

**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)
	)
Post-Effective Date Debtors.	) (Jointly Administered)
	)
	)

REQUEST FOR EXPEDITED DECISION

Ruskin Moscou Faltischek, P.C. (“RMF”), as and for its Request for Expedited Decision as to its Motion to Withdraw as Counsel (the “Motion”) in the above-captioned action (the “Chapter 11 Cases”), states as follows:

1. This Motion arises from a breakdown in the relationship between RMF and its client, Alexander Mashinsky (“Mashinsky”), who is currently serving a 12-year prison sentence in FCI Fort Dix. We are requesting an expedited decision to avoid any prejudice to Mashinsky.

2. The breakdown results, first and foremost, from the fact that Mashinsky has effectively discharged RMF as legal counsel in the above-captioned proceeding and in all related matters in which RMF currently represents him.

3. There are, however, two additional grounds for withdrawal including an irreconcilable difference between Mashinsky and RMF regarding litigation strategy and

¹ The post-effective date debtors in the Chapter 11 cases (prior to the Effective Date of the Plan, the “**Debtors**,” and after the Effective Date, the “**Post-Effective Date Debtors**,” as applicable), along with the last four digits of each Post-Effective Date 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 Ltd (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Post-Effective Date Debtor Celsius Network LLC’s principal place of business and the Post-Effective Date Debtors’ service address in these Chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

Mashinsky's unwillingness to pay significant outstanding legal fees owed to RMF per its engagement letter with Mashinsky, notwithstanding indications that he is capable of doing so.

4. RMF submits this Request for Expedited Decision in light of upcoming deadlines in the related adversary proceeding, commenced by Mohsin Y. Meghji as Representative for the Post-Effective Date Debtors ("Plaintiff") under Case No. 24-cv-03667-MG, where RMF is also seeking to withdraw as counsel.

5. In the Adversary Proceeding, Mashinsky has until tomorrow, October 22, 2025, to respond to Plaintiff's Interrogatories, Requests for Admission, and Requests for Production of Documents. These are not boilerplate discovery demands, but seek detailed information from Mashinsky. Further, discovery is proceeding, with parties beginning to discuss schedules for depositions.

6. RMF seeks an immediate stay of the Chapter 11 Cases as to Mashinsky to avoid any prejudice to Mashinsky pending the determination of this Motion, and a stay of the Chapter 11 Cases for a suitable period thereafter to allow Mashinsky time to retain new counsel.

7. RMF also requests to be removed as attorney of record for Mashinsky from any applicable service lists, including the Court's CM/ECF electronic notification list, maintained in the Chapter 11 Proceeding.

8. As a basis for this relief, RMF cites to Local Rule 2090-1(e), which provides that: "An attorney who has appeared as attorney of record may withdraw or be replaced only by order of the Court for cause shown."

9. "Whether cause exists to grant a motion to withdraw as counsel is in the discretion of the trial court." [In re WB Bridge Hotel LLC, 656 B.R. 733, 742 \(Bankr. S.D.N.Y. 2024\)](#). "In exercising that discretion, the court must consider (i) the reasons for the withdrawal and (ii) the

impact of the withdrawal on the timing of the proceeding.” *Id.* at 743. “Reasons for withdrawal can include . . . ‘the existence of irreconcilable conflict between attorney and client’.” *Id.*

10. Nonpayment of fees especially over a substantial period of time may also constitute a basis for withdrawal, as it demonstrates a deliberate disregard for the client’s obligation to his or her lawyer. *Id.* (citing *Stair v. Calhoun*, 722 F. Supp. 2d 258, 264 (E.D.N.Y. 2010)).

11. “A client’s decision to discharge an attorney is also a basis to withdraw.” *Id.* As the court stated in [In re WB Bridge Hotel LLC](#), “Courts in this District have consistently found that a client’s discharge of an attorney is sufficient basis for an attorney to withdraw as counsel.” *Id.*

12. RMF attempted to resolve these matters before and after Mashinsky surrendered into federal custody but was unsuccessful.

13. There is nothing to suggest that Mashinsky will not be able to obtain new counsel should he desire to do so and, as discovery is still ongoing, RMF’s withdrawal will not prejudice Mashinsky or negatively impact the proceeding.

14. As demonstrated in the accompanying Declaration of the undersigned and Motion, RMF has established these three grounds for withdrawal.

15. This case law and RMF’s request for withdrawal is consistent with [Rule 1.16\(c\) of New York Rules of Professional Conduct](#) for terminating representation of a client.

WHEREFORE, RMF respectfully requests that this Court grant its Request for Expedited Decision, together with such other and further relief as the Court deems just and proper.

(signature to follow)

Dated: Uniondale, New York
October 21, 2025

RUSKIN MOSCOU FALTISCHEK, P.C.

By: /s/ Thomas A. Telesca
Thomas A. Telesca, Esq.
Adam L. Rosen, Esq.
1425 RXR Plaza
East Tower, 15th Floor
Uniondale, New York 11556

**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)
	)
Post-Effective Date Debtors.	) (Jointly Administered)
	)
	)

**ORDER TO SHOW CAUSE WITH RESPECT TO EMERGENCY MOTION OF
RUSKIN MOSCOU FALTISCHEK, P.C. TO WITHDRAW
AS COUNSEL PURSUANT TO LOCAL BANKRUPTCY RULE 2090-1(e)**

Upon the motion dated October 21, 2025 (the “Motion”) of Ruskin Moscou Faltischek, P.C., as counsel of record to Alexander Mashinsky (“Mashinsky”), to withdraw as counsel to Mashinsky; and upon the Declaration of Thomas A. Telesca, Esq.; and sufficient cause appearing therefor, it is hereby;

ORDERED, that all persons having an interest in the above-captioned Chapter 11 cases show cause before the Honorable Martin Glenn, Chief United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, NY 10004-1408 at a hearing, on the __ day of October 2025 at ____ o’clock __m. of that day or as soon thereafter as counsel may be heard (the “Hearing”), why an order should not be entered granting the Motion and authorizing Ruskin Moscou Faltischek, P.C. to withdraw as

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counsel to Mashinsky and staying this matter for a suitable period to allow Mashinsky time to find substitute counsel; and it is further

ORDERED, that the Chapter 11 Cases are stayed as to Mashinsky pending the Hearing; and it is further

ORDERED, that the Hearing may be held by Zoom video through the Court's eCourt Appearances system. If you intend to appear at the Hearing, you must register with the Court by 12:00 pm at least two (2) business day prior to the Hearing. Instructions for registering with eCourt Appearances can be found at <https://ecf.deb.uscourts.gov/cgi-bin/nysbAppearances.pl>. If you do not have internet access or are otherwise unable to register with eCourt Appearances, you may email Judge Glenn's courtroom deputy for instructions at (212) 284-4037; mg.chambers@nysb.uscourts.gov; and it is further

ORDERED, that service of this Order to Show Cause upon: (a) Mashinsky; (b) counsel to Mohsin Y. Meghji, as representative for the Post-Effective Date Debtors (c) the Office of the United States Trustee; (d) counsel to the Debtors; and (e) any persons who have filed a request for notice in the above captioned cases on or before October ____, 2025, by overnight mail and also by email to Mashinsky, and shall constitute good and sufficient service and notice of this Order to Show Cause and the Hearing; and it is further

ORDERED, that proof of service of this Order to Show Cause shall be filed by October ____, 2025; and it is further

