

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11

MUNAWAR LAW GROUP PLLC f/k/a
MUNAWAR & HASHMAT LLP,

Case No.: 25-10020 (DSJ)

Debtor.
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**STIPULATION AND ORDER FOR USE OF CASH COLLATERAL
BY CHAPTER 11 TRUSTEE THROUGH JULY 31, 2026**

WHEREAS, on January 7, 2025 (“Filing Date”), a voluntary petition under Chapter 11 of title 11 of the United States Code (“Bankruptcy Code”) was filed on the Debtor’s behalf in the United States Bankruptcy Court for the Southern District of New York (“Court”) [ECF No. 1];

WHEREAS, on January 14, 2025, Equal Access Justice Fund LP (“EAJF”) filed a proof of claim against the Debtor’s estate as a secured claim in the amount of \$6,616,198.65 (“Claim 3”);

WHEREAS, EAJF asserts a lien on substantially all assets of the Debtor (“Pre-Petition Collateral”) arising from a pre-petition loan made by EAJF to the Debtor, a related security agreement and a UCC-1 Financing Statement that was filed with the New York State Department of State on February 14, 2023;

WHEREAS, on August 1, 2025, the United States Trustee for Region 2 (“UST”) filed a notice and proposed stipulation and order providing for, inter alia, the appointment of an examiner [ECF No. 49]. On August 5, 2025, the Court so Ordered the stipulation [ECF No. 51];

WHEREAS, on August 13, 2025, the UST appointed Jolene Wee as examiner pursuant to section 1104(c)(1) of the Bankruptcy Code [ECF No. 53]. By Order entered on August 21, 2025, the Court approved the appointment of Jolene Wee as examiner (“Examiner”) [ECF No. 56];

WHEREAS, on March 6, 2026, the Report of Examiner, Jolene E. Wee (“Examiner Report”), was filed with the Court [ECF No. 118];

WHEREAS, by motion dated April 1, 2026, based on the findings in the Examiner Report, the UST sought entry of an Order directing the appointment of a Chapter 11 Trustee for the Debtor [ECF No. 125]. The United States Attorney for the Southern District of New York, on behalf of the Small Business Administration and Internal Revenue Service, filed a letter in support of the motion [ECF No. 129]. The Debtor opposed the motion [ECF No. 127];

WHEREAS, on April 22, 2026, the Court entered an Order directing the appointment of a Chapter 11 Trustee for the Debtor [ECF No. 136];

WHEREAS, on April 26, 2026, Lori Lapin Jones, Esq. was appointed by the UST as Chapter 11 Trustee of the Debtor’s estate [ECF No. 140]. By Order entered on April 27, 2026, the Court approved the appointment of Lori Lapin Jones, Esq. as Chapter 11 Trustee [ECF No. 143];

WHEREAS, after the appointment of the Trustee, EAJF consented to the Trustee’s use of cash collateral, as that term is defined in section 363 of the Bankruptcy Code, in or on which EAJF asserts a lien or security interest (“Cash Collateral”) for customary expenditures in the ordinary course of the Debtor’s business and payment of the Trustee’s Bond; and

WHEREAS, the Trustee and EAJF negotiated and agreed to the terms of the Trustee’s continued use of Cash Collateral for an interim period through July 31, 2026, without prejudice to renewal of such authority.

NOW, THEREFORE, it is hereby stipulated by and between the Trustee and EAJF (together, “Parties” and each a “Party”) as follows:

1. Authority to Use Cash Collateral. The Trustee is authorized to use Cash Collateral in or on which EAJF asserts a lien or security interest from April 27, 2026 through and including

July 31, 2026, without prejudice to renewal of such authority by written agreement of the Parties or further Order of the Court, for customary expenditures in the ordinary course of the Debtor's business including, but not limited to, payroll, payroll taxes, insurance, rent, case expenses, United States Trustee fees, and the sum of \$300.00 per month to the Debtor's former accountants (MI Tax LLC) for payroll processing fees.

2. Adequate Protection Collateral. To the extent of any diminution in the value of EAJF's collateral, including its Cash Collateral, EAJF is hereby granted a valid, binding and enforceable post-petition security interest and lien in and on all post-petition property of the Debtor only of the same type as the property constituting the Pre-Petition Collateral and only to the extent EAJF was properly perfected, and the proceeds of such property ("Adequate Protection Collateral"). The Adequate Protection Collateral shall not include: (a) any recoveries or proceeds of any causes of action of the Debtor's estate arising under Chapter 5 of the Bankruptcy Code; (b) any commercial tort claims; or (c) any recoveries or proceeds of any breach of duty claims of the Debtor's estate arising under applicable state law.

3. Adequate Protection Lien. The lien and security interest granted in paragraph 2 above in the Adequate Protection Collateral ("Adequate Protection Lien") shall be effective and perfected by operation of law immediately upon this Stipulation being So Ordered by the Court and that Order becoming final and non-appealable, without the necessity of the execution, recording or filing of mortgages, security agreements, pledge agreements, financing statements or other documents. The Adequate Protection Lien shall be enforceable against the Debtor, its estate and any successors thereto, including without limitation, any trustee appointed under Chapter 7 of the Bankruptcy Code upon the conversion of this Chapter 11 case, or in any other proceedings superseding or related to any of the foregoing. The Adequate Protection Lien shall only be to the

same extent and priority as EAJF's liens existed as of the Filing Date.

