

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

In re:

SHARITY MINISTRIES, INC.,<sup>1</sup>

Debtor.

Chapter 11 (Subchapter V)

Case No.: 21-11001 (\_\_\_)

**DEBTOR’S APPLICATION FOR ENTRY OF AN ORDER AUTHORIZING THE  
EMPLOYMENT AND RETENTION OF BMC GROUP, INC. AS CLAIMS AND  
NOTICING AGENT FOR THE DEBTOR PURSUANT TO 28 U.S.C. § 156(C), 11 U.S.C.  
§ 105(A) AND LOCAL RULE 2002-1(F) NUNC PRO TUNC TO THE PETITION DATE**

The above-captioned debtor and debtor in possession, Sharity Ministries, Inc. (“Sharity” or “Debtor”) hereby files this application (the “Application”) seeking entry of an order substantially in the form attached hereto as **Exhibit A** (the “Retention Order”), appointing BMC Group, Inc. (“BMC”) as claims and noticing agent (“Claims and Noticing Agent”) in this chapter 11 case, *nunc pro tunc* to the Petition Date (defined below). In support of this Application, the Debtor submits the *Declaration of Tinamarie Feil in Support of the Debtor’s Application for Entry of an Order Authorizing the Employment and Retention of BMC Group, Inc. as Claims and Noticing Agent for the Debtor Pursuant to 28 U.S.C. § 156(c), 11 U.S.C. § 105(a) and Local Rule 2002-1(f) Nunc Pro Tunc to the Petition Date* (the “Feil Declaration”), attached hereto as **Exhibit C**. In further support of this Application, Sharity submits the *Declaration of Neil F. Luria in Support of Chapter 11 Petition and First Day Motions [D.I. 5]* (the “First Day Declaration”) and respectfully states as follows:

---

<sup>1</sup>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.

## **JURISDICTION AND VENUE**

1. This Court has jurisdiction over 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 District of Delaware dated February 29, 2012. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (“Local Rule”), Sharity consents to the entry by this Court of a final order in connection with this Application.

2. The statutory bases for the relief requested herein are 28 U.S.C. § 156(c), section 105(a) of title 11 of the United States Code (the “Bankruptcy Code”), Local Rule 2002-1(f) and the Court’s *Protocol for the Employment of Claims and Noticing Agents under 28 U.S.C. § 156(c)*, instituted by the Clerk on February 1, 2012, (the “Claims Agent Protocol”).

## **BACKGROUND**

3. On July 8, 2021 (“Petition Date”), Sharity filed a voluntary petition for relief under chapter 11 bankruptcy of the Bankruptcy Code and elected to proceed under subchapter V.

4. Sharity is authorized to continue to operate its business and manage its properties as a debtor in possession pursuant to 11 U.S.C. §§ 1107(a) and 1108.

5. Sharity is a 501(c)(3) faith-based nonprofit corporation that operates a Health Care Sharing Ministry (“HCSM”), a health care cost sharing arrangement among persons of similar and sincerely held religious beliefs. Sharity aims to alleviate the burden of expensive health care costs by offering an affordable health care option that aligns both state laws and Christian beliefs. Sharity offers various health sharing programs to its members. Sharity’s health sharing programs are

designed to facilitate member-to-member sharing by matching members' sharing requests for eligible medical expenses with other members' voluntary contributions to the programs.

6. Additional factual background regarding Sharity, including its charitable mission and the events leading to the filing of this subchapter V, chapter 11 case, is set forth in more detail in the First Day Declaration and incorporated herein by reference. Facts specific to this Application are set forth below.

### **RELIEF REQUESTED**

7. By this Application, Sharity respectfully requests for entry of the Retention Order, in substantially the form attached hereto as **Exhibit A**, under 28 U.S.C. § 156(c), Bankruptcy Code section 105(a), and Local Rule 2002-1(f), authorizing the Debtor to retain and employ BMC as the Claims and Noticing Agent in this chapter 11 case, including assuming full responsibility for the distribution of notices and maintenance, processing and docketing of proofs of claim filed in this case, *nunc pro tunc* to the Petition Date. The terms of BMC's retention are set forth in the engagement agreement, effective as of July 7, 2021, between BMC and the Debtor (the "**Engagement Agreement**");<sup>2</sup> *provided, however*, that in this Application, the Debtor is seeking approval of only those terms and provisions of the Engagement Agreement that are consistent with 28 U.S.C. § 156(c) and the proposed Retention Order. In the event there is any inconsistency between the Application, the Retention Order, and the Engagement Agreement, the Debtor respectfully requests that the Retention Order govern.

8. The Debtor's selection of BMC to act as the Claims and Noticing Agent has satisfied the Court's Claims Agent Protocol in that the Debtor has obtained and reviewed engagement proposals from at least two other court-approved claims and noticing agents to ensure

---

<sup>2</sup> The Engagement Agreement is attached hereto as **Exhibit B**.

selection through a competitive process. Moreover, the Debtor submits, based on all engagement proposals obtained and reviewed, that BMC's rates are competitive and reasonable given BMC's quality of services and expertise. Although the Debtor has not yet filed its schedules of assets and liabilities, it anticipates that there will be in excess of 10,000 individuals to be noticed. Local Rule 2002-1(f) provides that "[i]n all cases with more than 200 creditors or parties in interest listed on the creditor matrix, unless the Court orders otherwise, the debtor shall file [a] motion [to retain a claims and noticing agent] on the first day of the case or within seven (7) days thereafter." In view of the number of parties in interest and potential claimants, the Debtor submits that the appointment of a claims and noticing agent is required by Local Rule 2002-1(f) and is otherwise in the best interests of both the Debtor's estate and its creditors.

9. The Debtor will seek, by separate application, authorization to retain and employ BMC as an administrative advisor in this chapter 11 case under Bankruptcy Code section 327(a), as the administration of this chapter 11 case will require BMC to perform duties outside the scope of 28 U.S.C. § 156(c).

### **BASIS FOR RELIEF REQUESTED**

#### **I. Facts Specific to Relief Requested**

##### A. BMC's Qualifications

10. BMC is comprised of leading industry professionals with significant experience in both the legal and administrative aspects of large, complex chapter 11 cases. BMC's professionals have experience in noticing, claims administration, solicitation, balloting, and facilitating other administrative aspects of chapter 11 cases. BMC's professionals have acted as official claims and noticing agent in many large bankruptcy cases in this district and in other districts nationwide. BMC's recent cases in this and other districts include: *In re YogaWorks, Inc., et al.*, No. 20-12599 (KBO) (Bankr. D. Del.); *In re Llednara Holdings, Inc., et al.*, No. 20-11941 (JTD) (Bankr. D. Del.); *In re*

*Fresh Acquisitions, LLC, et al.*, No. 21-30721 (SGJ) (Bankr. N.D. Tex. 2021); *In re OFS International, LLC et al.*, No. 21-31784 (DRJ) (Bankr. S.D. Tex. 2021); *In re Entrust Energy, Inc. et al.*, No. 21-31070 (Bankr. S.D. Tex. 2021) *In re GGI Holdings, LLC, et al.*, No. 20-31318-hdh11 (Bankr. N.D. Tex.). *In re Community Provider of Enrichment Services, Inc., et al.*, No. 20-10554-DS (Bankr. C.D. Cal. 2020).