ORDERED, that any objections to the relief requested in the Motion shall be filed by October ____, 2025 with the Clerk of the Court, and a copy of the objection delivered to Judge Glenn's Chambers; and it is further

ORDERED, that any objections to the relief requested must be in writing, state the standing of such objector to have its objection heard by this Court, set forth with particularity the legal and factual basis of the objection, and served through the Court's ECF filing system (except for service upon Mashinsky which shall be by overnight mail) upon: (i) counsel of record to the Mashinsky, Ruskin Moscou Faltischek, 1425 RXR Plaza, 15th Fl., Uniondale, New York 11556, Attn: Thomas A. Telesca, Esq.; (ii) Alexander Mashinsky, Register Number: 68096-510, FCI Fort Dix, Federal Correctional Institution, P.O. Box 2000, Joint Base MDL, NJ 08640, Attn: Incarcerated Records Coordinator; (iii) counsel to Mohsin Y. Meghji, as representative of the Post-Effective Date Debtors, White & Case LLP, 1221 Avenue of the Americas, New York, NY 10020-1095, Attn: Samuel Hershey and David Turetsky; (iv) the Office of the United States Trustee, 560 Federal Plaza, Central Islip, New York 11722; Attn: William K. Harrington; and (v) all persons having filed appearances or requests for notice in the Debtors' Chapter 11 Cases.

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

In re:	) Chapter 11
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CELSIUS NETWORK LLC, <i>et al.</i> , ¹	)
	) Case No. 22-10964 (MG)
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Post-Effective Date Debtors.	) (Jointly Administered)
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**DECLARATION IN SUPPORT OF
MOTION BY RUSKIN MOSCOU FALTISCHEK, P.C. TO WITHDRAW
AS COUNSEL PURSUANT TO LOCAL BANKRUPTCY RULE 2090-1(e)**

I, Thomas A. Telesca, Esq., declare as follows:

1. I am an attorney admitted to practice before this Court, who is appearing in the above-captioned action on behalf of Ruskin Moscou Faltischek, P.C. (“RMF”) as a partner thereof.

2. This matter has been transitioned from Sheryl P. Giugliano, a prior partner at RMF, who previously appeared as an attorney of record for Alexander Mashinsky (“Mashinsky”) in the above-captioned chapter 11 cases (the “Chapter 11 Cases”) and related matters, to Adam L. Rosen, Esq. and me. Ms. Giugliano is no longer a partner at RMF since being appointed to the bench on or about September 5, 2025.

3. I submit this declaration in support of RMF’s motion to withdraw as counsel for Mashinsky in these Chapter 11 Cases, which motion is made pursuant to Local Bankruptcy Rule 2090-1(e) and consistent with Rule 1.16(c) of the New York Rules of Professional Conduct.

¹ The post-effective date debtors in the Chapter 11 cases (prior to the Effective Date of the Plan, the “**Debtors**,” and after the Effective Date, the “**Post-Effective Date Debtors**,” as applicable), along with the last four digits of each Post-Effective Date 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 Ltd (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Post-Effective Date Debtor Celsius Network LLC’s principal place of business and the Post-Effective Date Debtors’ service address in these Chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

4. As the Court is aware, on July 13, 2022, Celsius Network LLC and certain of its affiliates (collectively, “Celsius”) filed the Chapter 11 Cases in this Court.

5. RMF has represented Mashinsky in the Chapter 11 Cases as of September 1, 2023 and it also represents Mashinsky in the Adversary Proceeding, as defined below, and in other related matters pending in different courts.

6. RMF brings this motion on an emergency basis in light of a breakdown in its attorney-client relationship with Mashinsky, his discharge of RMF, and the upcoming deadlines in the Adversary Proceeding and other related matters.

7. Accordingly, RMF seeks an order (1) granting RMF leave to withdraw as counsel to Mashinsky; (2) immediately staying the this proceeding as to Mashinsky to avoid any prejudice to Mashinsky pending the determination of this motion; (3) staying this matter for a suitable period thereafter to allow Mashinsky time to find substitute counsel; and (4) granting such other and further relief as the Court deems just and proper.

Relevant Background

8. In July 2023, a Grand Jury in the Southern District of New York voted to indict Mashinsky, which indictment was unsealed and filed on July 13, 2023, and the case was docketed as 23-CR-347 (the “Criminal Case”).

9. In August 2023, Mashinsky executed a letter agreeing to retain RMF as legal counsel in the Chapter 11 Cases (the “Engagement Letter”). A copy of the Engagement Letter is annexed hereto as Exhibit A. Mashinsky agreed to pay RMF’s hourly rates for services rendered.

10. In the Engagement Letter, RMF informed Mashinsky of its policies regarding termination of representation:

We also reserve the right to withdraw at any time to the fullest extent permitted by the applicable rules of professional responsibility. Any

termination of our representation of you would be subject to such approval as may be required from any court(s) in which we are appearing on your behalf. In the event of termination by either of us, fees and costs for work performed prior to termination will still be payable to the extent permitted by law.

See Exh. A.

11. On August 3, 2023, RMF was also separately engaged by and appeared in the Chapter 11 Cases on behalf of AM Ventures Holdings Inc. (“AM Ventures”) and Koala1 LLC (“Koala1”) for the limited purpose of filing a limited objection and reservation of rights, and responding to certain discovery requests. *See* Dkt. Nos. 3151; 3155.

12. On September 1, 2023, RMF filed a Notice of Appearance in the Chapter 11 Cases on behalf of Mashinsky. *See* Dkt. No. 3417.

13. As relevant here, three proceedings arose from the Chapter 11 Cases:

- (i) In this Court, an adversary proceeding was commenced by Mohsin Y. Meghji as Representative for the Post-Effective Date Debtors (“Plaintiff”) against certain of Celsius’s officers and directors, including Mashinsky (the “Adversary Proceeding”).²
- (ii) In the U.S. District Court for the Southern District of New York, an interpleader action was commenced by certain of Celsius’s insurance carriers seeking an order protecting themselves from the possibility of multiple, inconsistent liabilities by allowing the Court to determine the rightful recipients of insurance proceeds from directors’ and officers’ liabilities policies (the “Interpleader Action”);³ and
- (iii) In the U.S. District Court for the Southern District of New York, an action arising from a motion by Jeremie Beaudry, a defendant in the Adversary Proceeding, seeking to

² Case No. 24-cv-03667-MG

³ Case No. 25-cv-03349-JMF

withdraw the reference of the Adversary Proceeding to the U.S. District Court on the grounds that, among other things, the Bankruptcy Court lacks jurisdiction to enter a final judgment therein (the “Reference Action”).⁴

14. On September 12, 2023, the Court approved a joint stipulation and agreed order (Dkt. No. 3420 in Case No. 22-10964), staying certain proceedings with respect to claims against Mashinsky and several other parties, until the earlier of either (a) September 12, 2024, or (b) the conclusion of the Criminal Case.⁵

15. On August 27, 2024, this Court entered a joint stipulation and agreed order staying the Adversary Proceeding until the conclusion of the jury trial in the Criminal Case (the “Stay”).

16. On December 3, 2024, Mashinsky pled guilty to count two (commodities fraud) and count five (securities fraud) in the Criminal Case. The Court in the Criminal Case accepted Mashinsky’s guilty plea.

