

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

In re:

SHARITY MINISTRIES, INC.,¹

Debtor.

Chapter 11 (Subchapter V)

Case No.: 21-11001 (JTD)

Ref. Nos. 15 & 132

**ORDER GRANTING THE DEBTOR'S APPLICATION FOR APPROVAL OF
AGREEMENT WITH SOLIC CAPITAL ADVISORS, LLC TO PROVIDE THE
SERVICES OF (I) NEIL F. LURIA AS CHIEF RESTRUCTURING OFFICER, (II)
CERTAIN OTHER INTERIM OFFICERS, AND (III) CERTAIN SUPPORT
PERSONNEL, NUNC PRO TUNC TO THE PETITION DATE**

Upon the application (the "Application")² of the above-captioned debtor (the "Debtor") for entry of an order (this "Order") pursuant to section 363 of the Bankruptcy Code, approving the Agreement between the Debtor and SOLIC to provide the services of the following: (i) Neil F. Luria as CRO, (ii) Raoul Nowitz as Assistant Chief Restructuring Officer and Kevin Tavakoli as Director of Finance, and (iii) certain support personnel, *nunc pro tunc* to the Petition Date, all as more fully set forth in the Application; and upon due and sufficient notice of the Application having been provided under the particular circumstances, and it appearing that no other or further notice need be provided; and the Court having found that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012; and the Court having found that the Application is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and that the Debtor consents to entry of a final order under Article III of the United States

¹ The last four digits of the Debtor's federal tax identification number is 0344. The Debtor's mailing address is 821 Atlanta Street, Suite 124, Roswell, GA 30075.

² Capitalized terms used but not otherwise defined in this Order have the meanings ascribed to such terms in the Application.

Constitution; and the Court having found that venue of this chapter 11 case and the Application in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and a hearing having been held to consider the relief requested in the Application (the “Hearing”); and the Court being satisfied based on the representations made in the Application and the Luria Declaration that SOLIC, including the Interim Officers, represent no interest materially adverse to the Debtor’s estate, and that the approval of the Agreement, including the retention and employment of the CRO and other Interim Officers, is necessary and in the best interests of the Debtor’s estate; and after due deliberation thereon and sufficient cause appearing therefor, and based on the finding at the hearing on August 5th and 9th, 2021 in connection with the *U.S. Trustee’s Motion to Remove the Debtor in Possession Pursuant to 11 U.S.C. § 1185, or Alternatively, Motion to Authorize the Subchapter V Trustee to Investigate the Debtor’s Financial Affairs to 11 U.S.C. § 1183* filed at D.I. 68 that the Debtor’s board of directors, after the filing of this Application, signed a written consent that delegates authority to the Chief Restructuring Officer to bind the Debtor with respect to any matter or investigate any matter that would otherwise require approval of the Debtor’s board of directors and that grants without restriction absolutely all of the powers and authority of the Debtor’s board of directors under the DGCL in connection with the above bankruptcy case, it is **HEREBY ORDERED THAT:**

1. The Application is granted as set forth herein.
2. In accordance with section 363(b) of the Bankruptcy Code, the Debtor is authorized to retain and employ the following to provide services in accordance with the terms and conditions set forth in the Agreement as such terms and conditions are modified herein:
(i) Neil F. Luria as Chief Restructuring Officer, (ii) Raoul Nowitz as Assistant Chief Restructuring Officer and Kevin Tavakoli as Director of Finance, and (iii) SOLIC, to provide

certain support personnel pursuant to the terms of the Agreement, *nunc pro tunc* to the Petition Date. Notwithstanding anything in the Application, the Agreement or any exhibits related thereto to the contrary, the retention and employment shall be subject to the following terms:

- a. The Chief Restructuring Officer can only be removed by the Debtor's board of directors with the approval of the United States Bankruptcy Court for the District of Delaware.
- b. SOLIC and its affiliates shall not be retained by the Debtor or act in any other capacity other than as retained pursuant to section 363 of the Bankruptcy Code (for example, and without limitation, as a financial advisor, claims agent/claims administrator, or investor/acquirer) in connection with the above-captioned case.
- c. In the event the Debtor seeks to have SOLIC personnel assume executive officer positions that are different than the positions disclosed in the Application, or to materially change the terms of the engagement by either (i) modifying the functions of personnel, (ii) adding new personnel who will serve in the interim officer capacity, or (iii) altering or expanding the scope of the engagement, a motion to modify the retention shall be filed.
- d. The Weekly Fee is approved subject to the requirements of this paragraph. SOLIC shall file with the Court, with copies to the United States Trustee ("U.S. Trustee"), and Subchapter V Trustee reports of compensation earned and expenses incurred on a monthly basis ("Compensation Reports") and provide notice of the same to the Notice Parties, including any official committee, if any. Such reports shall contain summary charts which