11. Retaining BMC as Claims and Noticing Agent will expedite the distribution of notices and the processing of claims, facilitate other administrative aspects of this chapter 11 case, and relieve the Office of the Clerk of the Bankruptcy Court (the “Clerk”) of these administrative burdens.

B. Services to be Provided

12. The Application pertains only to the work to be performed by BMC under the Clerk’s delegation of duties permitted by 28 U.S.C. § 156(c) and Local Rule 2002-1(f). By this Application, the Debtor seeks to retain BMC as its Claims and Noticing Agent, consistent with the Engagement Agreement, to provide, to the extent requested by the Debtor, bankruptcy administration services (the “Claims and Noticing Services”), including:

- a) Prepare and serve required notices and documents in this chapter 11 case in accordance with the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) in the form and manner directed by the Debtor and/or the Court, including: (i) notice of the commencement of the chapter 11 case, (ii) notice of any claims bar date, (iii) notices of transfers of claims (if any), (iv) notices of objections to claims and objections to transfers of claims (if any), (v) notices of any hearings on a plan and subsequent confirmation of the Debtor’s plan, including under Bankruptcy Rule 3017(d), (vi) notice of the effective date of the plan, and (vii) all other notices, orders, pleadings, publications, and other documents as the Debtor or Court may deem necessary or appropriate for an orderly administration of this chapter 11 case;
- b) Maintain an official copy of the Debtor’s schedules of assets and liabilities and statements of financial affairs, listing the Debtor’s known creditors and the amounts owed, if requested;
- c) Maintain (i) a list of all potential creditors, equity holders, and any parties in interest and (ii) a “core” mailing list consisting of all parties described in Bankruptcy Rule 2002(i), (j), and (k) and those parties that have filed

- a notice of appearance under Bankruptcy Rule 9010; update and make those lists available upon request by any party in interest or the Clerk;
- d) Furnish a notice to all potential creditors of the last date for filing proofs of claim and a form for filing a proof of claim, after such notice and form are approved by the Court;
  - e) For *all* notices, motions, orders, or other pleadings or documents served, prepare and file or cause to be filed with the Clerk an affidavit or certificate of service within seven (7) business days of service that includes: (i) either a copy of the notice served or the docket number(s) and title(s) of the pleading(s) served, (ii) an alphabetical list of persons to whom it was mailed with their addresses, (iii) the manner of service, and (iv) the date served;
  - f) Process any proofs of claim received, including those received by the Clerk, check processing for accuracy, and maintain the original proofs of claim in a secure area;
  - g) Maintain the official claims register (if any) for the Debtor (the “Claims Register”) on behalf of the Clerk; provide the Clerk, upon the Clerk’s request, with a certified, duplicate unofficial Claims Register; and specify in the Claims Register the following information for each claim docketed: (i) the claim number assigned, (ii) the date received, (iii) the name and address of the claimant and agent, if applicable, who filed the claim, (iv) the amount asserted, (v) the asserted classification(s) of the claim (e.g., secured, unsecured, priority), and (vi) any disposition of the claim;
  - h) Implement necessary security measures to ensure the completeness and integrity of the Claims Register and the safekeeping of the original claims;
  - i) Record any transfers of claims and provide any notices of such transfers as required by Bankruptcy Rule 3001(e);
  - j) Relocate any court-filed proofs of claim to BMC’s offices, not less than weekly;
  - k) Upon completion of the docketing process for any claims received to date for each case, provide to the Clerk copies of the Claims Register for the Clerk’s review (upon the Clerk’s request);
  - l) Monitor the Court’s docket for all notices of appearance, address changes, and claims-related pleadings and orders filed and make necessary notations on or changes to the Claims Register (if any) and any service or mailing lists, including the identification and elimination of duplicative names, addresses, and email addresses from such lists;
  - m) Identify and correct any incomplete or incorrect addresses in any mailing or service lists;
  - n) Assist in the dissemination of information to the public and respond to requests for administrative information on this chapter 11 case as directed by the Debtor or the Court, including through a case website or call

center;

- o) If this chapter 11 case is converted to a case under chapter 7 of the Bankruptcy Code, contact the Clerk's office within three (3) days of notice to BMC of entry of the order converting the case;
- p) Thirty (30) days before the close of this chapter 11 case, to the extent practicable, request that the Debtor submit to the Court a proposed order dismissing BMC as Claims and Noticing Agent and terminating its services in such capacity upon completion of its duties and responsibilities and upon the closing of this chapter 11 case;
- q) Within seven (7) days of notice to BMC of entry of an order closing this chapter 11 case, provide to the Court the final version of the Claims Register as of the date immediately before the close of the chapter 11 case; and
- r) At the close of this chapter 11 case, (i) box and transport all original documents, in proper format, as provided by the Clerk, to (1) the Philadelphia Federal Records Center, located at 14700 Townsend Road, Philadelphia, PA 19154, or (2) any other location requested by the Clerk; and (ii) docket a completed SF 135 Form indicating the accession and location numbers of the archived claims.

13. The Claims Register shall be open to the public for examination without charge during regular business hours and on a case-specific website maintained by BMC.

14. BMC will not employ any past or present employee of the Debtor for work that involves this chapter 11 case.

C. Professional Compensation

15. The Debtor respectfully requests that the undisputed fees and expenses incurred by BMC in the performance of the above services be treated as administrative expenses of the chapter 11 case under 28 U.S.C. § 156(c) and Bankruptcy Code section 503(b)(1)(A) and be paid in the ordinary course of business without further application to or order of the Court. BMC agrees to maintain records of all services showing dates, categories of services, fees charged, and expenses incurred, and to serve monthly invoices on: (i) the Debtor; (ii) the Office of the United States Trustee; (iii) counsel to the Debtor; (iv) the Subchapter V Trustee; and (v) any party in interest that specifically requests service of the monthly invoices. If any dispute arises relating to the

Engagement Agreement or monthly invoices, the parties shall meet and confer in an attempt to resolve the dispute; if they are unable to achieve resolution on their own, the parties may seek the Court's intervention.

16. Prior to the Petition Date, the Debtor provided BMC with a \$25,000.00 retainer. BMC seeks to first apply the retainer to all prepetition invoices and, thereafter, to have the retainer replenished to the original retainer amount, and thereafter, to hold the retainer under the Engagement Agreement during this chapter 11 case as security for the payment of fees and expenses incurred under the Engagement Agreement.