17. On January 1, 2025, this Court lifted the Stay.

18. In early 2025, RMF withdrew its appearances in the Chapter 11 Cases for AM Ventures and Koala1, and thereafter only represented Mashinsky.

19. On February 18, 2025, RMF appeared in the Adversary Proceeding on behalf of Mashinsky.

20. On February 25, 2025, RMF filed Notices of Withdrawal of Appearance on behalf of AM Ventures Holdings Inc. and Koala1 LLC. *See* Dkt. Nos. 7998; 7999.

21. On May 8, 2025, the court in the Criminal Case sentenced Mashinsky to 12 years in prison.

⁴ Case No. 25-cv-1414-DEH

⁵ Case No. 23-CR-347.

22. On or about September 11, 2025, after several attempts, RMF's CFO spoke to Mashinsky concerning his outstanding legal fee balance. Mashinsky refused to pay his outstanding balance per the terms of the Engagement Letter, the details of which we can provide *in camera*.

23. On or about September 12, 2025, Mashinsky surrendered to federal authorities, and is currently serving his sentence in FCI Fort Dix.

24. As of the date hereof, in the Adversary Proceeding, Mashinsky has until October 22, 2025 to respond to Plaintiff's Interrogatories, Requests for Admission, and Requests for Production of Documents, dated August 18, 2025.

Communication with Mashinsky During Incarceration

25. During his incarceration at FCI Fort Dix, communications with Mashinsky are limited to: (a) phone calls that must be arranged in advance with the prison and which can only be made attorney-client privileged with prison permission and on specific request; (b) online communication through Corrlinks, the prison "email" system, which is not attorney-client privileged, can only transmit plain HTML text, and which cannot transmit attachments of any kind; (c) the U.S. Postal Service or other carriers; and (d) in-person visits on Saturday and Sunday during regular visiting hours.

26. RMF communicated with FCI Fort Dix on September 30, 2025, to make contact with Mashinsky by phone or in person (the only two privileged options). RMF was not able to speak with Mashinsky until October 10, 2025. A copy of email correspondence between RMF and prison representatives is annexed hereto as Exhibit B.

27. During RMF's October 10, 2025 telephone call with Mashinsky, RMF reviewed the status of each matter for which it was providing legal services to Mashinsky, and further discussed Mashinsky's payment obligation to RMF.

RMF's Withdrawal as Counsel

28. Rule 1.16(c) of New York's Rules of Professional Conduct permits an attorney to withdrawal as counsel under several different circumstances. Pertinent here, Rule 1.16(c)(4), permits withdrawal if "the client insists upon taking action with which the lawyer has a fundamental disagreement." Rule 1.16(c)(5) permits withdrawal where "a client deliberately disregards an agreement or obligation to the lawyer as to expenses or fees." Rule 1.16(c)(6) permits withdrawal if "the client insists upon presenting a claim or defense that is not warranted under existing law and cannot be supported by good faith argument for an extension, modification, or reversal of existing law." Rule 1.16(c)(7) allows for withdrawal if "the client fails to cooperate in the representation. . . ." Lastly, Rule 1.16(c)(10) permits withdrawal when "the client knowingly and freely assents to termination of the employment." RMF respectfully submits, as set forth in the accompanying Motion, that RMF's grounds to withdraw under the aforesaid Rules are supported by applicable case law.

29. Here, as it pertains to Rule 1.16(c)(5), nonpayment of legal fees has become an ongoing and unresolvable issue with Mashinsky. Mashinsky is deliberately disregarding his agreed upon payment obligation to RMF.

30. The current amount of outstanding legal fees is significant, as it represents approximately 66% (plus unbilled time) of the total amount of fees paid by Mashinsky since the start of RMF's representation. His last payment was made on or about February 14, 2025.

31. With respect to Rules 1.16(c)(4), (6), and (7), the irreconcilable differences between RMF and Mashinsky as to litigation strategy have also become an ongoing and unresolvable issue as to the Chapter 11 Cases, the Adversary Proceeding, the Interpleader Action, and related matters.

32. RMF attempted to resolve these matters before and after Mashinsky surrendered into federal custody, but has been unable to do so.

33. RMF can provide additional details of the circumstances of the requested withdrawal *in camera* at the Court's request.

34. On October 16, 2025, RMF informed Mashinsky by correspondence sent by Corrlinks and Express U.S. Mail of its inability to continue as counsel in light of the circumstances described above and that it would be seeking to withdraw as counsel in the Chapter 11 Cases and other matters.

35. On October 19, 2025, Mashinsky responded to RMF's aforesaid October 16, 2025 correspondence. Mashinsky effectively discharged RMF. He directed RMF to substitute himself as pro se in all of the matters in which RMF represents Mashinsky. Mashinsky also indicated that he is communicating with another firm concerning representation in the Interpleader Action. Mashinsky did not address RMF's outstanding balance.

36. Mashinsky's discharge of RMF is grounds to withdraw under Rule 1.16(c)(10).

37. As discovery has not yet closed and the case is not on the verge of trial readiness, RMF's withdrawal as counsel is unlikely to cause substantial disruption to the proceedings.

38. There is nothing to suggest that Mashinsky will not be able to obtain new counsel should he desire to do so, and he has indicated that he may in connection with the Interpleader Action. We believe this demonstrates that Mashinsky has funds to pay legal fees but chooses not to pay RMF.

39. Thus, RMF's withdrawal will not prejudice Mashinsky or negatively impact this proceeding.

40. RMF is not seeking a retaining lien or charging lien.

41. No previous application for the relief sought herein has ever been made to this or any other Court. However, motions to be relieved as counsel are simultaneously being made in the Adversary Proceeding, Interpleader Action, and Reference Action.

42. I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 21, 2025.

/s/ Thomas A. Telesca
Thomas A. Telesca, Esq.

EXHIBIT A



Writer's Direct Dial: (516) 663-6638
Writer's Direct Fax: (516) 663-6838
Writer's E-Mail: sgiugliano@rmfpc.com

August 24, 2023

By Email (alex@mashinsky.com)

Mr. Alex Mashinsky
140 E. 63rd Street, PH 4
New York, NY 10065

Re: Representation in Celsius Network LLC, *et al.*; 22-10964 (MG) (Jointly
Administered), U.S. Bankruptcy Court Southern District of New York

Dear Mr. Mashinsky:

As part of our procedure in entering into new client relationships, we are pleased to present this engagement letter, which describes our services and the terms and conditions of the representation of Alex Mashinsky in the jointly administered chapter 11 bankruptcy cases commenced by Celsius Network LLC and its debtor affiliates in the U.S. Bankruptcy Court for the Southern District of New York, Case No. 22-10964 (MG) (the "Matter"). The Client shall only be Alex Mashinsky, not any other individual.

Scope of the Firm's Representation.

You are engaging the Firm to represent Client in the Matter. Specifically, you have asked the Firm to consider whether the Client should object to approval of the Disclosure Statement, and to assist in preparing and arguing an objection to confirmation of the Plan of Reorganization, as supplemented and amended, each in connection with the proposed equitable subordination of the Client's claim in the bankruptcy cases. You understand that by accepting the Engagement the Firm makes no guarantee of the outcome. The Firm's services will be limited to the representation of Client in the Matter; our services will not extend to any other business, personal or legal affairs, or to any other aspect of your activities. You understand and agree that the Firm's receipt or use of confidential or other information from you or from others in the course of this representation will not give rise to any expectation that we will render any other advice or services unless additional work shall have been agreed in writing (which may include an email).

