

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

SHARITY MINISTRIES, INC.,<sup>1</sup>

Debtor.

Chapter 11 (Subchapter V)

Case No. 21-11001 (JTD)

**Related to ECF No. 212**

**AMENDED DECLARATION OF ELEANOR HAMBURGER**

Eleanor Hamburger declares as follows:

1. I am a member in the law firm of Sirianni Youtz Spoonemore Hamburger PLLC. (“**SYSH**”), located in Seattle, Washington. I am a member of the Bars of the States of Washington and California (inactive), and the federal courts in Washington state. I have been admitted *pro hac vice* in this matter.

2. I submit this Declaration in support of the Application of the Official Members’ Committee for Order Authorizing Employment and Retention of Sirianni Youtz Spoonemore Hamburger PLLC (“**SYSH**”) and Mehri & Skalet PLLC (“**M&S**”) as Co-Counsel (the “**Application**”), seeking an order pursuant to section 1103 of Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “**Bankruptcy Code**”), Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 2014-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), authorizing the Committee to employ and retain SYSH and M&S as its co-counsel effective as of August 29, 2021.

3. Unless otherwise stated, I have personal knowledge of the following. To the extent that any information disclosed requires amendment or modification upon SYSH’s

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<sup>1</sup> The last four digits of the Debtor’s federal tax identification number is 0344. The Debtor’s mailing address is 821 Atlanta Street, Suite 124, Roswell, GA 30075.

further analysis or as additional party-in-interest information becomes available to it, we will submit a supplemental declaration.

***Background and Experience***

4. I have worked my entire career representing individuals and classes regarding access to health care and health benefits. I graduated from New York University School of Law in 1993 where I was a Root-Tilden-Snow Scholar. In 2004, I joined the Seattle law firm of Sirianni Youtz Meier & Spoonemore, now Sirianni Youtz Spoonemore Hamburger, representing clients in business litigation, insurance coverage disputes, ERISA health/disability and pension/profit-sharing litigation, and securities fraud. I have been a partner at the law firm since 2009.

5. I am or have been class counsel in dozens of class action lawsuits over the course of my career. The vast majority of these cases relate to health coverage disputes. The following are a representative sample of those cases: *D.T. v. NECA/IBEW Family Care Plan, et al.*, No. C17-00004 RAJ, Federal District Court, Western District of Washington; *B.E. v. Teeter*, No. 2:16-cv-00227-JCC, Federal District Court, Western District of Washington; *Dunakin v. Quigley*, No. C14-0567-JRL, Federal District Court, Western District of Washington, *Z.D. v. Group Health Cooperative*, No. 2:11-CV-01119-RSL, Federal District Court, Western District of Washington; *Gabriel, et al. v. Nationwide Life Ins. Co.*, Federal District Court, Western District of Washington, No. 09-CV-00508-JCC; and *O.S.T. v. Regence BlueShield*, No. 11-2-34187-9 SEA, King County Superior Court. I have also represented many individuals who challenged denials of coverage for health care services by third-party payors including insurers. *See e.g., Camp et al., v. Washington State Health Care Authority*, No. 20-2-01813-34, Thurston County Superior Court (2020); *Stabelfeldt v. Kaiser*, No. 18-2-00939-1 SEA, King County Superior Court (2018); *A.A. v. Blue Cross Blue Shield of Ill.*, No. 2:13-cv-00357-RSM, Federal District Court, Western District of Washington (2014); *K.F. v. Regence BlueShield*, 2008 WL 4223613 (W.D. Wash. 2008).

6. My law firm and I have already committed significant resources to this litigation and the five class action lawsuit in which we represent the Debtor's members. We have spent a considerable amount of time investigating the possible claims and defenses that may be brought by the Debtor against third parties. Our efforts in this matter will build upon the hundreds of hours of work performed by our law firm in the following class action lawsuits in which we represent Sharity/Trinity members:

