should be quashed on this basis alone.

7. **Second**, the scope of documents the Debtors seek is overly broad, unduly burdensome, and harassing to the SAFE AHG. Without a limit to the time period, the Debtors request “[a]ll Communications between [the SAFE Parties, which is defined to include each individual member of the SAFE AHG,] and any Person Concerning the above-captioned bankruptcy cases or the Debtors.” As noted above, although Rule 2004 is broad in scope, “it is

not limitless.” Requiring members of the SAFE AHG to produce such a broad range of documents, covering an unrestricted period of time, is not proportional to the needs of this case.

8. ***Finally***, the Rule 2004 Request does not adhere to Rule 2004’s underlying purpose. Rule 2004 serves to aid in identifying assets and litigation targets. There can be no question that the 2004 Request was served not to aid in identifying estate assets, but rather to harass members of the SAFE AHG in connection with the Debtors’ objection to the SAFE parties’ claims. To that end, in connection with the claim objection, the Debtors purported to serve (but did not succeed in serving) the ***exact*** same request on the SAFE parties. *See* Ex. A, Debtors’ First Set of Requests for Production to SAFE Parties dated June 4, 2025, Request # 7.

9. For the reasons set forth herein, the SAFE AHG respectfully requests that the Court quash the Rule 2004 Request in its entirety.³

RESERVATION OF RIGHTS

10. This Motion is submitted without prejudice to, and with a full reservation of, the SAFE AHG’s rights, claims, defenses and remedies, including the right to amend, modify or supplement this Motion to raise additional objections and to object to and introduce evidence at any hearing relating to the Motion, and without in any way limiting any other rights of the SAFE AHG, as may be appropriate.

³ The SAFE AHG reserves the right to further object to any requests that may be authorized under Rule 2004, and the First Set of Requests for Production to SAFE Parties on any and all grounds in accordance with the applicable federal and local rules. The SAFE AHG specifically notes that given that all matters related to the allocation of consideration between constituents asserting conflicting legal and equitable theories has been designated a “Conflict Matter,” pursuant to the September 20, 2024 Written Consent to Action of the Board of Directors of Rhodium Enterprises, Inc., available in the *Application for an Order Authorizing the Retention of Barnes & Thornburg LLP as Counsel to the Special Committee of the Rhodium Enterprises, Inc. Board of Directors*, at 46-55 [Docket No. 175], the Special Committee, and not the Debtors, is the only party authorized to engage on Debtors’ behalf in Conflict Matters, including any contention that SAFE creditors’ claims actually are equity. To the extent the Special Committee issues the First Set of Requests for Production to SAFE Parties, and does so in compliance with all applicable rules, the SAFE AHG will make itself available to meet and confer concerning those requests.

CONCLUSION

For the foregoing reasons, the SAFE AHG respectfully requests that the Court (i) quash the Debtors' Rule 2004 Request as set forth above and (ii) grant such other relief as may be just and proper.

Dated: June 13, 2025

Respectfully submitted,

AKIN GUMP STRAUSS HAUER & FELD LLP

/s/ Sarah Link Schultz

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Counsel to the Ad Hoc Group of SAFE Parties

Certificate of Service

I hereby certify that on June 13, 2025, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Sarah Link Schultz
Sarah Link Schultz

EXHIBIT A

**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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FIRST SET OF REQUESTS FOR PRODUCTION TO SAFE PARTIES

Pursuant to rules 7026 and 7034 of the Federal Rules of Bankruptcy Procedure and rules 26 and 34 of the Federal Rules of Civil Procedure, the Debtors, by their undersigned counsel, hereby request that Blockchain Recovery Investment Consortium, LLC, acting in its capacity as the Complex Asset Recovery Manager and Litigation Administrator for Celsius Holding LLC, James M. Farrar, Adda B. Delgadillo-Farrar, Infinite Mining, LLC, Thomas Lienhart, Pepper Grove Holdings Limited, Private Investor Club Feeder Fund 2021-H LLC, Emil Stefkov, Robert Schoemaker, Russell’s Bromeliads EQRP 401K, Ten R Ten, LLC, Brad Weber, General Global Capital, JWS QRP Holdings LLC, and Permit Ventures LLC (collectively, the “SAFE Parties”) answer the Requests for Production within 14 days of service of the Requests, or on any date as subsequently agreed to by the parties or ordered by the 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.

DEFINITIONS

1. “Claim Objection” means the *Debtors’ Omnibus Objection to Claims Pursuant to Bankruptcy Code Sections 502(b), Bankruptcy Rule 3007, and Local Rule 3007-1 Because SAFE Holders do not Hold Claims* [Docket No. 1126].

2. “Communication” means the transmission of information (in the form of facts, ideas, inquires, or otherwise) by any means, including, but not limited to, any meeting, conversation, discussion, conference, correspondence, message, instant message (including, but not limited to, Bloomberg, Facebook, Instagram, WhatsApp, Gchat, or iMessage), text message or other written or oral transmission, exchange or transfer of information in any form between two or more Persons, including in person or by telephone, facsimile, telegraph, telex, letter, email, or other medium.