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RUSKIN MOSCOU FALTISCHEK



Alex Mashinsky
August 24, 2023
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Assignment of Firm Personnel.

I will be primarily responsible for the supervision of the Matter, but you are engaging the Firm, not me individually. As appropriate, I will draw upon the talents of other lawyers and non-lawyers within the firm. As appropriate, I will draw upon the talents of other lawyers and non-lawyers within the firm. I can be reached at (516) 663-6638 or via email at sgiugliano@rmfpc.com. My assistant Sarina Amiel may be reached at (516) 663-6568 or via email at samiel@rmfpc.com.

Communication by Firm.

We will keep you informed of the status of the Matter and will consult with you when appropriate. Copies of significant correspondence and documents will be sent to you. In the event that you need to reach the Firm and the person sought is unavailable, please send an email or leave a message disclosing the nature and urgency of the call.

Client Cooperation.

You understand that, in order for us to represent you effectively, it is necessary for you to assist and cooperate with the Firm. You agree to (1) make yourselves (including your employees if applicable) available to discuss issues as they arise; (2) attend and participate in meetings, preparation sessions, court proceedings and other activities in connection with the representation; and (3) provide complete and accurate information and documents to us on a timely basis, and update information as needed including providing the names of all additional parties involved in the Matter.

Protection of Client Confidences – Modern Communication Devices.

We are always mindful of our central obligation to preserve the trust which our clients repose in us — their secrets and confidences. To that end it is important that we agree from the outset on what types of communications technology we will employ in the course of this Engagement. Unless you specifically direct us to the contrary, you agree that it is appropriate for us to use fax machines and e-mail, without any encryption or other special protections. In that regard, please specify an e-mail address, which you would like us to use in communicating with you. Please also notify the Firm if you have any other requests or requirements in connection with the methods of telecommunication, or persons to be included or copied in the circulation of documents relating to the Engagement.



Alex Mashinsky
August 24, 2023
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Confidentiality of Information Obtained from Other Clients.

You understand and agree that neither you nor any other person or entity will have any right or expectation of access or use of any information the Firm obtains during the representation of other clients.

Waiver of Future Conflicts:

Although the Firm is not currently aware of a conflict created by the proposed work on the Matter that would trigger the professional responsibility rules governing conflicts of interest at this time, the nature and scope of the Firm's work for other clients may give rise to conflicts of interest in the future. The purpose of this letter is to explain how the Firm proposes to resolve future conflicts issues so that the Clients can decide whether or not to be represented by the Firm. It is possible that the Firm's present or future clients may be direct competitors of you or otherwise may have business or legal interests that are contrary to your interests. The Firm only seeks a waiver for work that is not substantially related to your Matter, and which will not involve any use of your confidential information. Subject to those limitations, you agree that the Firm is and will remain free (i) to represent other clients adversely to you in negotiations, business transactions, or (ii) to undertake representation of any kind on behalf of or against third parties in cases or matters even though the Firm's client(s) in such cases or matters may be adverse to you (including in the Matter), and you agree not to seek to disqualify the Firm in any such matter.

The Firm may need to consult with or to secure a waiver from its other current or prospective clients who are or may become adverse to you. In order to conduct such conflict checks, you agree that the Firm is and will be allowed to disclose to each such current or prospective client the fact that the Firm has or has had an attorney-client relationship with you.

Before agreeing to this waiver of conflicts of interest you should consider whether there is a material risk of adverse disclosure or use of confidential client information, or a material risk that the Firm will be less zealous or eager when representing you because of other adverse representations. We believe that any risk to you is minimal to nonexistent in light of the protections and limitations contained in this letter. Although we are certainly willing to discuss potential amendments to this waiver that you would like us to consider, you should know that without a mutually acceptable waiver, we will not represent you in the Matter or in any other matter.



Alex Mashinsky
August 24, 2023
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As you know, we have discussed this conflicts waiver and its potential implications with you by phone and we strongly urge you not to sign this waiver if you have any unanswered or unaddressed reservations or concerns. **We also recommend that you discuss this waiver with independent counsel of your choice.**

Please note that countersigning this letter, and instructing us or continuing to instruct us on this Matter will constitute your full agreement to the terms set out above.

Fees and Expenses.

You will be billed for our services for the actual time spent on the Matter by the Firm's attorneys. Each attorney has an hourly rate at which his or her time is charged for matters of a particular type. That rate is set by the Firm, taking into consideration the individual's professional background and other relevant factors. These rates are revised from time to time. The current hourly rates of professionals and paraprofessionals are as follows: \$400 to \$715 for Partners and counsel, \$235 to \$410 for associates and \$125 to \$220 for legal assistants, law clerks and paraprofessionals. I will be responsible for this Matter; my hourly billing rate is \$595.

Rates for others (e.g., paralegals or clerks) who might also be called on will be reflected on the invoices issued to you. Our invoices may also include our actual out of pocket costs, for payment on your behalf in connection with the Matter for ancillary services such as filing or other similar fees, court reporters, and amounts incurred on your behalf for travel expenses, including mileage and airfare, lodging, meal expenses, local travel and similar expenses. Where the actual or anticipated costs of such costs exceeds **\$500.00** we will act solely as your agent and you will be responsible for payment of those charges, even if they are billed to our firm. When necessary or appropriate, you agree to pay such outside suppliers in advance.

We will bill you on a monthly basis and will expect to be paid within 30 days of the date of the invoice. Billing for ancillary services may lag the rendering or use of those services by several months because of delays in the receipt of third-party bills and the posting of accounts. We reserve the right to render statements more frequently during periods of unusually heavy activity on your case. Payment of fees is **not** contingent on the result achieved.



Alex Mashinsky
August 24, 2023
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Retainer.

In order to commence work on the Matter, we require an initial retainer of \$10,000.00. The retainer is **not** an estimate of the total fees. The retainer will be applied to the time charges outlined above. If and when the retainer is exhausted, our statements reflecting the time expended will show the charges incurred. As noted above, payment is due upon receipt. We have the right to request an additional amount once the retainer is reduced to \$5,000.00. Should our charges on your matter be less than the retainer amount, the difference will be refunded to you.

Advance Trial Fee Deposit.

Although most matters settle, your matter may go to trial. Trials are typically time-intensive and expensive. Once we must begin preparing for your trial in earnest, we will require you to deposit with us some or all of the fees and costs that we anticipate to take your matter through to trial. The purpose of the advance trial fee deposit will be to assure payment of our trial-related services and expenses, which can mount rapidly. The amount of the advance trial fee deposit that we may require will be based on a number of factors, including, but not limited to, the amount of time that we expect to spend getting ready for trial, trying the case and attending to any anticipated post-trial proceedings. We will also take into account the amount of unapplied retainer that you may already have on deposit. You will be required to pay the advance trial fee deposit before we begin preparing for the trial of your case. By signing this engagement letter, you agree to pay the advance trial fee deposit for trial when we request it. Although we will continue sending you our regular monthly invoices, we will apply the advance trial fee towards the invoiced amounts. If the advance trial fee deposit is depleted, you may be required to replenish it, and in any event, you will be responsible for paying all fees and costs that the deposit is insufficient to cover. Any unearned portion of the deposit that remains at the conclusion of your Matter will be refunded to you.