- *Jackson et al., v. The Alieria Companies, Inc., Alieria Healthcare Inc., Trinity Healthshare Inc.*, No. 2:19-cv-1281 (J. Rothstein, W.D. Wash.), (Co-counsel are Myers & Company, PLLC of Seattle Washington, and Mehri & Skalet, Washington D.C.);
- *Duncan v. The Alieria Companies, Inc., Trinity Healthshare Inc., OneShare Health LLC*, No. 2:20-cv-867-TLM-KJM (J. Nunley, E.D. Cal.), (Co-counsel are Myers & Company, PLLC of Seattle Washington and Feinberg, Jackson, Worthman & Wasow, LLP, of Oakland, CA);
- *Kelly et al. v. The Alieria Companies, Inc, Trinity Healthshare Inc.*, No. 3:20-cv-05038-MDH (J. Harpool, W.D. Mo) (Co-counsel are Myers & Company, PLLC of Seattle Washington, and Mehri & Skalet, Washington D.C.);
- *Smith et al., v. The Alieria Companies, Inc., Trinity Healthshare Inc, OneShare Health LLC*, No. 1:20-cv-02130-RBJ (J. Jackson, D. Colo.) (Co-counsel are Myers & Company, PLLC of Seattle Washington, local counsel are Michael Best & Company, Denver, CO);
- *Albina et al. v. The Alieria Companies, Inc. Trinity Healthshare Inc., OneShare Health LLC*, No. 5:20-cv-496-JMH (J. Hood, E.D. Ky.) (Co-counsel are Garmer & Prather, PLLC, Varellas & Varellas, Handley Farah & Anderson PLLC);

(the “**Class Action Lawsuits**”). The Class Action Lawsuits allege breach of insurance contracts by Alera, seeking a return of either monthly premium payments or coverage for unpaid medical expenses, that would have been covered, had the Sharity Members been sold an authorized insurance product. In each of these lawsuits, SYSH has in place co-counseling agreements that have been approved by the class action plaintiffs that provide for sharing of any attorneys fees awarded in the class action among the co-counsel. The Alera Companies, Inc., a defendant in each of the Class Action Lawsuits, and its subsidiaries are listed as creditors in this action. The law firm of Mehri & Skalet is co-counsel in two of the cases.

***SYSH is a Disinterested Person***

7. In preparing this Declaration, SYSH ran a conflict check in order to ensure full compliance with the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the guidelines established by the United States Trustee regarding retention of professionals under the Bankruptcy Code (the “**Disclosure Procedures**”). SYSH performed an examination and comparison of a comprehensive list provided by the Debtors’ counsel, attached as **Exhibit 1**, of the names of entities who may be parties in interest (collectively, the “**Potential Parties In Interest**”) in this Subchapter V case. These Potential Parties In Interest include:

- (a) Debtor’s current and former directors and officers;
- (b) Debtor’s banks;
- (c) Professionals representing Debtor;
- (d) Creditors and parties in interest (excluding SYSH’s co-counsel in this matter and in certain Class Actions noted in ¶ 6 above that are listed on Debtor’s counsel’s list);
- (e) Contract counterparties and vendors;
- (f) Regulatory authorities; and
- (g) Office of the United States Trustee and Bankruptcy Judges for the District of Delaware.

SYSH then compared each of the Potential Parties In Interest to the names that SYSH has compiled in a computerized master client database, comprising the names of its current and former clients, and the names of the parties who were related to or adverse to those clients.

8. Based upon that review, and to the best of my knowledge, I have concluded that neither I nor any member or associate of SYSH represents professionally or is associated with the Debtor, its creditors or any other Potential Parties In Interest.

9. The Court should also note that SYSH has received hundreds of calls from Debtor's members regarding unpaid medical bills, and SYSH has, as a courtesy, written letters on behalf of many of those members to their health care providers requesting that they put collection of bills on hold while the Class Action Cases and this Bankruptcy matter proceed. Included among the member for whom SYSH has written letters are Committee Members Cynthia Briseno and Celeste Stranahan.

10. In order to protect the interests of all of the Debtor's members by the previous bar date of September 7, 2021 (and before the bar date had been extended to January 4, 2021), I submitted a proof of claim on behalf of all of the AlierCare plaintiffs and, in turn, on behalf of all other similarly situated Sharity/Trinity members, with the assistance of counsel from Stevens & Lee. The Committee of Members was aware that the nationwide proof of claim would be submitted by our law firms and agreed that it was prudent to do so in order to best protect the interests of the Debtor's members.

