

**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)

Re: D.I. 68, 84, 85, 93, and 101

CERTIFICATION OF COUNSEL

I, Rosa Sierra, counsel to the U.S. Trustee hereby certify as follows to the best of my knowledge, information, and belief:

1. On July 8, 2021 (the “Petition Date”), the Debtor filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. in the United States Bankruptcy Court for the District of Delaware (the “Court”).

2. On July 22, 2021, the U.S. Trustee filed the *United States 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 Pursuant To 11 U.S.C. § 1183* at. D.I. 68 (“U.S. Trustee Motion”).

3. Thereafter, the following joinders and responses were filed to the U.S. Trustee Motion: (i) *AlierCare Plaintiffs’ Joinder In United States Trustee’s Motion To Remove The*

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.

Debtor In Possession Or Alternatively To Authorize The Subchapter V Trustee To Investigate The Debtor's Affairs at D.I. 85 ("AlierCare Plaintiffs' Joinder"); (ii) *Joinder To The United States 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 Pursuant To 11 U.S.C. § 1183* at D.I. 93 ("States' Joinder") (the AlierCare Plaintiffs' Joinder together with the States' Joinder, the "Joinders"); and (iii) *Debtor's Response In Opposition To The United States 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 Pursuant To 11 U.S.C. § 1183* at D.I. 84 ("Debtor's Response").

4. On August 5 and August 9, 2021, the Court held a hearing to consider, among other things, the U.S. Trustee Motion and the responses thereto.

5. Consistent with the Court's ruling at the hearing, the U.S. Trustee has drafted a proposed order concerning the Court's ruling on the U.S. Trustee Motion, a copy of which has been attached hereto as Exhibit 1.

6. A copy of the proposed order has been circulated to Debtor's counsel, the Subchapter V Trustee, counsel for the State of Texas, bankruptcy counsel for the National Association of State Attorney Generals, and counsel for the AlierCare Plaintiffs. They have advised counsel for the U.S. Trustee that they do not oppose the entry of the proposed order.

7. In accordance with the Court's electronic order processing procedures, a clean copy of the proposed order will be uploaded to CM/ECF.

8. Accordingly, the U.S. Trustee requests that the Court enter the proposed order at its earliest convenience.

Dated: August 11, 2021.
Wilmington, Delaware

Respectfully submitted,

ANDREW R. VARA
UNITED STATES TRUSTEE

By: /s/ Rosa Sierra

Rosa Sierra

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EXHIBIT 1

**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)

Re: D.I. 68, 84, 85, 93, and 101

ORDER HOLDING IN ABEYANCE IN PART, AND GRANTING IN PART, THE UNITED STATES 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 PURSUANT TO 11 U.S.C. § 1183 AND ORDERING THE APPOINTMENT OF AN OFFICIAL COMMITTEE OF MEMBERS PURSUANT TO 11 U.S.C. §§ 1181(b) AND 1102(a)(2)

This matter came before this Court for hearing on August 5 and 9, 2021, on the (i) *United States 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 Pursuant To 11 U.S.C. § 1183* at D.I. 68 (“U.S. Trustee Motion”); (ii) *AlierCare Plaintiffs’ Joinder In United States Trustee’s Motion To Remove The Debtor In Possession Or Alternatively To Authorize The Subchapter V Trustee To Investigate The Debtor’s Affairs* at D.I. 85 (“AlierCare Plaintiffs’ Joinder”); (iii) *Joinder To The United States 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 Pursuant To 11 U.S.C. § 1183* at D.I. 93 (“States’ Joinder”) (the AlierCare Plaintiffs’ Joinder together with

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the States' Joinder, the "Joinders"); (iv) *Debtor's Response In Opposition To The United States 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 Pursuant To 11 U.S.C. § 1183* at D.I. 84 ("Debtor's Response"); and (v) *United States Trustee's Reply In Support Of 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 Pursuant To 11 U.S.C. § 1183* at D.I. 101 ("U.S. Trustee Reply"); and sufficient notice of the U.S. Trustee Motion and Joinders was given to interested parties in accordance with title 11 of the United States Code (the "Bankruptcy Code") and the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). For the reasons stated on the record at August 9, 2021 hearing, it is hereby ORDERED as follows:

1. The U.S. Trustee Motion and the Joinders are held in abeyance to the extent they seek removal of the Debtor as debtor in possession pursuant to 11 U.S.C. § 1185(a).
2. The U.S. Trustee Motion and the Joinders are granted to the extent they seek an expansion of the duties of the Subchapter V Trustee pursuant to 11 U.S.C. § 1183(b)(2) to investigate the financial affairs of the debtor.
3. In addition, the Subchapter V Trustee shall: (i) be kept fully informed by the Debtor, the Chief Restructuring Officer, and SOLIC on all data migration and data management issues; (ii) investigate whether the Debtor is eligible to be a Subchapter V debtor; (iii) investigate whether the Debtor's employees, as of the Petition Date, are necessary for the purposes of this bankruptcy case; and (iv) investigate and provide guidance to this Court as to SOLIC's continued services in this bankruptcy case and an approximate timeframe for SOLIC's termination and discharge.

4. A status hearing will be held on August 30, 2021 at 10:00 a.m. (Eastern Time) to consider the Subchapter V Trustee's recommendation on the items enumerated in paragraph (3) above. At or before the status hearing, the Subchapter V Trustee shall report on the matters listed in paragraph3 (above).

5. Pursuant to 11 U.S.C. §§ 1181(b), 1102(a)(2), the U.S. Trustee is directed to appoint an official committee of Members (as defined in the U.S. Trustee Motion) ("Member Committee").

6. 11 U.S.C. § 1103 is applicable in this case.

7. The Court shall retain jurisdiction with respect to all matters arising from or relating to the implementation of this Order.