If you do not provide us with an advance trial fee deposit when we request it, we may seek to withdraw from representing you in this matter. If we seek to withdraw, we will first notify you of our desire to withdraw, seek permission to withdraw from the court (if required), deliver to you all papers and property to which you are entitled, and refund to you any part of a retainer or other advances received that is in excess of the then-unpaid fees and/or expenses. We would also attempt to provide you with reasonable time to retain new counsel, and would take all other necessary steps to comply with applicable ethics laws and rules.



Alex Mashinsky
August 24, 2023
Page 6

Termination of Representation.

You may terminate this representation at any time, with or without cause. We also reserve the right to withdraw at any time to the fullest extent permitted by the applicable rules of professional responsibility. Any termination of our representation of you would be subject to such approval as may be required from any court(s) in which we are appearing on your behalf. In the event of termination by either of us, fees and costs for work performed prior to termination will still be payable to the extent permitted by law.

Records Retention.

Following any termination of representation, client files will be released only following delivery to the Firm of a signed release letter containing appropriate directions and payment of any outstanding fees. You will not be charged for the removal or transfer of electronically stored information ("ESI"). However, you will be charged for the reasonable costs of retrieval, assembly, copying and transfer of all files or materials in any format other than ESI.

We will retain the client files (or a copy) for the Matter for at least eight (8) years after completion or termination of our representation in the Matter, unless other arrangements have been made between the Firm and you in writing. Client files may be destroyed at any time after such eight-year retention period without further notice to you, unless you have made other arrangements with the Firm and confirmed those arrangements in writing.

Governing Law.

This engagement shall be governed by, and construed in accordance with, the laws of the State of New York, exclusive of the law of conflicts of law.

Resolution of Disputes.

If you should ever have any question or complaint about our representation, invoices, or any other aspect of your relationship with the Firm, please promptly discuss it with the partner or partners working on the matter or with the Firm's managing partner. If the issue is not resolved to your satisfaction in this way, please write to any of these individuals within 30 days so that the Firm may promptly review and resolve the matter. If we do not hear back from you within 30 days of the initial question or complaint, we will understand that it has been satisfactorily



Alex Mashinsky
August 23, 2023
Page 7

resolved. Any costs or legal expenses incurred by us in securing payment of an invoice about which you raised no question in writing within 30 days shall be paid by you.

Although the Firm thinks it unlikely, it is possible that a dispute may arise between the Firm and you regarding some aspect of the Engagement and the Firm's representation that cannot be resolved amicably through informal discussions. Should a dispute arise concerning our legal fees or costs which cannot be amicably resolved, either party may seek mediation or arbitration pursuant to the New York State Fee Dispute Resolution Program (22 N.Y.C.R.R. § 137). All disputes that have not otherwise been resolved shall be litigated only in the Supreme Court of the State of New York, County of Nassau, and you submit to the jurisdiction of that court.

BY INITIALING AND SIGNING THIS LETTER, YOU AGREE TO WAIVE YOUR RIGHTS TO A JURY TRIAL IN ANY SUCH LITIGATION. You acknowledge that, before agreeing to waive your rights to a jury trial, you have been afforded a reasonable opportunity to consult with independent legal counsel on the advisability of waiving a jury trial.

A M

Client's initials

Binding Agreement.

This letter represents the entire agreement between you and the Firm with respect to this Matter. By signing below, you acknowledge that this letter has been carefully reviewed and its content understood by you and that you agree to be bound by all of its terms and conditions. Furthermore, you acknowledge that the Firm has made no representations or guarantees to you regarding the outcome of the Matter or the time necessary to resolve the Matter. No change or waiver of any of the provisions of this letter shall be binding on either you or on the Firm unless the change is in writing and signed by both you and the Firm.

If the foregoing accurately reflects our agreement, please confirm that by signing and returning the enclosed copy to me. Please do not hesitate to call me to discuss any questions you may have regarding this agreement. In addition, you have the right to consult other counsel to resolve your concerns. In conformance with the Firm's policy, we cannot commence work upon this engagement until we have received a copy of this letter countersigned by you and the retainer payment specified above.

RUSKIN MOSCOU FALTISCHEK

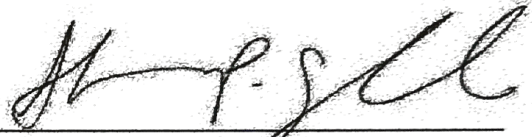


Alex Mashinsky
August 23, 2023
Page 8

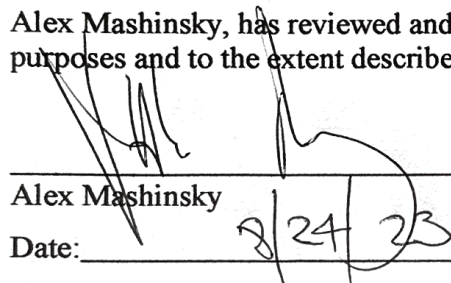
Please note that your instructing us or continuing to instruct us on this matter will constitute your full acceptance of the terms set out above.

Thank you again for this opportunity to be of service to you; my colleagues and I look forward to working with you.

Sincerely,
RUSKIN MOSCOU FALTISCHEK, P.C.

By: 
Sheryl P. Giugliano

Alex Mashinsky, has reviewed and agreed to the above terms of engagement of the Firm for the purposes and to the extent described in this letter.


Alex Mashinsky

Date: 8/24/23

RUSKIN MOSCOU FALTISCHEK



Alex Mashinsky
August 24, 2023
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WIRE INSTRUCTIONS

Receiving Bank:	Webster Bank
Bank Address:	Pearl River, New York 10965
Routing/ABA #:	221970443
SWIFT:	STETUS33
Account Name:	Ruskin Moscou Faltischek, PC Attorney Special Account 2
Account Address:	1425 RXR Plaza, East Tower, 15 th Floor, Uniondale, New York 11556
Account #:	8311183744

CREDIT CARD PAYMENT

Retainer only: <https://secure.lawpay.com/pages/ruskinmoscoufaltischek/trust>

EXHIBIT B

RACHEL A. MORGENSTERN

From: Hughes, Corey (BOP) <c1hughes@bop.gov>
Sent: Tuesday, October 7, 2025 12:13 PM
To: RACHEL A. MORGENSTERN
Subject: Request for an Attorney Visit, Alexander Mashinsky #68096-510
Attachments: Visiting Form.pdf

CAUTION: This email originated from outside of the organization.

Good Morning,

I was forwarded your email in regard to an attorney visit for Mr. Alexander Mashinsky #68096-510. Attached is a visitation form that needs to be completed by all who intend to visit for approval.

Section 6: If you do not wish to provide your social security number and have a passport number, you can put that down. I just need one in that section.

Section 7: Just write your job title (ex. Attorney)

Also please provide a photographic copy of BAR #'s

If you wish you to visit, currently you will have to visit during normal visit hours which is Saturday and Sunday. (This coming weekend due to the Holiday on Monday October 13, the institution is offering normal visitation on Monday October 13th as well.) For Visitation you are subject to passing a medical detector screening site, and any items you intend to bring along (paperwork that can fit in a briefcase) are subject to search, if you are not familiar with it

I can however set up a legal call Thursday or Friday this week (October 9th and October 10th) if need be, and this request is in relation to the Court Conference that is scheduled for next Tuesday October 14th if that would be easier. If you would like that option let me know, and we can schedule a time for either of those days from 9am-2pm EST.