D. Representation of Disinterestedness

17. Although the Debtor does not propose by this Application to employ BMC under Bankruptcy Code section 327 (such retention for BMC's proposed services as administrative advisor will be sought by separate application), BMC has nonetheless reviewed its electronic database to determine whether it has any relationships with the Debtor's creditors and other parties in interest identified by the Debtor. To the best of the Debtor's knowledge, information, and belief, and except as disclosed in the Feil Declaration, BMC has represented that it neither holds nor represents any interest materially adverse to the Debtor's estate in connection with any matter on which it would be employed.

18. Moreover, in connection with its retention as Claims and Noticing Agent, BMC represents in the Feil Declaration that, among other things:

- a) BMC is not a creditor of the Debtor;
- b) BMC will not consider itself employed by the United States government and will not seek any compensation from the United States government in its capacity as Claims and Noticing Agent in this chapter 11 case;
- c) By accepting employment in this chapter 11 case, BMC waives any rights to receive compensation from the United States government in connection with this chapter 11 case;



- d) In its capacity as Claims and Noticing Agent in this chapter 11 case, BMC will not be an agent of the United States and will not act on behalf of the United States;
- e) BMC will not employ any past or present employees of the Debtor in connection with its work as Claims and Noticing Agent in this chapter 11 case;
- f) BMC is a “disinterested person” as that term is defined in Bankruptcy Code section 101(14) for the matters on which it is engaged;
- g) In its capacity as Claims and Noticing Agent in this chapter 11 case, BMC will not intentionally misrepresent any fact to any person;
- h) BMC’s receipt and recordation of claims (if any) and claim transfers will fall under the supervision and control of the Clerk’s office;
- i) BMC will comply with all requests of the Clerk’s office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c); and
- j) The Clerk’s office will bear none of the costs of BMC’s services as Claims and Noticing Agent in this chapter 11 case.

BMC will supplement its disclosure to the Court if any facts or circumstances are discovered that would require additional disclosure.

E. Compliance with Claims Agent Protocol

19. The Debtor represents that this Application complies with the Claims Agent Protocol, and that it substantially conforms to the standard section 156(c) application in use in this Court. To the extent that there is any inconsistency between this Application, the Retention Order and the Engagement Agreement, the Retention Order shall govern.

**II. Legal Basis for Relief Requested**

A. Retention and Employment of BMC as Claims and Noticing Agent is Appropriate Pursuant to 28 U.S.C. Section 156(c), Bankruptcy Code Section 105(a), and Local Rule 2002-1(f)

20. Under Judicial Code section 156(c), Bankruptcy Code section 105(a), Local Rule 2002-1(f), and the Claims Agent Protocol, the Debtor is permitted to retain and employ BMC as Claims and Noticing Agent in this chapter 11 case in order for BMC to assume full responsibility for the distribution of notices, the maintenance, processing, and docketing of proofs of claim, and

other administrative aspects of this chapter 11 case.

21. The authority to employ the services of a claims and noticing agent is found in section 156(c) of title 28 of the United States Code, which sets forth that:

Any court may utilize facilities or services, either on or off the court's premises, which pertain to the provision of notices, dockets, calendars, and other administrative information to parties in cases filed under the provisions of title 11, United States Code, where the costs of such facilities or services are paid for out of the assets of the estate and are not charged to the United States. The utilization of such facilities or services shall be subject to such conditions and limitations as the pertinent circuit council may prescribe.

28 U.S.C. § 156(c).

22. Bankruptcy Code section 105 also provides:

The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title. No provision of this title providing for the raising of an issue by any party in interest shall be construed to preclude the court from, sua sponte, taking any action or making any determination necessary or appropriate to enforce or implement court orders or rules, or to prevent an abuse of process.

11 U.S.C. § 105(a).

23. Finally, Local Rule 2002-1(f) provides:

Upon motion of the debtor or trustee, at any time without notice or hearing, the Court may authorize the retention of a notice and/or claims clerk under 28 U.S.C. § 156(c). In all cases with more than two hundred (200) creditors or parties in interest listed on the creditor matrix, unless the Court orders otherwise, the debtor shall file such motion on the first day of the case or within seven (7) days thereafter. The notice and/or claims clerk shall comply with the Protocol for the Employment of Claims and Noticing Agents under 28 U.S.C. § 156(c) (which can be found on the Court's website) and shall perform the Claims and Noticing Services.

Del. Bankr. L.R. 2002 1(f).

24. The Debtor anticipates that this chapter 11 case will require many individuals and entities to be noticed. In view of that large number of parties in interest and potential claimants, the Debtor submits that the employment and retention of a claims and noticing agent is both required by Local Rule 2002-1(f) and in the best interests of the Debtor's estate and creditors. Relieved of the burdens associated with the Claims and Noticing Services, the Debtor will be able to devote its full attention and resources to maximizing value for its stakeholders and facilitating the orderly administration of this chapter 11 case.

25. In accordance with the Claims Agent Protocol, prior to the selection of BMC as Claims and Noticing Agent, the Debtor reviewed and compared engagement proposals from at least two (2) other court-approved claims and noticing agents, including BMC, to ensure a competitive process. The Debtor submits that, based on the engagement proposals obtained and reviewed, BMC's rates are competitive and reasonable given the quality of services and expertise BMC provides. Although the terms of BMC's employment and retention are set forth in the Engagement Agreement, BMC is seeking approval solely of the terms and provisions as set forth in this Application and the Retention Order. In the event of any inconsistency between the Engagement Agreement, the Application, and the Retention Order, the Retention Order governs.

26. Although the Engagement Agreement does not contemplate that BMC will provide services for the Debtor outside the scope of 28 U.S.C. § 156, the Debtor intends to seek such authorization by separate application to retain and employ BMC as administrative agent pursuant to Bankruptcy Code section 327(a) for those services.<sup>3</sup>

---

<sup>3</sup> Subject to any orders of the Court, BMC intends to apply the \$25,000 retainer against outstanding invoices for both claims and noticing agent services and administrative agent services.

B. Appointment *Nunc Pro Tunc* to the Petition Date Is Appropriate

27. In accordance with the Debtor's request, BMC has agreed to serve as Claims and Noticing Agent on and after the Petition Date with assurances that the Debtor would seek approval of its employment and retention, *nunc pro tunc* to the Petition Date, so that BMC can be compensated for services rendered before approval of this Application. The Debtor believes that no party in interest will be prejudiced by the granting of such relief because BMC has provided and continues to provide valuable services to the Debtor's estate in the interim period. Accordingly, the Debtor respectfully requests entry of the Retention Order authorizing the Debtor to retain and employ BMC as Claims and Noticing Agent, *nunc pro tunc* to the Petition Date.

