



Order Filed on January 27, 2023
by Clerk
U.S. Bankruptcy Court
District of New Jersey

UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY	
Caption in Compliance with D.N.J. LBR 9004-1(b)	
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<i>Proposed Attorneys for Debtors and Debtors in Possession</i>	
In re:	Chapter 11
BLOCKFI INC., <i>et al.</i> ,	Case No. 22-19361 (MBK)
Debtors. ¹	(Jointly Administered)
	Hearing Date and Time: January 27, 2023, at 10:00 a.m. (Prevailing Eastern Time)

**ORDER (I) APPROVING THE DEBTORS'
RETENTION PROGRAMS AND (II) GRANTING RELATED RELIEF**

DATED: January 27, 2023

Honorable Michael B. Kaplan
United States Bankruptcy Judge

The relief set forth on the following pages, numbered three (3) through five (5), is
ORDERED.

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Debtors: BLOCKFI INC., *et al.*

Case No. 22-19361 (MBK)

Caption of Order: Order (I) Approving the Debtors' Retention Programs and (II) Granting Related Relief

Upon the *Debtors' Motion For Entry Of An Order (I) Approving The Debtors' Retention Programs And (II) Granting Related Relief*, (the "Motion"),² of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for entry of an order (this "Order") (a) authorizing the Debtors to approve their key employee retention programs and (b) granting related relief; all as more fully set forth in the Motion; and upon the First Day Declaration; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference to the Bankruptcy Court Under Title 11* of the United States District Court for the District of New Jersey, entered July 23, 1984, and amended on September 18, 2012 (Simandle, C.J.); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the Debtors' notice of the Motion was appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor **IT IS HEREBY ORDERED THAT:**

1. The Motion is **GRANTED** on as set forth herein.
2. Pursuant to sections 503(c) and 363(b)(1) of the Bankruptcy Code, the Retention Programs are hereby approved.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

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3. The Debtors are authorized, but not directed, to implement the Retention Programs, as amended by their settlement with the Official Committee of Unsecured Creditors as set forth herein, for a total program cost of up to \$9.98 million. Timing of payments to be made as follows:

(a) Tier 1: (i) 33% payable upon approval subject to clawback until the 3-month anniversary of court approval, (ii) 33% payable at earlier of confirmation or sale approval and 6 month anniversary of court approval; and (iii) final 33% payable at the earlier of 30 days after emergence and 12 month anniversary of court approval date; and (b) Tier 2: no change from the Motion. Tier 1 bonuses shall be 42.5% of base salary amounts, and Tier 2 bonuses shall be 9% of base salary amounts.

4. The Debtors may add a replacement participant(s) to the Retention Programs with the consent of the Committee upon the resignation or the termination for cause of any Participant.

5. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

6. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

7. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

8. The requirement set forth in Local Rule 9013-1(a)(3) that any motion be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Motion or otherwise waived.

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9. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.