Corey Hughes
Correctional Counselor
Unit 5841 (M-Z)
FCI Ft. Dix
Email: c1hughes@bop.gov

RACHEL A. MORGENSTERN

From: RACHEL A. MORGENSTERN
Sent: Monday, October 6, 2025 3:50 PM
To: FTD-ExecAssistant-S (BOP)
Cc: THOMAS TELESKA; JOHN A. DEMARO
Subject: RE: Request for Attorney Visit - Inmate 68096-510 - Mashinsky - Time Sensitive

Thank you

Rachel A. Morgenstern

Associate

p: 516-663-6537 f: 516-663-6737 e: rmorgenstern@rmfpc.com w: www.rmfpcc.com



1425 RXR Plaza
East Tower, 15th Floor
Uniondale NY 11556-1425

From: FTD-ExecAssistant-S (BOP) <FTD-ExecAssistant-S@bop.gov>
Sent: Monday, October 6, 2025 3:46 PM
To: RACHEL A. MORGENSTERN <rmorgenstern@rmfpc.com>
Cc: THOMAS TELESKA <ttelesca@rmfpc.com>; JOHN A. DEMARO <jdemaro@rmfpc.com>
Subject: Re: Request for Attorney Visit - Inmate 68096-510 - Mashinsky - Time Sensitive

CAUTION: This email originated from outside of the organization.

Hello,

I will follow up with the unit team.

Thank you

From: RACHEL A. MORGENSTERN <rmorgenstern@rmfpc.com>
Sent: Monday, October 6, 2025 12:52 PM
To: FTD-ExecAssistant-S (BOP) <FTD-ExecAssistant-S@bop.gov>
Cc: THOMAS TELESKA <ttelesca@rmfpc.com>; JOHN A. DEMARO <jdemaro@rmfpc.com>
Subject: [EXTERNAL] RE: Request for Attorney Visit - Inmate 68096-510 - Mashinsky - Time Sensitive

Dear Warden:

We are following up on the below request to schedule a private attorney visit with Mr. Mashinsky to discuss matters related to an imminent court deadline. Please let us know the soonest possible date we can see Mr. Mashinsky for an attorney-client privileged visit so we may inform the Court and our adversaries. We appreciate your time and consideration.

Respectfully,

Rachel Morgenstern

Rachel A. Morgenstern

Associate

p: 516-663-6537 f: 516-663-6737 e: rmorgenstern@rmfpc.com w: www.rmfp.com



1425 RXR Plaza
East Tower, 15th Floor
Uniondale NY 11556-1425

From: FTD-ExecAssistant-S (BOP) <FTD-ExecAssistant-S@bop.gov>
Sent: Tuesday, September 30, 2025 2:37 PM
To: RACHEL A. MORGENSTERN <rmorgenstern@rmfpc.com>
Cc: THOMAS TELESKA <ttelesca@rmfpc.com>; JOHN A. DEMARO <jdemaro@rmfpc.com>
Subject: Re: Request for Attorney Visit - Inmate 68096-510 - Mashinsky - Time Sensitive

CAUTION: This email originated from outside of the organization.

Hello,

We have forwarded your request, and someone will be in contact with you soon.

Thank you

From: RACHEL A. MORGENSTERN <rmorgenstern@rmfpc.com>
Sent: Tuesday, September 30, 2025 9:29 AM
To: FTD-ExecAssistant-S (BOP) <FTD-ExecAssistant-S@bop.gov>
Cc: THOMAS TELESKA <ttelesca@rmfpc.com>; JOHN A. DEMARO <jdemaro@rmfpc.com>
Subject: [EXTERNAL] Request for Attorney Visit - Inmate 68096-510 - Mashinsky - Time Sensitive

Dear Warden:

We are attorneys for Alexander Mashinsky, registry number 68096-510. We write to request your permission to schedule a private attorney visit with Mr. Mashinsky as soon as possible. Specifically, while reserving all attorney-client privilege, we wish to speak to Mr. Mashinsky about matters related to an imminent court deadline in the United States District Court for the Southern District of New York, where Mr. Mashinsky is currently a defendant.

On calling your facility, we were directed to make this request by email. Please let us know if there is anything else required to complete the request, or any additional information you need from us. Thank you for your help.

Sincerely,

Rachel Morgenstern

Rachel A. Morgenstern

Associate

p: 516-663-6537 f: 516-663-6737 e: rmorgenstern@rmfpc.com w: www.rmfp.com



1425 RXR Plaza
East Tower, 15th Floor
Uniondale NY 11556-1425

RACHEL A. MORGENSTERN

From: RACHEL A. MORGENSTERN
Sent: Thursday, October 9, 2025 6:21 PM
To: Hughes, Corey (BOP)
Cc: NORMAN CERULLO; THOMAS TELESKA; JOHN A. DEMARO
Subject: RE: Request for an Attorney Visit, Alexander Mashinsky #68096-510

Mr. Hughes,

Thank you for offering to accommodate us and to help with paperwork. The best phone number to reach us would be 516-663-6635, which is my colleague Norm Cerullo's direct office number. We look forward to speaking with you and Mr. Mashinsky tomorrow.

Sincerely,

Rachel

Rachel A. Morgenstern

Associate

p: 516-663-6537 f: 516-663-6737 e: rmorgenstern@rmfpc.com w: www.rmfp.com



1425 RXR Plaza
East Tower, 15th Floor
Uniondale NY 11556-1425

From: Hughes, Corey (BOP) <c1hughes@bop.gov>
Sent: Thursday, October 9, 2025 6:53 AM
To: RACHEL A. MORGENSTERN <rmorgenstern@rmfpc.com>
Subject: Re: Request for an Attorney Visit, Alexander Mashinsky #68096-510

CAUTION: This email originated from outside of the organization.

Friday October 10th at 1pm is good on my end, I will just need a good phone number to call. Once contact is made, I will then hand the phone over to Mr. Mashinsky. In regard to the visit, they should be able to accommodate that. If need be, you can always send paperwork to me that needs signed by him, and I can scan and send it back to you.

Corey Hughes
Correctional Counselor

Unit 5841 (M-Z)

FCI Ft. Dix

Email: c1hughes@bop.gov

From: RACHEL A. MORGENSTERN <rmorgenstern@rmfpc.com>

Sent: Tuesday, October 7, 2025 4:14 PM

To: Hughes, Corey (BOP) <c1hughes@bop.gov>

Cc: JOHN A. DEMARO <jdemaro@rmfpc.com>; THOMAS TELESKA <ttelesca@rmfpc.com>

Subject: [EXTERNAL] RE: Request for an Attorney Visit, Alexander Mashinsky #68096-510

Good Afternoon,

Thank you for accommodating us and providing the required information and forms. We made this request in relation to an October 8th deadline to respond to court-ordered discovery demands. This morning we received a two week extension of that deadline and, to meet the new deadline, we need input from Mr. Mashinsky. For that reason, we would like to accept your offer to set up a legal call for Friday, October 10th at 1:00 pm.

We may also need Mr. Mashinsky's signature on these documents once they are in final form, in which case we will need to visit him next week. If we visit during normal visiting hours on Saturday or Sunday, may we have access to a private room where we can review the documents with Mr. Mashinsky while maintaining attorney-client privilege?

Thank you again for your time and consideration.