**NOTICE**

28. Notice of this Application shall be provided to: (i) the Office of the United States Trustee for the District of Delaware; (ii) the Subchapter V Trustee; (iii) the parties included on the Debtor's list of twenty (20) largest unsecured creditors; (iv) the relevant regulatory authorities identified on the affidavit of service filed in connection with this Application; (v) the United States Attorney's Office for the District of Delaware; (vi) the Internal Revenue Service; and (vii) all parties who, as of the filing of this Application, have filed a notice of appearance and request for service of papers pursuant to Bankruptcy Rule 2002. A copy of this Application is also available on the website maintained by BMC at <https://www.bmcgroup.com/sharity>. In light of the nature of the relief requested herein, the Debtor submits that no other or further notice is necessary.

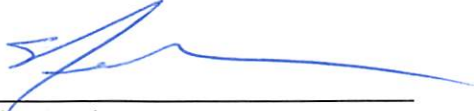
**NO PRIOR REQUEST**

29. Sharity has not made any prior request to this or to any other court for the relief sought herein.

**CONCLUSION**

WHEREFORE, the Debtor respectfully requests that this Court enter an order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested and any other relief as is just and proper.

Dated: July 8, 2021



---

Neil F. Luria  
Chief Restructuring Officer  
Sharity Ministries, Inc.

**EXHIBIT A**

**Proposed Retention Order**

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

In re:

SHARITY MINISTRIES, INC.,<sup>1</sup>

Debtor.

Chapter 11 (Subchapter V)

Case No.: 21-11001 (\_\_\_)

**ORDER AUTHORIZING EMPLOYMENT AND RETENTION OF BMC GROUP, INC.  
AS CLAIMS AND NOTICING AGENT *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the application (the “Application”)<sup>2</sup> of the above-captioned debtor (the “Debtor”) for entry of an order (this “Order”) authorizing the employment and retention of BMC Group, Inc. (“BMC”) as Claims and Noticing Agent in this chapter 11 case, *nunc pro tunc* to the Petition Date, under Judicial Code section 156(c), Local Rule 2002-1(f), and the Court’s Claims Agent Protocol, to, among other things, (a) distribute required notices to parties in interest, (b) receive, maintain, docket, and otherwise administer the proofs of claim filed in this chapter 11 case, (c) provide such other administrative services, as required by the Debtor and approved by the Court, that would fall within the purview of services to be provided by the Clerk’s Office, and (d) granting related relief, all as more fully set forth in the Application; and upon the volume of parties in interest in this chapter 11 case, and it appearing that the receiving, docketing and maintaining of proofs of claim would be unduly time consuming and burdensome for the Clerk; and the Court being authorized under Judicial Code 156(c) to utilize, at the Debtor’s expense, outside agents and facilities to provide notices to parties in title 11 cases and to receive, docket, maintain, photocopy and transmit proofs of claim; and upon due and sufficient notice of the Application

---

<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined in this Order have the meanings ascribed to such terms in 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 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 upon the Feil Declaration submitted in support of the Application, the First Day Declaration, the record of the Hearing, and all of the proceedings had before the Court; and the Court having found and determined that BMC has the capability and experience to provide the services described in the Application, that BMC does not hold an interest adverse to the Debtor or its estate with respect to the matters on which it is to be engaged, and that the employment and retention of BMC is in the best interests of the Debtor, its estate and creditors, and any parties in interest; and that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and after due deliberation thereon and sufficient cause appearing therefor, it is **HEREBY ORDERED THAT:**

1. The Application is granted as set forth herein.
2. Notwithstanding the terms of the Engagement Agreement attached to the Application, the Application is approved solely as set forth in this Order. In the event of any inconsistency between the Engagement Agreement, the Application, and this Order, this Order shall govern.



3. The Debtor is authorized to retain and employ BMC as Claims and Noticing Agent, *nunc pro tunc* to the Petition Date under the terms of the Engagement Agreement and BMC is authorized and directed to perform Claims and Noticing Services to receive, maintain, record and otherwise administer the proofs of claim filed in this chapter 11 case, and all related tasks, all as described in the Application.

4. BMC shall serve as the custodian of court records and will be designated as the authorized repository for all proofs of claim filed in this chapter 11 case, and BMC is authorized and directed to maintain an official claims register for the Debtor and to provide the Clerk with a certified duplicate upon the Clerk's request.

5. BMC is authorized and directed to obtain a post office box or address for the receipt of proofs of claim.

6. BMC is authorized to take such other actions to comply with all duties set forth in the Application.

7. The Debtor is authorized to compensate BMC in accordance with the terms of the Engagement Agreement upon the receipt of reasonably detailed invoices setting forth the services provided by BMC and the rates charged for each, and to reimburse BMC for all reasonable and necessary expenses it may incur, upon the presentation of appropriate documentation, without the need for BMC to file fee applications or otherwise seek Court approval for the compensation of its services and reimbursement of its expenses

8. The Debtor shall indemnify BMC under the terms of the Engagement Agreement only to the extent provided under this Order.

9. BMC shall not be entitled to indemnification, contribution or reimbursement pursuant to the Engagement Agreement for services, unless such services and the

indemnification, contribution or reimbursement therefore are approved by the Court.

10. Notwithstanding anything to the contrary in the Engagement Agreement, the Debtor shall have no obligation to indemnify BMC, or provide contribution or reimbursement to BMC, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from Claims and Noticing Agent's gross negligence, willful misconduct, fraud, or bad faith; (ii) for a contractual dispute in which the Debtor alleges the breach of BMC's contractual obligations, unless the Court determines that indemnification, contribution or reimbursement would not be permissible pursuant to *In re United Artists Theatre Co., et al.*, 315 F.3d 217 (3d Cir. 2003), or (iii) settled prior to a judicial determination as to the exclusions set forth in (i) and (ii) above, but determined by this Court, after notice and a hearing pursuant to the paragraph below, to be a claim or expense for which BMC should not receive indemnity, contribution or reimbursement under the terms of the Engagement Agreement as modified by this Order.

11. That if, before the earlier of (i) the entry of an order confirming a chapter 11 plan in this case (that order having become a final order no longer subject to appeal), and (ii) the entry of an order closing the chapter 11 case, BMC believes that it is entitled to the payment of any amounts by the Debtor on account of the Debtor's indemnification, contribution and/or reimbursement obligations under the Engagement Agreement (as modified by this Order), including without limitation the advancement of defense costs, BMC must file an application therefore in this Court, and the Debtors may not pay any such amounts to Claims and Noticing Agent before the entry of an order by this Court approving the payment. This paragraph is intended only to specify the period of time under which the Court shall have jurisdiction over any request for fees and expenses by BMC for indemnification, contribution or reimbursement, and

not a provision limiting the duration of the Debtors' obligation to indemnify BMC. All parties in interest shall retain the right to object to any demand by BMC for indemnification, contribution or reimbursement.