3. “Concerning” or “concerns” includes, but is not limited to, the following meanings: relating to, referring to, pertaining to, regarding, constituting, discussing, mentioning, containing, reflecting, evidencing, explaining, illustrating, analyzing, describing, displaying, showing, and identifying.

4. “Debtor” or “Debtors” means any of the debtors in the above-captioned chapter 11 cases.

5. “Document” shall have the broadest meaning possible including, but not limited to, all originals, non-identical copies and drafts of any written, printed, handwritten, recorded or graphic matter of any kind, however produced or reproduced, and regardless of where located, including, but not limited to, any work paper, correspondence, memorandum, note, research, checklist, opinion, minutes, inter-office or intra-office communications, email message, instant message (including, but not limited to, Bloomberg, Facebook, Instagram, WhatsApp, Gchat or

iMessage), text message, report, chart, graph, summary, index, diary, electronic calendar, desk or pocket calendar, notebook, any magnetic or other recording tape, computer data (including information or programs stored in a computer, whether or not ever printed or displayed), photograph, microfiche, microfilm, videotape, record or motion picture, and electronic, mechanical or electrical record or representation of any kind, including, but not limited to, tape, cassette, disc, magnetic card, or recording. “Document” shall also mean any document related to a Communication. “Document” shall further include the file folders in which said documents are maintained, any table of contents or index thereto, any removable “post-it” notes or attachments or exhibits to any of the foregoing, and copies of documents of which the originals have been destroyed pursuant to a document destruction policy or otherwise.

6. “Entity” shall mean any sole proprietorship, corporation, partnership, company, or other organization, whether formal or not, whether for profit or not, and all variations thereof, including, but not limited to, limited liability companies, limited partnerships, limited liability partnerships, limited liability limited partnerships, statutory trusts, joint ventures, professional corporations, or professional limited liability companies.

7. “Person” shall mean, without limitation, any natural person, Entity, governmental body or agency, and all past and present members, managing members, limited partners, officers, directors, managers, employees and agents, along with all other acting or purporting to act on such Person’s behalf.

8. “SAFE Agreement” means the simple agreement for future equity that you entered into with Rhodium Enterprises, Inc. or any other Debtor.

9. “You” and “Your” refer to the SAFE Parties to whom these Requests are directed, such that a Request propounded to “You” or “Your” calls for a separate response by each of the

SAFE Parties. “You” and “Your” shall further include any of Your current or former directors, officers, managers, employees, agents, attorneys, advisors, representatives, predecessors, successors, assigns, parents, affiliates, subsidiaries, partners, investors, equity owners, and any other Person or Entity acting on their behalf.

10. Each reference to a corporation, partnership, joint venture, unincorporated association, government agency, or other fictitious person shall be deemed to include each and all of its subsidiaries, affiliates, predecessors and successors, and with respect to each of such entities, its officers, directors, shareholders, employees, partners, limited partners, representatives, agents, accountants, attorneys, and any other person who acted on its behalf.

INSTRUCTIONS FOR REQUESTS FOR PRODUCTION OF DOCUMENTS

1. The words in each Request for Production shall be construed so that each Request for Production shall be construed broadly rather than narrowly and, therefore, the singular includes the plural and vice versa; the words “and” and “or” shall be both conjunctive and disjunctive; the word “all” means “any and all”; the word “any” means “any and all” or “each and every”; and the term “including” shall be construed to mean “without limitation.”

2. All Documents are to be produced as kept in the usual course of business and are to be organized and labeled to specify the Documents from which the answers to these Requests may be derived or ascertained.

3. Each Request seeks production of each Document in its entirety, without abbreviation or redaction, and all drafts and non-identical copies of each Document. Any copy of a Document that varies in any way from the original or from any other copy of the Document, whether by reason of any handwritten (or other) notation or any omission, shall constitute a separate Document that must be produced (regardless of whether the original of such Document is within Your possession, custody, or control).

4. Should You object to, or fail to provide an answer to any Request for Production, in whole or in part, You shall state Your objections and/or reasons for not fully responding. If a Request for Production is only partly objectionable, respond to the remainder of the Request for Production. If any Request for Production, instruction, or definition is considered ambiguous, set forth the matter deemed ambiguous and the construction used in answering.

5. If You are withholding any information or Documents on the basis of any claim of privilege, You are requested to submit, in lieu of any such Document, a written statement (a) identifying the Person(s) who prepared or authored the Document and, if applicable, the Person(s) to whom the Document was sent or shown, (b) specifying the date on which the Document was prepared or transmitted, (c) describing the nature of the Document (e.g., letter, email, etc.), (d) stating briefly why the Document is claimed to be privileged or to constitute work product, and (e) identifying the Request to which the Document relates.

6. If a portion of an otherwise responsive Document contains information subject to a claim of privilege, only that portion of the Document subject to the claim of privilege shall be deleted or redacted from the Document following the instructions in the preceding paragraph and the rest shall be produced.

