

June 12, 2023

VIA eFile and E-MAIL

Hon. Martin Glenn
Chief United States Bankruptcy Judge
United States Bankruptcy Court
Southern District of New York
One Bowling Green, Courtroom 523
New York, NY
10004-1408

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Re: In re Celsius Network LLC, No. 22-10964 (MG)—Scheduling Order for the Motion for Class Certification

Dear Chief Judge Glenn:

As Your Honor is aware, the Debtors, the Committee, and the Series B Preferred Holders (the “Parties”) have been engaged in discussions regarding an agreed schedule in connection with the *Motion of the Official Committee of Unsecured Creditors to (I) Certify the Class of Account Holders Asserting Non-Contract Claims Against the Debtors, (II) Appoint Thomas Difiore, Rebecca Gallagher, and Ignat Tuganov as the Class Representatives, and (III) Appoint White & Case LLP as Class Counsel, In Each Case Pursuant to Bankruptcy Rule 7023* [Dkt. No. 2670] (the “**Class Certification Motion**”), filed on May 17, 2023. The Parties have also discussed this schedule with Chambers to solicit the Court’s perspective.

In email communications with the Parties regarding the schedule on June 6, 2023, the Court directed the Parties to submit a proposed schedule, jointly or separately, with briefing deadlines “that comply with the following parameters: (1) The Committee’s opening brief (and supporting declarations/exhibits) shall be filed no later than August 1; (2) Any opposition briefs (and supporting declarations/exhibits) shall be filed no later than August 10; and (3) the Committee’s reply brief shall be filed no later than August 16.” Following a request for clarification from the Committee, on June 8, 2023, the Court reiterated that it would like the Parties to “complete all expert discovery before the first briefing deadline on August 1.”

In accordance with the Court’s direction to the Parties, the Committee submits the attached Proposed Scheduling Order in connection with the Class Certification Motion, attached hereto as **Exhibit A**. The Committee understands that the Series B Preferred Holders intend to submit their own proposed schedule.

The Committee, the Debtors and the Series B Preferred Holders have largely reached agreement on the timeline for fact and expert discovery in connection with the questions raised by the Class

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Certification Motion. While the Committee had hoped the Parties could reach agreement on all dates and submit a jointly-proposed schedule, there remains one fundamental point of disagreement between the Committee and the Series B Preferred Holders with respect to an appropriate schedule in connection with the Class Certification Motion.

The Committee's proposal—consistent with the Court's direction on a briefing schedule—contemplates that the Committee will file a brief in support of its Class Certification Motion no later than August 1, 2023, after the completion of fact and expert discovery. The Committee understands that the Series B Preferred Holders take the position that the Committee should not be permitted to file a brief, notwithstanding their agreement that further discovery is appropriate (including the submission of expert testimony) and the Court's instructions to the Parties regarding a briefing schedule which unambiguously contemplated the Committee filing a brief. The Committee submits that the Court has it right: the Parties should develop the evidence through fact and expert discovery and then present briefing in support of (and against) the relief requested in the Class Certification Motion that incorporates such evidence developed through the discovery process.

Accordingly, the Committee respectfully requests that the Court enter the Committee's Proposed Scheduling Order.

Sincerely,

/s/ Samuel P. Hershey
Samuel P. Hershey
White & Case LLP

cc: Christopher Koenig
Kirkland & Ellis LLP
Counsel to the Debtors

Nelly Almeida
Milbank LLP
Counsel to the Series B Preferred Holders

Joshua M. Mester
Jones Day
Counsel to the Series B Preferred Holders

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
CELSIUS NETWORK LLC, <i>et al.</i> , ¹)	Case No. 22-10964 (MG)
Debtors.)	(Jointly Administered)

**[PROPOSED] ORDER ESTABLISHING SCHEDULE FOR LITIGATION OF THE
MOTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO (I)
CERTIFY THE CLASS OF ACCOUNT HOLDERS ASSERTING NON-CONTRACT
CLAIMS AGAINST THE DEBTORS, (II) APPOINT THOMAS DIFIORE, REBECCA
GALLAGHER, AND IGNAT TUGANOV AS THE CLASS REPRESENTATIVES, AND
(III) APPOINT WHITE & CASE LLP AS CLASS COUNSEL, IN EACH CASE
PURSUANT TO BANKRUPTCY RULE 7023**

Consistent with the relief requested in the Letter of the Official Committee of Unsecured Creditors (the “Committee”) (the “Letter”) [Dkt. 2792] regarding entry of an order (this “Order”) setting a litigation schedule for the *Motion of The Official Committee of Unsecured Creditors to (I) Certify the Class of Account Holders Asserting Non-Contract Claims Against the Debtors, (II) Appoint Thomas DiFiore, Rebecca Gallagher, and Ignat Tuganov as the Class Representatives, and (III) Appoint White & Case LLP as Class Counsel, in each Case Pursuant to Bankruptcy Rule 7023* [Dkt. 2670] (the “Class Certification Motion”); and the Court having determined that it is appropriate to set a schedule with respect to the litigation of the Class Certification Motion; and this Court having 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 Southern District of New York*, entered February 1, 2012; and this Court having found that it may enter a

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 USA LLC (9450); GK8 Ltd. (1209); and GK8 UK Limited (0893). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

final order consistent with Article III of the United States Constitution; and this Court having found that venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Letter is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and this Court having determined that the factual basis set forth in the Letter establishes just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED THAT:

1. Litigation regarding the Class Certification Motion shall follow the below schedule:

Date	Deadline
<u>June 12, 2023</u>	Deadline to serve written discovery requests in connection with the Class Certification Motion
<u>June 19, 2023</u>	Deadline for responses to written discovery requests
<u>June 21, 2023</u>	Deadline for identification of affirmative expert(s) and the scope of their testimony
<u>June 28, 2023</u>	Deadline for the final production of documents, with the intent that the Parties will make productions on a rolling basis with substantial completion of document production by no later than June 21
<u>July 9, 2023</u>	Deadline for the completion of fact depositions
<u>July 12, 2023</u>	Deadline for the Committee to file any affirmative expert report(s)
<u>July 24, 2023</u>	Deadline for any rebuttal expert report(s)
<u>July 28, 2023</u>	Deadline for the completion of expert depositions
<u>July 28, 2023</u>	Deadline for the Committee’s brief in support of the Class Certification Motion with supporting declarations and exhibits
<u>August 10, 2023</u>	Deadline for any opposition briefs with supporting declarations, exhibits, and deposition designations
<u>August 16, 2023</u>	Deadline for the Committee’s reply brief and deposition counter-designations
<u>August 16, 2023</u>	Deadline for any motions <i>in limine</i>

<u>August 25, 2023</u>	Deadline for oppositions to any motions <i>in limine</i>
<u>September 1, 2023</u>	Deadline for any replies to any motions <i>in limine</i>
<u>Week of September 25, 2023</u>	Time shall be reserved for a hearing on the Class Certification Motion. All declarants will be available for live cross-examination.

IT IS SO ORDERED.

Dated: _____
New York, New York

The Honorable Martin Glenn
Chief United States Bankruptcy Judge