12. BMC shall maintain records of all services showing dates, categories of services, fees charged, and expenses incurred and will serve monthly invoices on the Debtor, the Office of the United States Trustee, counsel to the Debtor, the Subchapter V Trustee, and any party in interest that specifically requests service of the monthly invoices.

13. The parties shall meet and confer in an attempt to resolve any dispute that might arise relating to the Engagement Agreement or monthly invoices. If the parties, after meeting and conferring, are unable to resolve their dispute, they may seek resolution of the matter from the Court.

14. Under Bankruptcy Code section 503(b)(1)(A), the fees and expenses of BMC under this Order shall be an administrative expense of the Debtor's estate.

15. BMC seeks to first apply its retainer to all prepetition invoices and, thereafter, to have the retainer replenished to the original retainer amount and, thereafter, to hold the retainer under the Engagement Agreement during the cases as security for the payment of fees and expenses incurred under the Engagement Agreement.

16. During this case, any limitation of liability provision in the Engagement Agreement shall be of no force and effect.

17. If BMC is unable to provide the services set out in this Order, BMC will immediately notify the Clerk and the Debtor's counsel and, upon the Court's approval, turn over all original proofs of claim (if any) and computer information to another claims and noticing agent with the advice and consent of the Clerk and the Debtor's counsel.

18. BMC may not cease providing claims processing services during this chapter 11 case for any reason, including nonpayment, without prior order of the Court authorizing BMC to do so; *provided, however*, that BMC may seek such an order on expedited notice by filing a request with the Court and serving notice of such request on the Debtor, the Office of the United States Trustee, counsel to the Debtor, and the Subchapter V Trustee by facsimile or overnight delivery; *provided further*, that except as expressly precluded herein, the Debtor and BMC may terminate or suspend other services under the Engagement Agreement.

19. After entry of an order terminating BMC's services or upon the closing of this chapter 11 case, BMC will be responsible for archiving all proofs of claim with the Federal Archives Record Administration, if applicable, and will be compensated by the Debtor for those costs.

20. Debtor's counsel shall notify the clerk of the Court and BMC within seven (7) days of an order of dismissal or conversion of this chapter 11 case.

21. Notwithstanding anything to the contrary in the Engagement Agreement, in the event this case converts to a case under chapter 7 of the Bankruptcy Code, the chapter 7 trustee appointed to such case shall have no obligation to continue the engagement of BMC.

22. The Debtor may submit a separate retention application, under Bankruptcy Code section 327 and/or any applicable law, for work that is to be performed by BMC but is not specifically authorized by this Order.

23. BMC shall comply with all applicable provisions of the Bankruptcy Code, Bankruptcy Rules, Local Rules, and any other general orders or applicable guidelines issued by this Court.

24. The Debtor and BMC are authorized and empowered to take all actions necessary or appropriate to implement the relief granted in this Order in accordance with the Application.

25. Notwithstanding any term in the Engagement Agreement to the contrary, this Court will retain jurisdiction over all matters arising from or related to the implementation, interpretation, and enforcement of this Order, and to the Debtor's engagement of BMC during the pendency of this chapter 11 case.

26. 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.

Dated: \_\_\_\_\_, 2021  
Wilmington, Delaware

---

UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT B**

**Engagement Letter**



## AGREEMENT FOR SERVICES

This Agreement for services dated July 7, 2021, (the "Services Agreement" or "Agreement") is entered between Sharity Ministries, Inc. and related entities (collectively "Customer") and BMC Group, Inc. ("BMC").

### I. SERVICES

- A. BMC agrees to provide Customer with services assisting the Customer, Customer's counsel "Counsel" and Office of the Clerk with legal noticing and compilation, administration, evaluation and production of documents and information necessary to support a restructuring effort. At Customer's, Counsel's or the Clerk's Office's direction, as the case may be, and in accordance with any court orders or rules in the bankruptcy case(s) (including any court order authorizing BMC's engagement), BMC will (1) prepare and serve those notices required in the bankruptcy cases; (2) receive, record and maintain copies of all proofs of claim and proofs of interest filed in the bankruptcy cases; (3) create and maintain the official claims register(s); (4) receive and record all transfers of claims pursuant to Bankruptcy Rule 3001(e); (5) maintain an up-to-date mailing list for all entities who have filed proofs of claim and/or requests for notices in the bankruptcy cases; (6) assist Customer and Counsel with the administrative management of claims and notice data; (7) if requested, print, mail and tabulate ballots for purposes of plan voting; (8) create and maintain a case-specific information website, (9) assist with the production of reports, exhibits and schedules of information or use by the Customer, Counsel or to be delivered the Court, the Clerk's Office, the U.S. Trustee or third parties; and (10) provide other technical and document management services of a similar nature requested by Customer or the Clerk's office.
- B. BMC also agrees, upon request, to provide the Customer with consulting services regarding bankruptcy noticing, claims management and reconciliation, plan solicitation, balloting, disbursements, preparation of schedules of assets and liabilities and statement of financial affairs, communications, confidential online workspaces and data rooms (publication to which should not violate the confidentiality provisions of this agreement) and any other service agreed upon by the parties or otherwise required by

applicable law, governmental regulations or court rules or orders (Collectively the "Services").

- C. The Customer acknowledges and agrees that BMC will often take direction from the company's representatives, employees, agents and/or professionals with respect to providing Services hereunder. The parties agree that BMC may rely upon, and the Customer agrees to be bound by, any request, advice or information provided by the Customer and its agents to the same extent as if such requests, advice or information were provided by the Customer.
- D. Customer agrees that none of the Services provided by BMC contain legal advice or opinion, and neither BMC nor its personnel shall be deemed to practice law thereunder.

## II. TECHNOLOGY SUPPORT

BMC agrees to provide computer software support and to educate and train Customer in the use of the support software, provide BMC's standard reports as well as consulting and programming support for Customer requested reports, program modifications, database modification, and/or other features.

## III. TERMS AND CONDITIONS

- A. This Services Agreement is effective as of the date of its acceptance by both the Customer and BMC. BMC acknowledges, however, that two orders approving BMC's engagement may be required in order to provide services in support of Customer's formal bankruptcy matters.
- B. If the Customer commences case(s) under chapter 11 of the Bankruptcy Code, the Customer shall promptly file applications with the Bankruptcy Court to retain BMC (i) as a claims and noticing agent pursuant to 28 U.S.C Section 156(c) and (ii) as administrative advisor pursuant to section 327(a) of the Bankruptcy Code for all Services that fall outside the scope of 28 U.S.C. Section 156(c). The form and substance of such applications and any order approving them shall be reasonably acceptable to BMC.
- C. If any Customer Chapter 11 case converts to a case under chapter 7 of the Bankruptcy Code, BMC will continue to be paid for Services pursuant to Section 156(c) and the terms of the Services Agreement.