Sincerely,

Rachel Morgenstern

Rachel A. Morgenstern

Associate

p: 516-663-6537 f: 516-663-6737 e: rmorgenstern@rmfpc.com w: www.rmfp.com



1425 RXR Plaza
East Tower, 15th Floor
Uniondale NY 11556-1425

From: Hughes, Corey (BOP) <c1hughes@bop.gov>

Sent: Tuesday, October 7, 2025 12:13 PM

To: RACHEL A. MORGENSTERN <rmorgenstern@rmfpc.com>

Subject: Request for an Attorney Visit, Alexander Mashinsky #68096-510

CAUTION: This email originated from outside of the organization.

Good Morning,

I was forwarded your email in regard to an attorney visit for Mr. Alexander Mashinsky #68096-510. Attached is a visitation form that needs to be completed by all who intend to visit for approval.

Section 6: If you do not wish to provide your social security number and have a passport number, you can put that down. I just need one in that section.

Section 7: Just write your job title (ex. Attorney)

Also please provide a photographic copy of BAR #'s

If you wish you to visit, currently you will have to visit during normal visit hours which is Saturday and Sunday. (This coming weekend due to the Holiday on Monday October 13, the institution is offering normal visitation on Monday October 13th as well.) For Visitation you are subject to passing a medical detector screening site, and any items you intend to bring along (paperwork that can fit in a briefcase) are subject to search, if you are not familiar with it

I can however set up a legal call Thursday or Friday this week (October 9th and October 10th) if need be, and this request is in relation to the Court Conference that is scheduled for next Tuesday October 14th if that would be easier. If you would like that option let me know, and we can schedule a time for either of those days from 9am-2pm EST.

Corey Hughes

Correctional Counselor

Unit 5841 (M-Z)

FCI Ft. Dix

Email: c1hughes@bop.gov

**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)
	)
Post-Effective Date Debtors.	) (Jointly Administered)
	)
	)

**EMERGENCY MOTION OF RUSKIN MOSCOU FALTISCHEK, P.C. TO
WITHDRAW AS COUNSEL PURSUANT TO LOCAL BANKRUPTCY RULE 2090-1(e)**

RMF
RUSKIN MOSCOU FALTISCHEK P.C.

East Tower, 15th Floor
1425 RXR Plaza
Uniondale, New York 11556
(516) 663-6600

¹ The post-effective date debtors in the Chapter 11 cases (prior to the Effective Date of the Plan, the “**Debtors**,” and after the Effective Date, the “**Post-Effective Date Debtors**,” as applicable), along with the last four digits of each Post-Effective Date 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 Ltd (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Post-Effective Date Debtor Celsius Network LLC’s principal place of business and the Post-Effective Date Debtors’ service address in these Chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

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United States Bankruptcy Court for the Southern District of New York	

Pursuant to [Rule 2090-1\(e\)](#) of the Local Rules of the United States Bankruptcy Court for the Southern District of New York (the “Local Rules”), Ruskin Moscou Faltischek, P.C. (“RMF” or “Movant”), respectfully moves to withdraw as counsel for Alexander Mashinsky (“Mashinsky”) in the above-captioned proceeding (the “Chapter 11 Cases”).

JURISDICTION

1. This Court has jurisdiction over this Motion pursuant to [28 U.S.C. sections 1334](#) and 157. This matter is a core proceeding under [28 U.S.C. section 157\(b\)](#).
2. The basis for the relief requested is Local Rule 2090-1(e).

BACKGROUND

3. On July 13, 2022, Celsius Network LLC and certain of its affiliates (collectively, “Celsius”) filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the Southern District of New York (the “Court”). *See* Telesca Decl., ¶ 4.
4. Also in July 2023, a Grand Jury in the Southern District of New York voted to indict Mashinsky, which indictment was unsealed and filed, and the case was docketed as 23-CR-347 (the “Criminal Case”). *See id.*, ¶ 8.
5. In August 2023, Mashinsky executed a letter agreeing to retain RMF as legal counsel in the Chapter 11 Cases (the “Engagement Letter”). Mashinsky agreed to pay RMF’s hourly rates for services rendered. *See id.*, ¶ 9; Exh. A.
6. In the Engagement Letter, RMF informed Mashinsky of its policies regarding termination of representation:

We also reserve the right to withdraw at any time to the fullest extent permitted by the applicable rules of professional responsibility. Any termination of our representation of you would be subject to such approval as may be required from any court(s) in which we are

appearing on your behalf. In the event of termination by either of us, fees and costs for work performed prior to termination will still be payable to the extent permitted by law.

See id., ¶ 10; Exh. A.

7. On August 3, 2023, RMF was also separately engaged by and appeared in the Chapter 11 Cases on behalf of AM Ventures Holdings Inc. (“AM Ventures”) and Koala1 LLC (“Koala1”) for the limited purpose of filing a limited objection and reservation of rights, and responding to certain discovery requests. *See id.*, ¶ 11.

8. On September 1, 2023, RMF filed a Notice of Appearance in the Chapter 11 Cases on behalf of Mashinsky. *See id.*, ¶ 12.

9. As relevant here, three proceedings arose from the Chapter 11 Cases:

- (i) In this Court, an adversary proceeding was commenced by Mohsin Y. Meghji as Representative for the Post-Effective Date Debtors (“Plaintiff”) against certain of Celsius’s officers and directors, including Mashinsky (the “Adversary Proceeding”).²
- (ii) In the U.S. District Court for the Southern District of New York, an interpleader action was commenced by certain of Celsius’s insurance carriers seeking an order protecting themselves from the possibility of multiple, inconsistent liabilities by allowing the Court to determine the rightful recipients of insurance proceeds from directors’ and officers’ liabilities policies (the “Interpleader Action”);³ and
- (iii) In the U.S. District Court for the Southern District of New York, an action arising from a motion by Jeremie Beaudry, a defendant in the Adversary Proceeding, seeking to withdraw the reference of the Adversary Proceeding to the U.S. District Court on the

² Case No. 24-cv-03667-MG

³ Case No. 25-cv-03349-JMF

grounds that, among other things, the Bankruptcy Court lacks jurisdiction to enter a final judgment therein (the “Reference Action”).⁴ *See id.*, ¶ 13.

10. On September 12, 2023, the Court approved a joint stipulation and agreed order (Dkt. No. 3420 in Case No. 22-10964), staying certain proceedings with respect to claims against Mashinsky and several other parties, until the earlier of either (a) September 12, 2024, or (b) the conclusion of the Criminal Case. *See id.*, ¶ 14.

11. On August 27, 2024, this Court entered a joint stipulation and agreed order staying the Adversary Proceeding until the conclusion of the jury trial in the Criminal Case (the “Stay”). *See id.*, ¶ 15.

12. On December 3, 2024, Mashinsky pled guilty to count two (commodities fraud) and count five (securities fraud) in the Criminal Case. The Court in the Criminal Case accepted Mashinsky’s guilty plea. *See id.*, ¶ 16.

13. On January 1, 2025, this Court lifted the Stay. *See id.*, ¶ 17.

14. In early 2025, RMF withdrew its appearances in the Chapter 11 Cases for AM Ventures and Koala1, and thereafter only represented Mashinsky. *See id.*, ¶ 18.

15. On February 18, 2025, RMF appeared in the Adversary Proceeding on behalf of Mashinsky. *See id.*, ¶ 19.

16. On February 25, 2025, RMF filed Notices of Withdrawal of Appearance on behalf of AM Ventures Holdings Inc. and Koala1 LLC. *See id.*, ¶ 20.