11. Based upon the foregoing, after diligent inquiry, I believe that SYSH does not hold or represent an interest adverse to the Committee of Members in matters upon which SYSH is to be employed and has no connection with the Committee of Members or other parties in interest except as otherwise disclosed.

12. SYSH therefore is a "disinterested person" as defined in section 101(14) of the Bankruptcy Code, in that SYSH, its members, and associates:

- (a) are not creditors, equity security holders or insiders of the Debtor;

- (b) are not and were not, within two years before the Debtor commenced this case, directors, officers or employees of the Debtor; and
- (c) do not have an interest materially adverse to the interests of the Committee of Members or of any class of the Debtor's members.

13. The individuals presently designated to represent the Committee are the undersigned, Eleanor Hamburger, (Member), whose standard hourly billing rate is presently \$665.00, and certain other SYSH members and associates, the standard hourly billing rates for whom range from \$595.00 to \$665 an hour, and who may from time to time render required services. Despite their hourly billing rate, SYSH will seek compensation for its attorney fees on a contingent basis as described in the attached retainer agreement and addendum, and subject to court approval. No fees obtained by SYSH in this bankruptcy proceeding will be shared with the co-counsel in the

14. It is SYSH's policy to charge its clients in all areas of practice for all out-of-pocket expenses incurred in connection with a particular representation. The expenses charged to clients include, among others, for telecopying, mail and express mail, stenographic reporting expenses, document reproduction, computerized research, travel, contract messenger service and toll telephone calls. SYSH will charge the Committee for those expenses in a manner and at rates consistent with charges made generally to the firm's other clients but subject in all cases to the limits and requirements of this Court's Local Rules.

15. SYSH has received no assurances concerning compensation in this case other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules and orders of this Court. SYSH and M&S have no agreement with any other entity to share any compensation received by SYSH and M&S in connection with this case or the representation of the Committee. SYSH and M&S will not share compensation from this bankruptcy proceeding with any other counsel, including the co-counsel in the Class Action Lawsuits.

16. As noted above, and in the interest of full transparency, SYSH has an agreement with its co-counsel in the Class Action Lawsuits to share any compensation in connection with those Lawsuits with its co-counsel in each Lawsuit. SYSH has also disclosed its representation of the Committee to its existing clients in the Class Action Lawsuits, and none have objected to SYSH's representation of the Committee of Members.

17. SYSH has established a separate billing code for the work performed on behalf of the Member Committee so that it may be distinguished from the work on behalf of the Class Action Lawsuits. Additionally, the potential claims brought on behalf of the Debtor or the anticipated Liquidated Trust are different from the breach of insurance contract claims that are brought in the Class Action Lawsuits. As a result, the work performed in furtherance of each of these claims is easily distinguished and attributable to the correct client.

18. Based upon the foregoing, I respectfully request that the Court grant the relief sought in the Application.

19. Pursuant to 28 U.S.C. § 1746, I certify under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: October 8, 2021

/s/ Eleanor Hamburger  
Eleanor Hamburger

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	
	)	Chapter 11 (Subchapter V)
SHARITY MINISTRIES, INC.,	)	Case No. 21-11001 (JTD)
	)	
Debtor. <sup>1</sup>	)	
	)	

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**CERTIFICATE OF SERVICE**

I, David W. Giattino, hereby certify that, on October 8, 2021, I caused a true and correct copies of the *Amended Declaration of Eleanor Hamburger* to be served on all parties in interest through the Court’s CM/ECF system.

Dated: October 8, 2021  
Wilmington, Delaware

Respectfully submitted,

/s/ David W. Giattino  
 David W. Giattino (No. 5614)  
**STEVENS & LEE, P.C.**  
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 Wilmington, Delaware 19801  
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*Proposed Counsel to the Official Committee of  
Members of Sharity Ministries, Inc.*

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<sup>1</sup> The last four digits of the Debtor’s federal taxpayer identification number are 0344. The Debtor’s mailing address is 821 Atlanta Street, Suite 124, Roswell, Georgia 30075.