## IV. PRICES, CHARGES AND PAYMENT

- A. BMC will provide Services upon request or agreement of the Customer, in accordance with the Pricing Schedule attached.



- B. Customer agrees to reimburse BMC for any reasonable out-of-pocket expenses necessarily incurred in support of the services provided under this Agreement.
- C. Wire transfer information for the transmission of payments is as follows:

---

Bank Name - Bridge Bank, N.A.  
ABA/Routing # - 121143260  
Account Name - BMC Group, Inc.  
Account # - 0102705027

---

- D. In connection with high volume noticing, or publication services, Customer may be required to prepay BMC estimated postage or publication amounts with respect to each notice. Alternatively, Customer may authorize BMC to cause courier's charges (such as UPS or FedEx) to be stated to Customer's own account with such courier.
- E. BMC agrees to regularly invoice Customer and Customer agrees that the amount invoiced is due and payable within ten (10) days. In the case of a dispute in the invoice amount, notice shall be given to BMC within ten (10) days of receipt of the invoice by Customer. Late charges shall not accrue on any amounts in dispute. The undisputed balance of the invoice amount is due and payable in the normal course.
- F. Customer shall pay or reimburse all taxes applicable to services performed under this Agreement and, specially, taxes based on disbursements made on behalf of Customer, notwithstanding how such taxes may be designated, levied or based. This provision is intended to include sales, use and excise taxes, among other taxes, but is not intended to include personal property taxes or taxes based on net income of BMC.
- G. To the extent permitted by applicable law, BMC shall receive a retainer in the amount of \$25,000.00 (the "Retainer"). The Retainer is due upon signing of the Agreement. BMC may use the Retainer against all pre-petition fees and expenses; the Retainer will then be replenished to the original amount by the Customer. BMC shall be entitled to hold the Retainer until the termination of the Agreement. Following termination of the Agreement, BMC shall return to Customer any amount of the Retainer that remains following application of the Retainer to the payment of unpaid invoices.
- H. In the event of termination pursuant to Section XII hereof, Customer shall be liable for all reasonable amounts then accrued and any to the extent that the work performed is reasonably usable in the bankruptcy proceeding and if necessary, as replacement can be acquired.

## V. RIGHTS OF OWNERSHIP

- A. The parties understand that the software programs and other similar proprietary materials furnished by BMC pursuant to this Agreement and/or developed during the course of this Agreement by BMC are the sole property of BMC. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, subroutines, procedural manuals, and documentation. Customer agrees not to copy or permit others to copy for unauthorized use the source code from the support software or any other programs or similar proprietary materials furnished pursuant to this Agreement.
- B. Customer further agrees that any ideas, concepts, know-how or techniques relating to data processing or BMC's performance of its services developed during the course of its Agreement by BMC shall be exclusive property of BMC. Fees and Expenses paid by the Customer do not vest in the Customer any rights in such property.
- C. The Customer agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished/provided under the Services Agreement.

## VI. CUSTOMER DATA

- A. The Customer is responsible for, and BMC does not verify, the accuracy of the programs, data and other information the Customer submits for processing to BMC, including without limitation, with respect to preparation of statement of financial affairs and schedules of assets and liabilities.
- B. The Customer agrees and represents and warrants to BMC that before delivery of any information to BMC: (i) the Customer has full authority to deliver such information to BMC, (ii) BMC is authorized to use such information to perform Services hereunder,
- C. Any data, storage media, programs or materials furnished to BMC by the Customer may be retained by BMC until the Services hereunder are paid in full. The Customer shall remain liable for all fees and expenses incurred by BMC under this Agreement as a result data storage or other materials maintained, stored or disposed by BMC.
- D. The Customer agrees to initiate and maintain back up files that would allow the Customer to regenerate or duplicate all programs, data or information provided by Customer to BMC.
- E. Upon Customer's request at any time or times while this Agreement is in effect, BMC shall immediately deliver to Customer at Customer's sole expense, any or all of the nonproprietary data, information and records held or controlled by

BMC pursuant to this Agreement, in the form requested by Customer. Any information, data and records, in whatever form existing, whether provided to BMC by Customer or developed by BMC for Customer under this Agreement, may be retained by BMC until all amounts due under this Agreement are paid in full, it being understood that neither party asserts rights of ownership in the official claims register or materials filed with BMC as an agent of the court.

- F. Customer shall remain liable for all charges imposed under this Agreement as a result of data or physical media maintained by BMC. BMC shall dispose of the data and media in the manner requested by Customer. Customer agrees to pay BMC for reasonable expenses incurred as a result of the disposition of the data or media. After giving Customer thirty (30) days' advance notice, BMC reserves the right to dispose of data or media maintained by BMC for Customer if Customer has not utilized the services provided herein for a period of at least ninety (90) days or if Customer has not paid all charges due to BMC.

## **VII. FORCE MAJEURE**

Whenever performance by BMC of any of its obligations hereunder is completely prevented or impacted by reason of any act of god, government requirement, law, regulation or ordinance, act of terrorism, war or war condition, or by reason of any other matter beyond BMC's reasonable control, then such performance shall be excused, and the Agreement shall be deemed suspended during the continuation of such prevention and for a reasonable time thereafter, unless terminated at Customer's discretion.

## **VIII. ATTORNEYS FEES**

In the event that any legal action, including an action for declaratory relief, is brought to enforce the performance of or interpret the provisions of the Services Agreement, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs and other related exercises.

## **IX. SYSTEM IMPROVEMENTS**

As part of its ongoing efforts to improve our service offering, BMC is constantly improving its proprietary database and related reports. BMC therefor reserves the right to make changes in operating procedures/systems, programming languages, application programs and time-period accessibility so long as such changes do not materially interfere with ongoing services provided to the Customer in accordance with the Services Agreement and/or Customer's chapter 11 filing.

## X. NON-SOLICITATION

Customer agrees that it shall not, directly or indirectly, solicit for employment, employ or otherwise retain staff of BMC during the term of this Agreement, nor for a period of twelve (12) months after termination of this Agreement unless BMC provides prior written consent.

## XI. CONFIDENTIALITY

Subject to that certain Business Associate Agreement between the parties of even date herewith (the "BAA"), BMC agrees to, and shall cause its servants, agents, employees, licensees, and subcontractors, to safeguard and keep confidential all data, records, information and communications of any sort or form, regardless of whether written, oral, visual or otherwise recorded or transmitted, with respect to Customer, but excluding such data, records, information and communications that exist in the public domain by reason other than a breach of BMC's obligations under this Section. BMC will use the Confidential Information only for the benefit of Customer in connection with the provision of services under this Agreement. Customer agrees to, and will cause its servants, agents, employees, licensees, and subcontractors to keep all information with respect to BMC's system, procedures and software confidential; provided, however, that if either party is required to produce any such information by order of any governmental agency or other regulatory body, it may, upon not less than five business days' written notice to the other party, release the required information. The obligations set forth in this paragraph and in the BAA shall survive termination of this Services Agreement.