17. On May 8, 2025, the court in the Criminal Case sentenced Mashinsky to 12 years in prison. *See id.*, ¶ 21.

⁴ Case No. 25-cv-1414-DEH

18. On or about September 11, 2025, after several attempts, RMF's CFO spoke to Mashinsky concerning his outstanding legal fee balance. Mashinsky refused to pay his outstanding balance per the terms of the Engagement Letter, the details of which we can provide *in camera*. *See id.*, ¶ 22.

19. On or about September 12, 2025, Mashinsky surrendered to federal authorities, and is currently serving his sentence in FCI Fort Dix. *See id.*, ¶ 23.

20. As of the date hereof, in the Adversary Proceeding, Mashinsky has until October 22, 2025 to respond to Plaintiff's Interrogatories, Requests for Admission, and Requests for Production of Documents, dated August 18, 2025. *See id.*, ¶ 24.

RELIEF REQUESTED

21. By this Motion, Movant requests entry of an Order: (1) authorizing RMF's withdrawal as counsel to Mashinsky in the Chapter 11 Cases; (2) immediately staying the Chapter 11 Cases as to Mashinsky to avoid any prejudice to Mashinsky pending the determination of this motion; and (3) staying the Chapter 11 Cases for a suitable period thereafter to allow Mashinsky time to retain new counsel.

22. Movant requests to be removed as attorney of record for Mashinsky from any applicable service lists, including the Court's CM/ECF electronic notification list, maintained in the Bankruptcy.

BASIS FOR RELIEF REQUESTED

23. Requests to withdraw as counsel are governed by Local Rule 2090-1(e), which provides that: "An attorney who has appeared as attorney of record may withdraw or be replaced only by order of the Court for cause shown." This rule is adopted from [Local Civil Rule 1.4](#).

24. “Whether cause exists to grant a motion to withdraw as counsel is in the discretion of the trial court.” *In re WB Bridge Hotel LLC*, 656 B.R. 733, 742 (Bankr. S.D.N.Y. 2024). “In exercising that discretion, the court must consider (i) the reasons for the withdrawal and (ii) the impact of the withdrawal on the timing of the proceeding.” *Id.* at 743. “Reasons for withdrawal can include . . . ‘the existence of irreconcilable conflict between attorney and client’.” *Id.*

25. Nonpayment of fees especially over a substantial period of time may also constitute a basis for withdrawal, as it demonstrates a deliberate disregard for the client’s obligation to his or her lawyer. *Id.* (citing *Stair v. Calhoun*, 722 F. Supp. 2d 258, 264 (E.D.N.Y. 2010)).

26. “A client’s decision to discharge an attorney is also a basis to withdraw.” *Id.* As the court stated in *In re WB Bridge Hotel LLC*, “Courts in this District have consistently found that a client’s discharge of an attorney is sufficient basis for an attorney to withdraw as counsel.” *Id.*

27. This case law and RMF’s request for withdrawal is consistent with [Rule 1.16\(c\) of New York Rules of Professional Conduct](#) for terminating representation of a client. Rule 1.16(c) permits an attorney to withdrawal as counsel under several different circumstances. Pertinent here, Rule 1.16(c)(4), permits withdrawal if “the client insists upon taking action with which the lawyer has a fundamental disagreement.” Rule 1.16(c)(5) permits withdrawal where “a client deliberately disregards an agreement or obligation to the lawyer as to expenses or fees.” Rule 1.16(c)(6) permits withdrawal if “the client insists upon presenting a claim or defense that is not warranted under existing law and cannot be supported by good faith argument for an extension, modification, or reversal of existing law.” Rule 1.16(c)(7) allows for withdrawal if “the client fails to cooperate in the representation” Lastly, Rule 1.16(c)(10) permits withdrawal when “the client knowingly and freely assents to termination of the employment.”

28. As RMF's Motion relates to nonpayment, Mashinsky has not made payment to RMF for a substantial period of time, and he has made it clear that he does not intend to pay per the terms of the Engagement Letter. *See* Telesca Decl., ¶¶ 22, 27, 30. The current amount of outstanding legal fees is significant, as it represents approximately 66% (plus unbilled time) of the total amount of fees paid by Mashinsky since the start of RMF's representation. *See id.*, ¶ 30; *c.f. In re Albert*, 277 B.R. 38, 46 (Bankr. S.D.N.Y. 2002) (impermissible to withdraw where unpaid amount was less than 10% of what had already been paid).

29. RMF and Mashinsky have also been unable to reconcile their differences as to litigation strategy. These irreconcilable differences have become an ongoing unresolvable issue as to the Chapter 11 Cases, the Adversary Proceeding, the Interpleader Action, and related matters. *See* Telesca *id.*, ¶ 31.

30. RMF attempted to resolve these matters before Mashinsky surrendered into federal custody but was unable to do so. RMF has also attempted to resolve these matters since Mashinsky's incarceration, but was unsuccessful. *See id.*, ¶ 32.

31. RMF can provide additional details of the circumstances of the requested withdrawal *in camera* at the Court's request.

32. RMF has informed Mashinsky of its inability to continue as counsel in light of these circumstances and that it is seeking to withdraw as counsel. *See id.*, ¶ 34.

33. Mashinsky responded by effectively discharging RMF. Mashinsky directed RMF to substitute himself as pro se in all of the matters in which RMF represents Mashinsky. Mashinsky also indicated that he is communicating with another firm concerning representation in the Interpleader Action. *See id.*, ¶ 35. In his response, Mashinsky ignored RMF's outstanding balance.

34. In sum, RMF has three grounds on which to withdraw: (i) nonpayment, (ii) irreconcilable conflict; and (iii) termination of the attorney-client relationship.

35. When considering an attorney's withdrawal, courts must also gauge if the client will be prejudiced by the delay caused by obtaining new counsel or if the court's trial calendar will be negatively impacted. *In re WB Bridge Hotel LLC*, 656 B.R. at 743.

36. There is nothing to suggest that Mashinsky will not be able to obtain new counsel should he desire to do so. Mashinsky has indicated that he may retain new counsel at least for the Interpleader Action. Discovery is still ongoing in the Adversary Proceeding. Thus, RMF's withdrawal will not prejudice Mashinsky or negatively impact this proceeding. *See id.*, ¶¶ 37-40.

NO PRIOR REQUEST

37. No prior request for the relief sought herein has been made to this or any other Court. However, motions to be relieved as counsel are simultaneously being made in the Adversary Proceeding, Interpleader Action, and Reference Action.

NOTICE

38. Notice of this Motion will be provided by overnight mail to (i) counsel to the Plaintiff (ii) the Office of the United States Trustee, (iii) Mashinsky, (iv) all parties having filed appearances in the Bankruptcy, and (v) all parties in interest who have received notices through the Court's ECF filing system.

PRAYER FOR RELIEF

WHEREFORE, Movant respectfully requests that the Court issue an Order (1) authorizing RMF's withdrawal as counsel to Mashinsky in the Chapter 11 Cases; (2) immediately staying the Chapter 11 Cases as to Mashinsky to avoid any prejudice to Mashinsky pending the determination

of this motion; and (3) staying the Chapter 11 Cases for a suitable period thereafter to allow Mashinsky time to retain new counsel.

Dated: Uniondale, New York
October 21, 2025

By: /s/ Thomas A. Telesca
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