7. If any Document requested herein was formerly in Your possession, custody, or control and has been lost or destroyed or otherwise disposed of, You are requested to submit, in lieu of any such Document, a written statement (a) describing in detail the nature of the Document and its contents, (b) identifying the Person(s) who prepared or authored the Document, and, if applicable, the Person(s) to whom the Document was sent, (c) specifying the date on which the Document was prepared or transmitted, and (d) specifying the date on which the Document was

lost or destroyed and, if destroyed, the conditions of and reasons for such destruction and the Person(s) performing the destruction.

8. Except for electronic documents (such as Excel files) for which production in native format best preserves the document's characteristics, electronic documents, electronically stored information and electronic mail shall be produced as single-page Group IV TIFF images, DAT file compatible with Relativity and image load file compatible with IPRO, with the following metadata fields, to the extent such metadata exists: Custodian, File Path, Email Subject, Conversation Index, From, To, CC, BCC, Date Sent, Time Sent, Date Received, Time Received, Author, Date Created, Date Modified, MD5 Hash, File Size, File Extension, Control Number Begin, Control Number End, Attachment Range, Attachment Begin, and Attachment End (or the equivalent thereof).

9. The Requests for Production shall be deemed continuing so as to require prompt supplemental responses if You obtain or discover additional information between the time of the initial response and the time of trial.

10. You should consult the Federal Rules of Civil Procedure for additional instructions and duties that you might have concerning Your answers to these Requests, which rules are incorporated herein by reference.

REQUEST FOR PRODUCTION

1. All Documents and Communications Concerning the SAFE Agreement, including, all Communications between You and any Person relating to negotiation of the SAFE Agreement.
2. All Documents and Communications Concerning any other simple agreement for future equity that You have ever entered into.
3. All Documents and Communications Concerning the January 19, 2021 simple agreement for future equity with Luxor Technology Corporation.
4. All Documents and communications relating to the simple agreement for future equity with Cega Pte Ltd.

5. All Documents and Communications Concerning the proposed transaction between any of the Debtors and SilverSun Technologies, Inc.
6. All Documents relied upon by Stout Rissius Ross, LLC Concerning the June 20, 2023 *Celsius Network LLC et al Valuation Analysis Related to a Reorganization as of May 31, 2023*.
7. All Communications between You and any Person Concerning the above-captioned bankruptcy cases or the Debtors.
8. All Documents and Communications that You intend to rely upon in connection with the Claim Objection.

Date: June 4, 2025.

**QUINN EMANUEL URQUHART &
SULLIVAN, LLP**

/s/ Patricia B. Tomasco

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*Counsel to the Debtors and
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CERTIFICATE OF SERVICE

I certify that on June 4, 2025, a true and correct copy of the foregoing document was served via electronic mail to counsel identified below:

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/s/ Razmig Izakelian

Razmig Izakelian

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

<p>In re:</p> <p>RHODIUM ENCORE LLC, <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p>	<p>Chapter 11</p> <p>Case No. 24-90448 (ARP)</p> <p>(Jointly Administered)</p>
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ORDER GRANTING THE SAFE AHG MOTION TO QUASH

Upon the Ad Hoc Group of SAFE Parties' Motion to Quash (the "**Motion**") the Debtors' Document Request to Ad Hoc Group of SAFE Parties [Docket No. 1260]; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(b)(1) and 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); 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 permissible pursuant to 28 U.S.C. § 1408; and this Court having found that notice of the Motion and opportunity for a hearing on the Motion were appropriate and no other notice need be provided; 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 after due deliberation and sufficient cause appearing therefor and this Court, having considered same, and any response(s) thereto, is of the opinion that the Motion should be **GRANTED**.

¹ 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), Jordan HPC Sub LLC (0463), Rhodium 2.0 Sub LLC (5319), Rhodium 10MW Sub LLC (3827), Rhodium 30MW Sub LLC (4386), Rhodium Encore Sub LLC (1064), Rhodium Enterprises, Inc. (6290), Rhodium Industries LLC (4771), Rhodium Ready Ventures LLC (8618), Rhodium Renewables LLC (0748), Air HPC LLC (0387), Rhodium Renewables Sub LLC (9511), Rhodium Shared Services LLC (5868), and Rhodium Technologies LLC (3973). The mailing and service address of Debtors in these chapter 11 cases is 2617 Bissonnet Street, Suite 234, Houston, TX 77005.

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** as set forth herein.
2. The Debtors' Document Request to Ad Hoc Group of SAFE Parties [Docket No. 1260] is quashed.
3. Notwithstanding any other Federal Rules of Bankruptcy Procedure or any other applicable rule or guideline, the terms and conditions of this Order are immediately effective and enforceable upon its entry.
4. To the extent this Order is inconsistent with any prior order or pleading with respect to the Motion in these cases, the terms of this Order shall govern.
5. The Court shall retain exclusive jurisdiction to hear and determine all matters arising from, or related to, the implementation, enforcement or interpretation of this Order.

SIGNED:

ALFREDO R. PÉREZ
UNITED STATES BANKRUPTCY JUDGE