## XII. TERMINATION

- A. This Agreement shall remain in force until terminated by Customer, or, by BMC upon thirty (30) days' prior written notice to the other party. The failure of the Customer to pay BMC invoices for more than 60 days from the date of the invoice or accrual of invoices or unpaid services in Excess of the Retainer held by BMC where BMC reasonably believes it will not be paid.
- B. If this agreement is terminated after BMC is retained pursuant to Bankruptcy Court Order, the Customer promptly shall seek entry of a Bankruptcy Court order discharging BMC of its duties under such retention, which order shall be in form and substance reasonably acceptable to BMC.
- C. In the event that this contract is terminated, regardless of the reason for such termination, BMC shall cooperate with Customer to orderly transfer to Customer or its designee (or destroy, at Customer's direction) data, records and information in its possession or control and to effect an orderly transition of

record-keeping functions. BMC shall provide all necessary staff, services and assistance required for an orderly transfer and transition. Customer agrees to pay for such services in accordance with BMC's then existing prices for such services.

### **XIII. NO REPRESENTATIONS OR WARRANTIES**

BMC makes no representation or warranties, express or implied, including, without limitation, any express or implied warranty of merchantability, fitness or adequacy for a particular purpose or use, quality, productiveness or capacity.

### **XIV. INDEMNIFICATION**

Except with respect to breaches under Section XI "Confidentiality" above, each party shall indemnify and hold the other, its officers, employees and agents harmless against any and all losses, claims, damages, judgments, liabilities and expense whether direct or indirect (including reasonable counsel fees and expenses) resulting from action taken or permitted by the other in good faith with due care and without negligence in reliance upon the other as to anything arising in connection with its performance under this Agreement. Each party's indemnification obligation shall survive the termination of this agreement.

### **XV. LIMITATION OF LIABILITY**

Except as expressly provided herein, BMC's liability to the Customer for any losses, unless due to BMC's negligence or willful misconduct, shall be limited to the amount paid by the Customer for the portion of the particular work that gave rise to the alleged loss. In no event shall BMC's liability to the Customer for any losses arising out of this services Agreement exceed the total amount actually paid to BMC for Services provided hereunder. In no event shall BMC be liable for any direct, special or consequential damages (such as loss of anticipated profits or other economic loss) in connection with or arising out of the Services provided hereunder.

### **XVI. NOTICES**

All notices in connection with this Agreement shall be sufficiently given or made if given or made in writing and sent by e-mail:

**If to BMC Group, Inc.:**

---

BMC Group, Inc.  
Attn: Tinamarie Feil  
3732 W 120<sup>th</sup> Street  
Hawthorne, CA 90250  
e-mail: tfeil@bmcgroup.com  
Telephone: 206.499.2169

---

**If to the Customer:**

---

Sharity Ministries, Inc.  
821 Atlanta Street  
Suite 124  
Roswell, GA 30075  
Attn: Neil Luria, CRO  
Raoul Nowitz, Assistant CRO  
nluria@solliccapital.com  
rnowitz@solliccapital.com

---

Or to such other address as the party to receive the notice or request so designates by written notice to the other.

**XVII. APPLICABLE LAW**

This agreement shall be construed in accordance with the laws of the State of California, without regards to that state's provisions for choice of law and may be modified only by a written instrument duly executed by an authorized representative of Customer and an officer of BMC.

**XVIII. ENTIRE AGREEMENT/ MODIFICATIONS/SEVERABILITY**

Each party acknowledges that it has read this Services Agreement, understands it, and agrees to be bound by its terms and further agrees that it is the complete and exclusive statement of the agreement between the parties, which supersedes and merges all prior proposals, understandings and other agreements, oral and written between the parties relating to the subject matter of this Services Agreement. The Services Agreement may not be modified or altered by written instrument duly executed by both parties. Customer represents that it has the authority to enter into this Agreement, may be subject to bankruptcy court approval, and the Agreement is non-dischargeable under any applicable statute or law. If any provision of this Agreement shall be held to

be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby. In the event of any conflict between a term of this Agreement and any order of the court exercising jurisdiction over the Customer bankruptcy case, the term(s) of the order shall govern.

**XIX. ASSIGNMENT**

The Services Agreement and the rights and obligations of BMC and the Customer hereunder shall bind and inure to the benefit of any successors or assigns hereto.

**XX. EFFECTIVENESS OF COUNTERPARTS**

This Services Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which shall constitute one and the same agreement. This services Agreement will become effective when one or more of the counterparts have been signed by each of the parties and delivered to the other party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

**BMC Group, Inc. Representative:**

**Customer Representative:**

**Tinamarie Feil**

Digitally signed by Tinamarie Feil  
DN: cn=Tinamarie Feil, o=BMC Group,  
Inc., ou, email=tfeil@bmcgroup.com,  
c=US  
Date: 2021.07.07 09:50:59 -07'00'



Signature

Signature

Tinamarie Feil, President

WILLIAM H. TREAD III, CEO

Printed Name & Title

Printed Name & Title

**EXHIBIT C**

**Feil Declaration**



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

In re:

SHARITY MINISTRIES, INC.,<sup>1</sup>

Debtor.

Chapter 11 (Subchapter V)

Case No.: 21-11001 (\_\_\_)

**DECLARATION OF TINAMARIE FEIL IN SUPPORT OF THE DEBTOR'S  
APPLICATION FOR ENTRY OF AN ORDER AUTHORIZING EMPLOYMENT AND  
RETENTION OF BMC GROUP, INC. AS CLAIMS AND NOTICING AGENT *NUNC  
PRO TUNC TO THE PETITION DATE***

I, TINAMARIE FEIL, under penalty of perjury, declare as follows:

1. I am the President of BMC Group, Inc. ("BMC"), an administrative services firm that specializes in the administration of large bankruptcy cases. BMC's corporate offices are located at 600 First Avenue, Seattle, WA 98104. I am duly authorized to make this declaration on behalf of BMC. Except as otherwise noted, I have personal knowledge of the matters set forth herein, and if called and sworn as a witness, I could and would testify competently thereto.

2. This Declaration is made in support of the *Debtor's Application for Entry of an Order Authorizing Employment and Retention of BMC Group, Inc. as Claims and Noticing Agent Nunc Pro Tunc to the Petition Date*, which was filed contemporaneously herewith (the "Application").<sup>2</sup>

3. BMC is comprised of leading industry professionals with significant experience in both the legal and administrative aspects of large, complex chapter 11 cases. BMC's

---

<sup>1</sup> 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.