4. Adequate Protection Payments. As additional adequate protection, the Trustee is authorized to make payments from the Debtor's estate to EAJF in the amount of \$4,000.00 per month nunc pro tunc to May 1, 2026 through and including July 31, 2026 ("Adequate Protection Payments") and each an "Adequate Protection Payment"), provided however that, to the extent the Trustee determines that there is insufficient cash flow to pay operating expenses and to make an Adequate Protection Payment in any given month, the Trustee and EAJF will negotiate in good faith to address any shortfall(s) or timing, and the Trustee's failure to make an Adequate Protection Payment shall not constitute an Event of Default (as defined below).

5. Prohibited Uses. Notwithstanding anything in this Stipulation, no portion of the Cash Collateral may be used for the payment of: (a) commissions and expenses of the Trustee (excluding the Trustee's Bond); or (b) any fees and expenses of the Trustee's retained professionals, the Examiner, the Examiner's retained professionals, or counsel to the Debtor.

6. Notwithstanding any termination of the Trustee's authorization to use the Cash Collateral, the provisions of this Stipulation and any actions taken pursuant thereto shall survive the entry of any subsequent order which may be entered: (a) confirming any Chapter 11 plan in this case; or (b) converting this case from a Chapter 11 case to a Chapter 7 case. The terms and provisions of this Stipulation, as well as the priorities, liens, and security interests created hereunder, shall continue in this or any superseding case, and such liens and security interests shall maintain their priority provided for by this Stipulation until satisfied and discharged in full.

7. Modification of Automatic Stay. The automatic stay provisions of section 362 of the Bankruptcy Code are hereby modified to permit: (a) the Trustee to implement and perform the terms of this Stipulation; and (b) the Debtor to create and EAJF to perfect, to the extent permitted,

~~the Adequate Protection Lien granted hereunder., and EAJF shall not be required to file a UCC financing statement or other instrument with any other filing authority to perfect the Adequate Protection Lien granted by this Stipulation or to take any other actions to perfect such Adequate Protection Lien, which shall be deemed automatically perfected by this Stipulation being So Ordered by the Court and entered on the docket in the Debtor's case. [DSJ 6/30/26]~~

8. Events of Default. The occurrence of any of the following events, unless waived by EAJF in writing, shall constitute an event of default (collectively, "Events of Default"):

- a. except as set forth herein, the entry of any Order by the Court granting EAJF relief from or modifying the automatic stay with respect to EAJF's collateral;
- b. dismissal of this Chapter 11 case;
- c. conversion of this Chapter 11 case to a Chapter 7 case; and/or
- d. entry of an Order of the Court terminating this Stipulation.

Upon the occurrence of an Event of Default, the Trustee (and any trustee appointed under Chapter 7 of the Bankruptcy Code upon the conversion of this Chapter 11 case) shall have the right to pay or segregate to pay post-petition operating expenses (including payroll and payroll taxes) that accrued on or after April 27, 2026.

9. Reservation of Rights. The Parties each acknowledge and agree that: (a) nothing in this Stipulation shall constitute or be construed as an admission or adjudication, express or implied as to any matters concerning the Debtor, EAJF and/or the existence, extent, nature, validity, priority, and perfection of EAJF's asserted liens and claims against the Debtor, whether asserted or unasserted, or any issue of fact, law, or liability of any type or nature with respect to the foregoing; and (b) each of the Party's rights, claims and remedies are expressly reserved and preserved. Notwithstanding anything herein to the contrary, this Stipulation is without prejudice

to, and does not constitute a waiver of, expressly or implicitly: (a) EAJF's rights to seek any other or supplemental relief in respect of the Debtor; or (b) any rights of EAJF under the Bankruptcy Code or under non-bankruptcy law, including, without limitation, the right to request modification of the automatic stay of section 362 of the Bankruptcy Code.

10. No Releases. The Parties understand and agree that nothing in this Stipulation shall be deemed a release to EAJF or its respective affiliates, officers, directors, employees or professionals by or on behalf of the Trustee or the Debtor's estate.

11. No Third-Party Rights. Except as explicitly provided for herein, this Stipulation does not create any rights for the benefit of any third party, creditor, equity holder or any direct, indirect, or incidental beneficiary.

12. Survival. The provisions of this Order and any actions taken pursuant hereto shall survive entry of any Order that may be entered: (a) confirming any Chapter 11 plan in this case; (b) converting this Chapter 11 case to a case under Chapter 7 of the Bankruptcy Code; (c) dismissing this Chapter 11 case; or (d) pursuant to which the Court abstains from hearing this Chapter 11 case.

13. The terms and conditions of this Stipulation shall be immediately effective and enforceable upon its entry.

14. The Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Stipulation.

Dated: June 3, 2026

LaMONICA HERBST & MANISCALCO, LLP
Counsel to Lori Lapin Jones, Esq., solely as Chapter 11 Trustee

By: s/ Holly R. Holecek
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Dated: June 3, 2026

KEATING MUETHING & KLEKAMP PLL
Equal Access Justice Fund LP

By: s/ Jason V. Stitt
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IT IS SO ORDERED this 30th day of June 2026.

s/ David S. Jones
Honorable David S. Jones
United States Bankruptcy Judge