describe the services provided and itemize the expenses incurred. Time records shall (i) be appended to the reports, (ii) contain time entries generally describing the task(s) performed, and (iii) be organized by project category. Where personnel are providing services at an hourly rate, the time entries shall identify the time spent completing each task in 1/10/hour increments and the corresponding charge (time multiplied by hourly rate) for each task; where personnel are providing services at a “flat” rate, the time entries shall be kept in half-hourly increments. For the avoidance of doubt, the Compensation Reports and corresponding time record should account for both the Weekly Fee and Hourly Fees. The Notice Parties shall have ten days after the date each Compensation Report is served upon them to object, and the related compensation and expenses will be subject to Court review and disgorgement in the event an objection is filed that cannot be resolved by SOLIC and the objecting party. SOLIC will file its first Compensation Report by August 31, 2021, for the period covering the Petition Date through July 31, 2021.

- e. SOLIC shall file staffing reports that will reflect the services provided by SOLIC and who from SOLIC performed such services during the previous month (“Staffing Reports”). Staffing Reports will include the names of all full- and part-time SOLIC personnel involved in this chapter 11 case. The Notice Parties, including any official committees, if any, shall have ten days after the date each Staffing Report is served upon them to object. The Staffing Reports and SOLIC’s staffing decisions will be subject to review

by the Court in the event an objection is filed that cannot be resolved by SOLIC and the objecting party. SOLIC will file its first Staffing Report by August 31, 2021, for the period covering the Petition Date through July 31, 2021. The filing of Compensation Reports shall satisfy SOLIC's obligations to file and serve a separate monthly Staffing Report as set forth herein.

- f. No principal, employee or independent contractor of SOLIC and its affiliates shall serve as a director of the Debtor during the pendency of the above-captioned case.
- g. No success fee is contemplated in the Application. For the avoidance of doubt, any success fees, transaction fees, or other back-end fees shall be approved by the Court at the conclusion of the case on a reasonableness standard and are not being pre-approved by entry of this Order.
- h. The Debtor is permitted to indemnify those persons serving as executive officers on the same terms as provided to the Debtor's other officers and directors under the corporate bylaws and applicable state law, along with insurance coverage under the Debtor's D&O policy.
- i. There shall be no indemnification of SOLIC or its affiliates.
- j. SOLIC shall disclose any and all facts that may have a bearing on whether the firm, its affiliates, and/or any individuals working on the engagement hold or represent any interest adverse to the Debtor, its creditors, or other parties in interest. The obligation to disclose identified in this subparagraph is a continuing obligation.

- k. For a period of three years after the conclusion of the engagement, neither SOLIC nor any of its affiliates shall make any investments in the Debtor or the reorganized Debtor.
- l. Notwithstanding anything to the contrary in the Agreement or any attachments thereto, and in particular, paragraph 3 a. of the Agreement, any limitation of liability provision in the Agreement shall be of no force and effect during the pendency of the above-captioned case.
- m. Notwithstanding anything to the contrary in the Agreement, or any attachments thereto, the following sentence from paragraph 3 a. of the Agreement shall be of no force and effect during the pendency of the above-captioned case: “No action, regardless of form, arising out of or relating to this Agreement, may be brought by the Company more than one (1) year after the cause of action has accrued.”

3. Except as otherwise required by this Order, SOLIC will not be subject to any order by this Court governing the procedures for interim compensation for professionals, and the Debtor is authorized to compensate SOLIC in accordance with the terms of the Agreement without further order of the Court.

4. For the avoidance of doubt, SOLIC will not utilize any independent contractors as part of its provision of services to the Debtor.

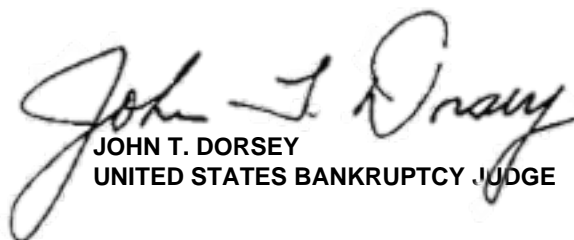
5. This Court shall retain jurisdiction over all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

6. Notwithstanding Bankruptcy Rule 6004(h) or any provision in the Federal Rules of Bankruptcy Procedure to the contrary, this Order is immediately effective and enforceable upon

its entry.

7. The Debtor is authorized and empowered to take such actions as may be necessary and appropriate to implement the terms of this Order.

Dated: August 10th, 2021
Wilmington, Delaware


JOHN T. DORSEY
UNITED STATES BANKRUPTCY JUDGE