<sup>2</sup> Capitalized terms used but not otherwise defined in this Declaration have the meanings ascribed to such terms in the Application.

professionals have experience in noticing, claims administration, solicitation, balloting, and facilitating other administrative aspects of chapter 11 cases and experience in matters of this size and complexity. BMC's professionals have acted as official claims and noticing agent in many large bankruptcy cases in this district and in other districts nationwide. BMC's recent cases in this and other districts include: *In re YogaWorks, Inc., et al.*, No. 20-12599 (KBO) (Bankr. D. Del.); *In re Llednara Holdings, Inc., et al.*, No. 20-11941 (JTD) (Bankr. D. Del.); *In re Fresh Acquisitions, LLC, et al.*, No. 21-30721 (SGJ) (Bankr. N.D. Tex. 2021); *In re OFS International, LLC et al.*, No. 21-31784 (DRJ) (Bankr. S.D. Tex. 2021); *In re Entrust Energy, Inc. et al.*, No. 21-31070 (Bankr. S.D. Tex. 2021) *In re GGI Holdings, LLC, et al.*, No. 20-31318-hdh11 (Bankr. N.D. Tex.). *In re Community Provider of Enrichment Services, Inc., et al.*, No. 20-10554-DS (Bankr. C.D. Cal. 2020).

4. As agent and custodian of court records under 28 U.S.C. § 156(c), BMC will perform, at the request of the Office of the Clerk of the Bankruptcy Court (the "Clerk"), the services specified in the Application and the Engagement Agreement, and, at the Debtor's request, any related administrative, technical, and support services as specified in the Application and the Engagement Agreement. In performing such services, BMC will charge the Debtor the rates set forth in the Engagement Agreement, which is attached as **Exhibit B** to the Application.

5. BMC represents that:

- a) BMC is not a creditor of the Debtor;
- b) BMC will not consider itself employed by the United States government and will not seek any compensation from the United States government in its capacity as Claims and Noticing Agent in this chapter 11 case;
- c) By accepting employment in this chapter 11 case, BMC waives any rights to receive compensation from the United States government in connection with

this chapter 11 case;

- d) In its capacity as Claims and Noticing Agent in this chapter 11 case, BMC will not be an agent of the United States and will not act on behalf of the United States;
- e) BMC will not employ any past or present employees of the Debtor in connection with its work as Claims and Noticing Agent in this chapter 11 case;
- f) BMC is a “disinterested person” as that term is defined in Bankruptcy Code section 101(14) for the matters on which it is engaged;
- g) In its capacity as Claims and Noticing Agent in this chapter 11 case, BMC will not intentionally misrepresent any fact to any person;
- h) BMC’s receipt and recordation of claims (if any) and claim transfers will fall under the supervision and control of the Clerk’s office;
- i) BMC will comply with all requests of the Clerk’s office and the guidelines promulgated by the Judicial Conference of the United States for the implementation of 28 U.S.C. § 156(c); and
- j) The Clerk’s office will bear none of the costs of BMC’s services as Claims and Noticing Agent in this chapter 11 case.

6. Although the Debtor by this Application does not propose to retain BMC under Bankruptcy Code section 327 (such retention will be sought by separate application), I reviewed the names of all known potential parties in interest (the “Potential Parties in Interest”) in this chapter 11 case. The list of Potential Parties in Interest was provided by the Debtor and included, among other parties, the Debtor, current and former directors and officers of the Debtor, and the Debtor’s top twenty (20) largest unsecured creditors and vendors. BMC professionals under my supervision also reviewed the results of the conflicts check. As set forth in further detail herein, BMC is not currently aware of any relationship that would present a disqualifying conflict of interest. Should BMC discover any new relevant facts or relationships bearing on the matters described herein during the period of its retention, BMC will use reasonable efforts to promptly

file a supplemental declaration.

7. To the best of my knowledge, and based solely on information provided to me by the Debtor, and except as detailed herein, neither BMC nor any of its professionals has any materially adverse connection to the Debtor, its creditors, or other relevant parties. BMC may have relationships with certain of the Debtor's creditors as vendors or in connection with cases in which BMC serves or has served in a neutral capacity as Claims and Noticing Agent or administrative advisor for another chapter 11 debtor.

8. BMC has and will continue to represent clients in matters unrelated to this chapter 11 case. In addition, BMC has and will continue to have relationships in the ordinary course of its business with certain vendors, professionals, and other parties in interest that may be involved in this chapter 11 case. There is also a possibility that BMC will provide professional services to entities or persons that may be creditors or parties in interest in this chapter 11 case —though such services would not directly relate to, or have any direct connection with, this chapter 11 case or the Debtor.

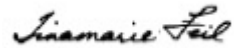
9. BMC and its personnel in their individual capacities regularly use the services of law firms, accounting firms, and financial advisors. Such firms engaged by BMC or its personnel may appear in this chapter 11 case representing the Debtor or parties in interest. All engagements in which such firms represent BMC or its personnel in their individual capacities are unrelated to this chapter 11 case.

10. To the best of my knowledge, neither BMC nor any of its partners or employees represents any interest materially adverse to the Debtor's estate with respect to any matter on which BMC is to be engaged. Based on the foregoing, I believe that BMC is a "disinterested person" as that term is defined in Bankruptcy Code section 101(14).

In accordance with 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my information, knowledge and belief.

Executed on July 8, 2021

Respectfully,



---

Tinamarie Feil, President  
BMC Group, Inc.

**SCHEDULE 1**

**Potential Parties in Interest List**

**Unsecured Creditors**

Advevo LLC  
Ensurian Agency, LLC  
Gibbons, P.C.  
TacTic Edge Solutions, LLC  
USA Benefits & Administrators, LLC

**Board Members and Officers**

William H. Thead, III  
Joseph Guarino  
J. Christopher Sizemore  
Joseph J. Handy  
Stephen W. Vault  
Kathee Hawkins  
Joy Spriggs  
David Thead – former board director

**Vendors and Contract Counterparties**

Baker & Hostetler, LLP  
Advevo, LLC  
Centivo T Holdings, LLC  
Enrollment 123 Inc.  
Ensurian Agency, LLC  
Faith Driven Life Church, Inc.  
New Horizons Church of God in Christ, Inc.  
Forrestall CPA's  
Fresno State Bank  
Husch Blackwell  
Global Processing Partners, LLC  
McBrayer PLLC  
Gibbons, P.C.  
Medwatch, LLC  
McLane Middleton  
Office Evolution  
Teitler & Teitler  
Ron Hinkle  
Stage2Accounting, Inc.  
State Farm Fire and Casualty Company  
TacTic Edge Solutions, LLC  
Three  
USA Benefits & Administrators LLC