

This order is SIGNED.

Dated: September 16, 2024



JOEL T. MARKER
U.S. Bankruptcy Judge



Order Prepared By:

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

In re:

POWER BLOCK COIN, L.L.C.

Debtor

Case No. 24-bk-23041-JTM

Chapter 11

Judge Joel T. Marker

**ORDER (1) AUTHORIZING CONTINUED USE OF DEBTOR'S CASH
MANAGEMENT SYSTEM THROUGH SERVICES AGREEMENT WITH BLUE
CASTLE HOLDINGS INC. AND (2) GRANTING RELATED RELIEF**

Upon the motion (the “**Motion**”)¹ filed by the above-captioned debtor and debtor-in-possession (the “**Debtor**”) seeking entry of an order (1) authorizing but not directing the Debtor

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

to continue using its existing cash management system through the Services Agreement with Blue Castle Holdings Inc. (“**Blue Castle**”), and (2) granting such further relief as is required to effectuate the foregoing, and the Court, having reviewed the Motion and having heard the statements of counsel in support of the relief requested in the Motion at the hearing before the Court (the “**Hearing**”), and upon the record of the proceedings before this Court, and the Court finding that it has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334, that this is a core matter under 28 U.S.C. § 157(b)(2), that notice of the Motion and the Hearing were sufficient under the circumstances and that no further notice need be given for the relief sought herein; and the legal and evidentiary bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein and that such relief is necessary to avoid immediate and irreparable harm to the Debtor’s estate,

THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED solely as provided herein.
2. The Debtor is authorized, but not required, to maintain and use its existing cash management system through the Services Agreement with Blue Castle Holdings, Inc., but with the following restrictions:
 - (a) The Debtor may incur and pay expenses, including payment of its professionals on approved fee applications, which Blue Castle may pay in the ordinary course of its business in the following estimated monthly amounts (the “**Allowed Payments**”):

Operating Expenses	
Contract Labor	0
Payroll Expenses	0
Dues & Subscriptions	2,000
Computer & Internet	0
Shared Services Fees	0
Management Fees	0
Accounting & Audit Fees	2,500
Consulting Fees	0
Bank Charges & Other Fees	0
Financial Advisor Fee	7,000
Legal Fees	20,000
Total Operating Costs	\$31,500

- (b) The Debtor, through Blue Castle, will not pay any fees of its professionals unless and until the Court enters an order approving payment of compensation to such professionals.
- (c) Blue Castle may deduct the Allowed Payments from the balance of the Blue Castle Note under the terms of the Services Agreement, provided, however, that Blue Castle shall deduct no fees or add any surcharge thereon.

3. Nothing herein shall constitute an assumption or cure of the Services Agreement. Blue Castle or the Debtor may not terminate or discontinue performance under the Services Agreement unless the Court authorizes such action upon a request made by motion with notice that complies with Bankruptcy Rule 2002(a).

4. Nothing herein shall constitute approval by this Court of any amounts that have been paid under the Services Agreement or any other transaction between the Debtor and Blue Castle prior to entry of this Order.

5. In connection with the ongoing utilization of Blue Castle's services under the Service Agreement, the Debtor shall continue to maintain strict records with respect to all transfers

so that all transactions may be readily ascertained, traced, recorded properly, and distinguished between pre-petition and post-petition transactions, and to provide same to the U.S. Trustee on a monthly basis.

6. The Debtor shall file with its monthly operating reports statements showing its cryptocurrency holdings. Further, the Debtor will file statements from the bank account used by Blue Castle, which will show all payments being made on the Debtor's behalf and an accounting of the amount remaining due under the Blue Castle Loan.

7. Nothing herein waives the requirement that the Debtor establish debtor-in-possession bank account if it is later able to do so or needs to hold its own cash. The Debtor shall use best efforts to open a collateralized DIP account, but if unable to do so, may continue to operate under the Services Agreement with Blue Castle. Further, nothing herein waives compliance with the United States Trustee Operating Guidelines or the requirements of 11 U.S.C. §345.

8. The Debtor is authorized and empowered to take all actions necessary to implement the relief granted in this Order.

9. The United States Trustee reserves the right to file further objections as it deems appropriate to the Services Agreement with Blue Castle.

10. Rule 6003 of the Bankruptcy Rules has been satisfied to the extent applicable.

11. Notwithstanding the potential applicability of Bankruptcy Rules 6003, 6004, 7062, or 9014, the terms and conditions of this Order shall be immediately effective upon its entry.

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

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DESIGNATION OF PARTIES TO RECEIVE NOTICE

Service of the foregoing **ORDER (1) AUTHORIZING CONTINUED USE OF DEBTOR'S CASH MANAGEMENT SYSTEM THROUGH SERVICES AGREEMENT WITH BLUE CASTLE HOLDINGS INC. AND (2) GRANTING RELATED RELIEF** shall be served to the parties and in the manner designated below:

By Electronic Service: I certify that the parties of record in this case as identified below, are registered CM/ECF users.

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The following parties in interest are not registered ECF users and must be notified manually:

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Dated this 12th day of September, 2024.

PARSONS BEHLE & LATIMER

/s/ Brian M. Rothschild
Brian M. Rothschild